

**Awareness, practices and treatment of
Extra-Role Behaviour (ERB) in
Performance Measurement Systems
(PMS) of Malaysian Small and Medium
Enterprises (SME)**

Syamsul Azri bin Abdul Rahman

Department of Accounting and Finance
University of Strathclyde

Thesis submitted in fulfilment of the requirements for
the degree of Doctor of Philosophy

November 2015

This thesis is the result of the author's original research. It has been composed by the author and has not been previously submitted for examination which has led to the award of a degree.

The copyright of this thesis belongs to the author under the terms of the United Kingdom Copyright Acts as qualified by University of Strathclyde Regulation 3.50.

Due acknowledgement must always be made of the use of any material contained in, or derived from, this thesis.

Signed:

Date:

Acknowledgement

All praise is due to Allah SWT who gave blessing, strength and knowledge in finishing this thesis. Furthermore, there are a number of people without whom this thesis might have not been written and to whom I am greatly indebted.

I would like to express my honest and deepest appreciation to Dr Julia A. Smith, of the University of Strathclyde, for her continuous guidance and persistent support throughout the last four years, in her capacity as first supervisor. My sincere gratitude is also conveyed to Professor Christine Cooper, of the University of Strathclyde, for her supporting role as a second supervisor particularly during the first six months of my doctoral studentship. Special thanks go to the all dedicated administrative staff of the Department of Accounting and Finance, and mainly to Ms. Lorna Carlaw, for all their support.

I am also obliged to appreciate all my friends and colleagues in the Department of Accounting and Finance, who have persistently helped and shared valuable knowledge throughout my study's tenure. A special thanks to 'Komuniti Malaysia Glasgow', as well as Malaysian friends and families for their support and encouragement to my family while living here in Glasgow.

Last, but by no means least, all my gratitude to my beloved mother, my wife, as well as my Maryam, Hafsah, Haajar and Muhammad for their endless love, patience, understanding and support.

Abstract

The importance of performance measurement system (PMS) is unquestionably accepted by both academics and practitioners to help a business organization to achieve its desired objective of increasing overall effectiveness and performance. It has been studied extensively for decades in the literature, in order to find the appropriate and best features of a PMS that could adapt to vibrant and ever-changing business environments surrounding the organization, and thus eventually drive superior performance. However, there is a lack of studies in the PMS literature of a good and suitable framework designed specifically for small and medium sized enterprises (SMEs), as most previous frameworks adopted from large organizations fail to fit the smaller sized business unit.

The importance and emergence of human or behavioural elements and the positive impact of extra-role behaviour (ERB) on business performance have motivated this study to explore and study the possibility of formally embracing ERB as a part of performance measures in a PMS for SMEs. This study also aims to make a significant contribution to the existing dominant European and Western literature by focusing on fieldwork in Asian businesses (Malaysian SMEs). Evidence from 26 semi-structured face-to-face interviews with employees and owner-managers in six SMEs provides a new set of empirical data in the PMS area, which was previously dominated by larger organizations.

The findings of this study show that the criteria for the PMS in our respondents' SMEs are directly and closely related to human and behavioural factors. Both quantitative and qualitative evidence show that respondents perceived and admitted that their employees' behaviour is very important in their day-to-day working environment. Most of them also opted for the formal treatment of ERBs in their organization in the future, as they perceived positive effects from formally measuring ERBs.

This study contributes to both academic literature and to practice. Several factors have been drawn from the fieldwork evidence in supporting ERB as an appropriate new measure for PMS. ERB as workplace spiritual element, innovative action, and its relationship with the PMS and working environment are all highlighted by this study in contributing to the overall effectiveness of an organization. At the same time, this study contributes to the recent discussion on the definition of ERB which advocates different levels of volunteering in ERB. As far as practice is concerned, managers could benefit from this study by getting valuable information on the effects and barriers of formally measuring ERB.

Finally a new conceptual model for the design and development of PMS, incorporating the working environment, extra-role behaviour, and performance measurement system, is developed and discussed. It is anticipated that this model could be applied in practice by SMEs wishing to improve their PMS.

Table of Contents

Chapter 1: Introduction	1
1.1 Introduction	1
1.2 Background to the study.....	2
1.2.1 Small and Medium Enterprise (SME)	3
1.2.2 SMEs in Malaysia.....	8
1.3 Research objective and research questions	11
1.4 Structure of the thesis	13
1.5 Conclusion.....	16
Chapter 2: Performance Measurement System (PMS) and Extra-Role Behaviour (ERB)	18
2.1 Introduction	18
2.2 Importance of a Performance Measurement System (PMS).....	21
2.3 Evolution of the PMS framework.....	28
2.4 Importance of Extra-Role Behaviour (ERB) in Organizations.....	39
2.5 Dimensions of Organizational Citizenship Behaviour (OCB/ERB)	41
2.6 Antecedents of OCB/ERB	49
2.7 Consequences of OCB/ERB	54
2.8 Behavioural dimension as the next measure of the PMS framework	58
2.8.1 Future measures proposed in PMS framework	58
2.8.2 The behavioural element as a part of human capital in an organization	60
2.8.3 Influence of behavioural factors on the performance of an organization	62
2.8.4 Types of behaviour in an organization.....	64
2.8.5 Employee perspective and behavioural measures in existing frameworks.....	66
2.9 Formally measuring ERB in organizations.....	70
2.9.1 OCB and ERB	72
2.9.2 Consequences of formally measuring the ERB in organizations.....	75
2.9.3 Ways to minimize the possible negative effects of measuring ERB	77
2.10 Conclusion.....	79
Chapter 3: Methodology.....	80
3.1 Introduction	80
3.2 Philosophical worldviews/research paradigms	80
3.2.1 Epistemology and ontology	81
3.2.2 Positivism as a dominant research paradigm in management accounting	82

3.2.3 Interpretivism as an alternative research paradigm in management accounting	83
3.3 Research design/approach	85
3.3.1 Quantitative approach	86
3.3.1.1 Experimental research	86
3.3.1.2 Survey research	87
3.3.2 Qualitative approach	87
3.3.2.1 Ethnography research	87
3.3.2.2 Phenomenological research	88
3.3.2.3 Narrative research	88
3.3.2.4 Grounded theory	88
3.3.3 Mixed methods strategies	89
3.3.4 Case studies as a chosen research method	91
3.3.5 Data collection method/tools	94
3.4 Fieldwork of the study	97
3.4.1 Preliminary unstructured fieldwork	98
3.4.2 Respondents in Malaysia	100
3.4.2.1 Case study sampling in Malaysia	101
3.4.2.2 Sample of six Malaysian SMEs	102
3.4.3 Semi-structured interviews schedule	103
3.4.4 Questionnaires	108
3.4.4.1 Questionnaire development	108
3.4.4.2 Questionnaire coding	112
3.4.5 Observations	113
3.4.6 Documents review	114
3.5 Quantitative database construction	115
3.5.1 Extraction from questionnaire	115
3.5.2 Respondent quantitative dataset	117
3.6 Ethical considerations	120
3.7 Conclusions	122
Chapter 4: Quantitative Evidence	123
4.1 Introduction	123
4.2 Quantitative data analysis	123
4.2.1 Summarizing data / descriptive statistics	124
4.2.1.1 Respondents' background data	124

4.2.1.2 ERB and PMS data.....	131
4.2.2 Differences and relationships between two variables	140
4.2.2.1 Gender difference and effect on PMS	142
4.2.2.2 Hierarchical effects on PMS.....	144
4.2.2.3 Correlations among elements of the working environment	148
4.3 Conclusions	155
Chapter 5: Qualitative Data Collection – Six Malaysian SMEs Case Studies.....	157
5.1 Introduction	157
5.2 Case 1: Accounting and Management Services (ACCOUNTING)	157
5.2.1 Background of the company.....	157
5.2.2 Current practices of performance measurement system (PMS).....	159
5.2.3 Practicing and measuring extra-role behaviour (ERB).....	163
5.2.4 Working environment related to ERB.....	169
5.2.5 Potential approach and restrictions of ERB as part of PMS.....	171
5.2.6 Future plans for ERB.....	172
5.2.7 Summary on the implication of the case for PMS	174
5.3 Case 2: Furniture Maker (FURNITURE)	176
5.3.1 Background of the company.....	176
5.3.2 Current practices of performance measurement system (PMS).....	179
5.3.3 Working environment.....	181
5.3.4 Awareness of behavioural factors and perception on ERB elements.....	184
5.3.5 Measuring extra-role behaviour ERB.....	186
5.3.6 Future plan on PMS and ERB	191
5.3.7 Summary of the implication of the case for PMS	193
5.4 Case 3: Computer Sales and Services (COMPUTER)	195
5.4.1 Background of the company.....	195
5.4.2 ERB as part of current performance measurement practices	200
5.4.3 Effects of measuring ERB	208
5.4.4 Future plan on PMS and ERB	209
5.4.5 Summary on the implication of the case for PMS	212
5.5 Case 4: Decorative Lighting Enterprise (LIGHTING)	214
5.5.1 Background of the company.....	214
5.5.2 Current practices of performance measurement system (PMS).....	216
5.5.3 The behavioural dimension and ERB practices.....	220

5.5.4 Current treatment and the effect of ERB.....	224
5.5.5 Future plan for ERB and PMS.....	228
5.5.6 Summary on the implication of the case for PMS	231
5.6 Case 5: Motel Holiday (MOTEL)	233
5.6.1 Background of the company.....	233
5.6.2 Current performance measurement practices and working principles.....	236
5.6.3 Behavioural working environment and the practices of ERB	243
5.6.4 Current treatment of ERB	249
5.6.5 Future plan on ERB and PMS	251
5.6.6 Summary on the implication of the case for PMS	253
5.7 Case 6: Legal Practice Services (PRACTICE).....	255
5.7.1 Background of the company.....	255
5.7.2 Current practices of performance measurement system (PMS).....	258
5.7.3 The behavioural dimension and Extra-Role Behaviour (ERB) practices.....	263
5.7.4 Current treatment and the effect of measuring ERB.....	269
5.7.5 Future plan for ERB and PMS.....	272
5.7.6 Summary on the implication of the case for PMS	276
5.8 Conclusion.....	277
Chapter 6: Cross-case Analysis.....	280
6.1 Introduction	280
6.2 Comparative summary of the background data from the six cases of SMEs	280
6.3 Performance measurement system (PMS) of the six cases of SMEs.....	282
6.4 Extra-role behaviour (ERB) of the six cases of SMEs.....	284
6.5 Working environment relation to ERB in the six cases of SMEs.....	286
6.6 Issues highlighted from the six cases of SMEs	292
6.6.1 PMS and ERB: Comparison between SMEs and large organizations	292
6.6.2 Measuring ERB: The issue of formal and informal measuring systems.....	300
6.6.3 ERB as a new criterion (framework) for PMS.....	305
6.6.3.1 Non-financial measures	306
6.6.3.2 Long term and strategic advantage	307
6.6.3.3 Enabling PMS rather than coercive control	311
6.6.4 The barriers and possible disadvantages of formally measuring ERB	314
6.6.4.1 Issue of fairness and honesty.....	314
6.6.4.2 Sensitive or personal issues	317

6.6.4.3 Time factors	318
6.6.5 ERB as part of workplace spirituality element and its effects on organizational performance	320
6.7 Addressing the research question	322
6.8 Conclusion.....	328
Chapter 7: Summary and Conclusions	329
7.1 Introduction	329
7.2 Reconciliation of quantitative and qualitative findings	329
7.2.1 SMEs and the individual respondent’s background.....	330
7.2.2 Extra-role behaviour (ERB) and the performance measurement system (PMS)	331
7.2.3 Relationship of working environment and ERB in SMEs.....	334
7.3 Contributions and implications of the study	335
7.3.1 Contribution to research with a new set of evidence from Malaysian SMEs.....	335
7.3.2 Contribution to management accounting	336
7.3.2.1 The appropriateness of ERB as a new measure for PMS.....	336
7.3.2.1.1 ERB as a leading indicator	337
7.3.2.1.2 ERB as a sustainability measure.....	338
7.3.2.1.3 ERB as long term and strategic measure	339
7.3.2.1.4 ERB as a coordination effort	339
7.3.2.1.5 ERB as an enabling effort	340
7.3.2.2 Implications of ERB on innovative and control of PMS	341
7.3.2.3 Implications of ERB on organizational effectiveness	342
7.3.2.3.1 ERB as workplace spiritual element.....	342
7.3.2.3.2 Innovative actions of ERB in SMEs	343
7.3.2.3.3 Relationship between ERB, PMS, working environment and organizational performance	344
7.3.2.4 Implications of ERB and PMS on the size of an organization.....	346
7.3.3 Contribution to academic and practice	347
7.3.3.1 Implications for academics	347
7.3.3.2 Implications for owner-managers to formally measure ERB.....	348
7.3.3.2.1 Advantages of formally measuring ERB	348
7.3.3.2.2 Disadvantages of formally measuring ERB	349
7.3.3.2.3 Barriers of formally measuring ERB	350
7.4 Limitations of the study	351
7.4.1 Generalizability	351

7.4.2 Accessibility and limited timeframe.....	352
7.4.3 Responses from low level hierarchy	352
7.4.4 Relatively small number of respondents on questionnaires interviews.....	353
7.5 Suggestions and recommendation for future research.....	353
7.5.1 Suggestions in methodology.....	353
7.5.2 Suggestions for the subject of study.....	355
7.5.3 Suggestions for the analysis of findings.....	355
7.6 Summary and Conclusions.....	356
References	359
Appendices.....	379

Table of Figures

Figure 2.1: Evolution of the field of performance measurement	34
Figure 2.2: Four evolutionary paths of performance measurement	36
Figure 2.3: Development of the performance measurement field and emerging themes..	38
Figure 2.4: Antecedents of ERB/OCB	53
Figure 2.5: Balanced Scorecard.....	67
Figure 2.6: Performance Prism.....	68
Figure 2.7: Macro Process Model	69
Figure 2.8: EFQM Excellence Model	70
Figure 2.9: Potential consequences of formally evaluating and rewarding ERBs.....	76
Figure 3.1: SPSS data view	119
Figure 3.2: SPSS variable view	119
Figure 3.3: SPSS data view for working environment	120
Figure 4.1: Size - Number of employee.....	125
Figure 4.2: Size - Annual sales turnover.....	125
Figure 4.3: Total values of assets.....	126
Figure 4.4: Number of years in operation.....	128
Figure 4.5: Respondents' work experience.....	129
Figure 4.6: Respondents' gender composition.....	129
Figure 4.7: Respondents' hierarchy level composition.....	130
Figure 4.8: Current KPI.....	132
Figure 4.9: Working environment	133
Figure 4.10: Importance of behaviour element.....	133
Figure 4.11: Practice of ERB	135
Figure 4.12: ERB contribution	136
Figure 4.13: Approach of measuring ERB	138
Figure 4.14: Work element to be improved	139
Figure 5.1: Organization chart	160
Figure 5.2: Organization chart	179
Figure 5.3: Organization chart	199
Figure 5.4: Organization chart	216
Figure 5.5: Organization chart	235
Figure 5.6: Organization chart	257
Figure 6.1: ERB related elements of the working environment	289
Figure 7.1: ERB, PMS, working environment and organizational performance	344

List of Tables

Table 1.1: Characteristics of SME	4
Table 1.2: PMS requirement for SMEs	5
Table 1.3: Definition of SME	10
Table 1.4: Definition of SME by size of operation	10
Table 2.1: The consequences of contemporary PMS	25
Table 2.2: The taxonomy of dysfunctional consequences of PMS	27
Table 2.3: Model and framework of PMS in large companies	28
Table 2.4: Model, framework and researches of PMS in SMEs	29
Table 2.5: Comparison between traditional and contemporary PMSs	31
Table 2.6: Evolution of PMS notions	32
Table 2.7: The evolution of performance measurement	33
Table 2.8: The dimensions and characteristics of ERB/OCB	46
Table 2.9: Antecedent of ERB/OCB	50
Table 2.10: The nine aspects of the performance management analysis (PMA)	63
Table 2.11: Ways to minimize the negative effects of measuring ERB	78
Table 3.1: Types of accounting case study	93
Table 3.2: Overview of information needed	96
Table 3.3: Access to the fieldwork research in SMEs	99
Table 3.4: Demographic and background of respondent (SMEs)	103
Table 3.5: Respondents (individual) of the study	104
Table 3.6: Agenda of the interview	110
Table 3.7: Observation note	114
Table 3.8: List of questions related to quantitative evidence.....	116
Table 3.9: Terms to describe variables in SPSS	118
Table 4.1: Background of SMEs	124
Table 4.2: Demographic and background of individual respondents	127
Table 4.3a: GENDER * KPICUST Cross tabulation	142
Table 4.3b: Chi-Square Tests GENDER * KPICUST	142
Table 4.4a: Ranks on GENDER	143
Table 4.4b: Test Statistics on GENDER	143
Table 4.5a: OWNER * KPIHR Cross tabulation	145
Table 4.5b: Chi-Square Tests OWNER * KPIHR	145
Table 4.6a: ASSESS * KPIFIN Cross tabulation	145
Table 4.6b: Chi-Square Tests ASSESS * KPIFIN	145
Table 4.7a: Ranks on OWNER	146
Table 4.7b: Test Statistics OWNER	146

Table 4.8a: Ranks on ASSESS	146
Table 4.8b: Test Statistics on ASSESS	146
Table 4.9: Correlation of WORKA	149
Table 4.10: Correlation of WORKD	149
Table 4.11: Correlation of WORKL	150
Table 4.12: Correlation of BEHAV	150
Table 4.13: Correlation of WORKH and WORKI	151
Table 4.14: Correlation of WORKO and WORKR	151
Table 4.15: Correlation of WORKF and WORKN	151
Table 4.16: Correlation of ERB related elements	152
Table 5.1: ERB practices	164
Table 5.2: Observation of good working environment	169
Table 5.3: ACCOUNTING working environment	171
Table 5.4: FURNITURE working environment	181
Table 5.5: Observation of working environment	183
Table 5.6: General reminder	187
Table 5.7: Services offered	195
Table 5.8: ERB practices	204
Table 5.9: Observation of working environment	205
Table 5.10: COMPUTER working environment	207
Table 5.11: Job scope for LIGHTING	218
Table 5.12: LIGHTING working environment	221
Table 5.13: Observation of working environment	222
Table 5.14: ERB practices in LIGHTING	223
Table 5.15: MOTEL working environment	244
Table 5.16: Observation of working environment	246
Table 5.17: ERB practices in MOTEL	247
Table 5.18: PRACTICE working environment	263
Table 5.19: Observation of working environment	265
Table 5.20: Events involved or organised organized by PRACTICE	266
Table 5.21: ERB practices in PRACTICE	267
Table 6.1: Backgrounds of the SMEs	281
Table 6.2: Performance measurement system (PMS)	282
Table 6.3: Extra-role behaviour (ERB)	284
Table 6.4a: ERB related elements of the working environment	287
Table 6.4b: ERB related elements of the working environment	288

List of Abbreviations

ABC	Activity Based Costing
ABM	Business Excellence Model
BSC	Balanced Scorecard
CCTV	Closed Circuit Camera/ Television
CET	Cognitive Evaluation Theory
CTB	Core Task Behaviour
DPMS	Dynamic Performance Measurement System
EFQM	The European Foundation for Quality Management
ERB	Extra-Role Behaviour
EVA	Economic Value Added
GDP	Gross Domestic Product
HRA	Human Resource Accounting
IT	Information Technology
KPI	Key Performance Index
LESL	Lanarkshire Enterprise Services
MCS	Management Control System
NSDC	National SME Development Council
OCB	Organizational Citizenship Behaviour
OCB-I	Organizational Citizenship Behaviour - Individual
OCB-O	Organizational Citizenship Behaviour - Organization
PMA	Performance Management Analysis
PMS	Performance Measurement System
ROCE	Return on Capital Employed
ROE	Return on Equity
ROI	Return on Investment
SE	Scottish Enterprise
SMART	Strategic Measurement Analysis and Reporting Technique
SME	Small and Medium Enterprise
SPSS	Statistical Package for The Social Sciences
UEC	University Ethics Committee
USA	United States of America

Chapter 1: Introduction

1.1 Introduction

Generally, the objective of this study is to explore the extra-role behaviour (ERB) elements within performance measurement systems (PMS) in small to medium enterprises (SMEs). ERB, which has been widely researched in the management and human resources area, appears to offer appropriate benefits when attached to the PMS in a management accounting context. This study aims to make a significant contribution to the existing literature on PMS and SMEs, based on empirical evidence from primary source data, gathered through face-to-face semi-structured interviews, observations and document reviews. The main theme of this study is to look into the introduction and use of ERB elements as part of a formal measuring system (PMS) of SMEs.

Firstly, this study considers the current gap in PMS, especially in the SME setting, where there is still a lack of literature discussing the PMS framework, specifically for a small business organization. SMEs are shown, in the first place, to provide a different business setting, compared to larger business organizations. Then, evidence from Malaysia, which is categorised as a body of Asian data, is assumed to contribute to the existing dominant Western businesses literature in PMS and ERB. A semi-structured questionnaire is developed, to be used in fieldwork for gathering empirical evidence on the treatment of ERBs in SMEs, and how these could be incorporated into their PMS in the future. It is also designed to gather evidence on the current practices of PMS and the possible effects of ERBs, if used as part of a formal PMS in an SME. The evidence and discussion of connections between ERB and PMS in this study make a significant contribution to both the areas of human resource management and management accounting. At the same time, evidence from Malaysian SMEs, as a setting of this study, is unique and considered to be an

important contribution of Asian businesses, not only to the PMS and ERB research area, but also to small business organizations, generally.

This study therefore contributes to the academic literature on both management accounting and human resource management, as well as to practice. In the management accounting area, in supporting ERB as an appropriate new measure to be introduced to PMS, this study draws several factors from the fieldwork evidence, including: a leading indicator factor; a sustainability factor; long term and strategic factors; as well as coordination and enabling effort factors. Another implication which could also be grasped from this study is the critical issue of striking a balance between control and innovation of the PMS. ERB is also perceived as workplace spiritual element, and innovative action in contributing to the betterment of organizational performance. It is once again perceived to contribute to the overall effectiveness of an organization through its relationship with PMS and the working environment.

Meanwhile in the human resources area, this study contributes to recent discussion on the definition of ERB, specifically focusing on the discretionary and reward elements. It highlights the migration issues of ERB by suggesting there are different levels or degrees of volunteering in ERB. Finally, in practice, managers may benefit from this study by getting more information on the advantages and disadvantages of formally measuring ERB within an organization, as well as the barriers of that formal approach.

1.2 Background to the study

A performance measurement system (PMS) is one of many tools used to drive the overall business organizational performance. However, there are a few long standing issues attached to the system such as finding the best features of PMS and the appropriateness of the framework to achieve particular business organizations' objectives. This study was

prompted by the gap left in the existing literature of PMS, especially in small to medium sized business organizations (SMEs). At the same time, this study also focuses on gathering information and contributing to the existing literature of Western dominant databases in the PMS and management accounting area by undertaking fieldwork study on Malaysian SMEs (Asian business data). Adopting widely known elements from human resources management, this study explores the possibility of PMS to incorporate and use extra-role behaviour (ERB) as one of the solutions to improve the features of good PMS.

There exists a great amount of work related to PMS (e.g., Franco-Santos, et al., 2012; Srimai et al., 2011; Taticchi et al., 2010) and ERB (e.g. Bachrach et al., 2006; Griffin et al., 2007; Nielsen et al., 2009; Podsakoff et al., 2009) in management accounting and management areas of study, but most choose to focus more on larger corporations than smaller business entities. The same is true regarding the geographical issue, as most of the studies concentrate on Western business organizations, with only a handful of studies in PMS and ERB focusing on other parts of the world. In the following subsections, discussions on the study setting which involves the comparisons between SME and large organizations, as well as the significance of Malaysian SMEs to this study are presented. Meanwhile, thorough revisions and discussions on PMS and ERB are presented in the next chapter including the importance or significance of PMS and ERB, evolution of PMS frameworks and models, influences of behavioural factors and the impact of measuring ERB in an organization.

1.2.1 Small and Medium Enterprise (SME)

Looking at the SME rather than large business setting has required this study to recognize several important features of small companies, which assumes to bring different effects compared with the big or large-sized business organization. Furthermore, the diversity of effect from different business size settings are specifically analysed from the two perspectives of this study, which are PMS and ERB. Firstly characteristics of SMEs, which

have been exposed in the literature, were studied in general, before they were further analysed and associated with PMS and ERB. SMEs basically look different to larger organization due to the characteristics as listed in Table 1.1 below.

Table 1.1: Characteristics of SME

CHARACTERISTICS	REFERENCES
<ul style="list-style-type: none"> • Small workforce and flat organizational structure. 	<ul style="list-style-type: none"> • Cocca and Alberti, 2010; Garengo et al., 2005; Groen et al., 2012; Woolderink, 2010.
<ul style="list-style-type: none"> • Less proper documentation and operating with a more informal approach; such as communication among staff, training, appraisals and recruitment practices. 	<ul style="list-style-type: none"> • De Kok and Uhlener, 2001; Woolderink, 2010.
<ul style="list-style-type: none"> • Owner has a central role and more influence. 	<ul style="list-style-type: none"> • Cocca and Alberti, 2010; Woolderink, 2010.
<ul style="list-style-type: none"> • Background, values, and beliefs of the owner have a large impact on the organization mainly based on personal skill and intuition (rather than on analysis of situations). 	<ul style="list-style-type: none"> • Cocca and Alberti, 2010; Woolderink, 2010.
<ul style="list-style-type: none"> • Behave in more reactive manner and thus the level of strategic planning is low, as well as no/less formalized decision making and strategy. 	<ul style="list-style-type: none"> • Garengo et al., 2005; Garengo and Bernardi, 2007; Groen et al., 2012; Haron et al., 2010; Hudson et al., 2001.
<ul style="list-style-type: none"> • More innovative and flexible. 	<ul style="list-style-type: none"> • Cocca and Alberti, 2010; De Kok and Uhlener, 2001; Mitchell and Reid, 2000; Watts and Baard, 2005.
<ul style="list-style-type: none"> • Immersions of owner-manager in daily operations and routines and neglecting organizational and managerial problems. 	<ul style="list-style-type: none"> • Garengo and Bernardi, 2007; Haron et al., 2010; Watts and Baard, 2005.
<ul style="list-style-type: none"> • Limited resources (e.g., personnel, managerial time, financial stability and security) and lack of managerial expertise. 	<ul style="list-style-type: none"> • Cocca and Alberti, 2010; Garengo et al., 2005; Hudson et al., 2001.
<ul style="list-style-type: none"> • Rely on limited customer base, but generally closer to customers and have the possibility to develop more personal relationships. 	<ul style="list-style-type: none"> • Cocca and Alberti, 2010.
<ul style="list-style-type: none"> • Employees are less specialized and perform a greater variety of tasks. 	<ul style="list-style-type: none"> • De Kok and Uhlener, 2001.
<ul style="list-style-type: none"> • Knowledge in SME is mainly tacit and context-specific, and thus makes it more difficult to be gathered. 	<ul style="list-style-type: none"> • Garengo et al., 2005; Groen et al., 2012.

Distinctive features of SMEs (Table 1.1) as compared to large organizations indicate that the development process and implementation of PMS require different types of needs in order for the process to be effectively and successfully established. Thus, the general requirements of PMS have to be adapted or tailored to the SMEs' specific needs and characteristics (Cocca and Alberti, 2010). This argument is also supported by Garengo and Bernardi (2007) when they highlight the right choice of PMS characteristics as well as the

business (SMEs) needs could lead to the implementation and use of the measurement system to support and increases organizational capability.

Among the characteristics of PMS specifically for SME, as outlined by Cocca and Alberti (2010), states that it needs to be very flexible, promptly changeable and maintainable, due to the highly dynamic and turbulent environment on the external business environment. The lack of resources also influence the choice of performance measures in SMEs, measures which should be as simple as possible, focusing on a few vital measures, as well as easily collectable measures, to at least match the cost of measuring performance with the expected benefit gained in future (Cocca and Alberti, 2010).

Table 1.2: PMS requirement for SMEs

PERFORMANCE MEASURE	PERFORMANCE MEASUREMENT SYSTEM	PERFORMANCE MEASUREMENT PROCESS
Link operations to strategic goals	All stakeholders considered	Periodic evaluation of existing PMS
Simple to understand and use	Flexible, rapidly changeable and maintainable	Long- and short-term planning
Clearly defined / explicit purpose	Balanced (internal/external, financial/non-financial)	Information sharing and communication
Stimulate continuous improvement / right behaviour	Easy to implement, use and run	Manager's commitment
Relevant and easy to maintain	Linked to rewarding system	Employee involvement/support
Easy to collect	Graphically and visually effective	Linking performance to compensation process
Provide fast, accurate feedback	Integrated with IS	IT infrastructure support
Planning future performance		Roles assignment and sharing of responsibilities
Promote integration		

Source: Extracted from Cocca and Alberti (2010)

More in-depth information on the main features of PMS in SME is displayed in the Table 1.2 above extracted from Cocca and Alberti (2010). They are relevant to ERBs, as one of the important elements of this study, which is to be adopted as part of performance measures in PMSs for SMEs. Throughout the thesis, there are discussions on the evidence gathered regarding the respondents' perception of using ERB as part of the performance measures in PMS. It looks parallel with the PMS requirements listed in the Table 1.2 above. All three

different aspects of PMS: performance measure; PMS as a whole; and the performance measures process as categorized in the table, are related to ERB to some extent.

Meanwhile, justifications to undertake a study on PMS in SMEs laid down in the literature is basically related to accessibility and the advantages of SMEs as a research setting compared to large organizations. Mitchell and Reid (2000) in a Management Accounting Research editorial report state that SMEs could be considered as a good opportunity for researchers to study management accounting (or PMS as a specific example in this study). Greater clarity and ease compared to larger and complex organizations; more clear observation of early formative management accounting in new business start-ups; and more practical observation of technical and organizational role levels in management accounting development, are among the arguments given by the editors. They also list the disadvantages of a larger firm setting such as geographical fragmentation, bureaucratic structures and processes (hiding informal practices), and constant multiplicity of dynamic influences on internal accounting. In summary of the issue of the research setting for management accounting, effort and approach, to understand and explain any issue in the area, such as PMS, it is better to start with the simplest setting, as it is applied in this study, and gradually progress to a more complex organizational setting.

Another justification to undertake a study on SMEs is the opportunity to overcome the weaknesses of PMS in SMEs as revealed in a study completed by Cocca and Alberti (2010). In the study, data from the survey on PMS, specifically in the SME setting, concludes the main weaknesses of PMS are closely related to the issue of scope of measurement, data collection and data storage. SMEs are also reported as suffering from lack of IT infrastructure and being heavily reliant on financially based systems. In addition, PMS in SMEs appears difficult to manage due to communication issues, the use of performance measures as well as the low quality of performance measurement processes. Thus, this

study could contribute certain solutions to overcome the weaknesses by suggesting ERB as part of performance measures in PMS.

An abundance of performance measurement literature related to large companies, and arguably significant lack of the same literature in SMEs, could be explained together as one justification to complete this study on SMEs. The main finding from Taticchi et al. (2010), perhaps as one of the comprehensive studies on PMS literature, shows a certain maturity related to large companies, as they list 25 models and frameworks for large companies (see Table 2.3 in Chapter 2). However, even with 18 different frameworks for SMEs (see Table 2.4 in Chapter 2) they still argue that as a significant lack of performance measurement studies in small-to-medium sized businesses. In relation to the explanation on immaturity of the literature in an SME setting, the evolution of PMS research, specifically in SMEs, can be briefly summarised below:

1. 1980s: first introduction of performance measurement models for large companies
2. Mid 1990s: first research on performance measurement related to SMEs (basically laid in financial performance measures used in large companies such as ROI, ROE, and ROCE).
3. Early 2000s: two directions of research, the first and main one is the application/adaptation of the models developed for large companies such as: Balanced Scorecard (BSC), Business Excellence Model (BEM), and Activity Based Costing (ABC); meanwhile the second direction, is the development of specific models for SMEs.
4. 2001-2002: The cessation of development of integrated frameworks in favour of research into more specific issues.

In short, the justifications to undertake a study in SMEs are generally due to the immaturity of the SME literature, as well as unsuccessful implementation or utilization of a PMS model (normally developed for large organizations) within SMEs (Taticchi et al., 2010). Hence, several suggestions from the study (Taticchi et al., 2010) recommend that future research in SMEs should focus on the early conditions for PMS implementation, as well as on the development of specific PMS models tailor-made to SME characteristics and needs. As a conclusion to this section's discussions, this study has taken a challenge to introduce a behavioural element (ERB) as part of a new and specific PMS model accustomed to SME characteristics and PMS requirements for SMEs.

1.2.2 SMEs in Malaysia

Generally, studies on PMS and ERB in SMEs mostly involve Western (USA and Europe) businesses rather than Asian countries or, perhaps, other parts of the world. Specifically referring to Malaysia, only a handful of research (e.g., Jamil and Muhamad, 2011; Ong and Teh, 2008; Rosli, 2011) focus on PMS in SMEs, and the same is true for ERB studies in Malaysia, with only a small number conducted earlier (e.g., Coyne and Ong, 2007; Hassan and Noor, 2008; Yahaya et al., 2011). At the same time, although a few studies have started to explore both PMS and ERB areas, none try to discover in detail the practice of PMS and its relationship with ERB in a Malaysian business setting.

Firstly, this section highlights the importance of SMEs, which have long been recognized as the backbone to the Malaysian economy in terms of generating employment and growth to the country. In Malaysia, based on the SME Census in 2011, SMEs account for 97.3% of total business establishments and contribute more than 3.6 million of total employments to the country (SME Census 2011). Meanwhile, in the recent 2013/14 SME Annual Report, the overall performance of SMEs in Malaysia records the Gross Domestic Product (GDP) growth at 6.3%, which not only exceeded the 6% growth recorded by SMEs in 2012, but also the

overall economic growth of the country of 4.7% in 2013. Furthermore, with the current contribution of 33.1% to the overall Malaysian GDP, the GDP growth is expected to remain encouraging at 5.5 – 6.5% in 2015. The Malaysian government have shown their commitment to boost the SME sector through various Ministries and agencies by implementing a total of 154 SME development programmes in 2014, involving financial commitment of RM13.3 billion (SME Annual Report 2013/14). In the same annual report, it is stated that SMEs are emphasized to involve productivity and innovation-led growth in order to achieve the long term goals of the country. Therefore, the SME sector in Malaysia has attracted interest from various parties, including this study, to contribute and realize the long term goals of the nation through improving Malaysian SMEs' effectiveness and overall performance.

In terms of SME definition, recently, the government of Malaysia, through its National SME Development Council (NSDC), released a new SME definition in order to increase a number of business establishments to be included under the SME category. The new simplified definition of SMEs, which came into effect on 1 January 2014, is seen in Table 1.3 below. Further details of a new definition of SME - Micro, Small, and Medium - are also displayed in Table 1.4 based on the size of operation of small to medium businesses in Malaysia. A business only needs to meet either one of the two qualifying criteria (sales turnover or full-time employees), whichever is lower, to be categorized as an SME. In the case of a business which falls under different sizes of operation, the smaller size will be applicable even if it fulfils only one of the criteria of the lower size group. The new guidelines explain in great detail the classification of the sectors, qualifying criteria of sales turnover and employment, as well as the scope and structure of SMEs in Malaysia.

Table 1.3: Definition of SME

Manufacturing sector	Services and other sectors
Sales turnover not exceeding RM50 million OR Full-time employees not exceeding 200 workers	Sales turnover not exceeding RM20 million OR Full-time employees not exceeding 75 workers

Source: Guideline for New SME Definition (2013)

Table 1.4: Definition of SME by size of operation

Size of operation	Manufacturing sector	Services and other sectors
Micro	Sales turnover of less than RM30,000 OR Full-time employees less than 5	
Small	Sales turnover from RM300,000 to less than RM15 million OR full-time employees from 5 to less than 75	Sales turnover from RM300,000 to less than RM3 million OR full-time employees from 5 to less than 30
Medium	Sales turnover from RM15 million to not exceeding RM50 million OR full-time employees from 75 to not exceeding 200	Sales turnover from RM3 million to not exceeding RM20 million OR full-time employees from 30 to not exceeding 75

Source: Guideline for New SME Definition (2013)

Looking forward on this SME sector in Malaysia, a few opportunities and challenges of SMEs in Malaysia can be seen, as summarized from the survey in 2013 and 2014 undertaken by the SME Corporation Malaysia. Both qualitative and quantitative questions from the surveys comprehensively represent all sectors, geographical spread, and SME establishment size as part of a surveillance exercise to closely monitor the development of SMEs. Most of the entrepreneurs were optimistic that they could improve their business in the next six months (until June 2014) as reported in the findings and this could be considered as an opportunity for them to increase or double their effort in realizing the positive target. In the first quarter of 2014, respondents also expected a higher sales growth of 8.5%. On the other hand, there are a few critical factors revealed by the respondents of the surveys which could deter SMEs from expanding, such as: high cost of materials and labour, and shortage of skilled labour (SME Annual Report 2013/14).

One of the five focus areas in SME development programmes in 2014 is human capital development as this type of capital is recognized as the driving force behind every type of business. This study seems to contribute to this human development area by exploring a better way of measuring employee performance in SMEs. Adopting ERBs into the PMS of an SME could, in some way, help SMEs to address the problem of finding qualified and skilled employees. At the same time, it could also help entrepreneurs to improve their knowledge and capacity, in order to have a better vision and foresight to push their business into another level, as reported in the 2014 annual report.

Briefly, through knowledge exploration and research, it is a necessity for academics to play a role to support the government or their agencies' efforts to develop a sustainable resilience for SMEs while operating in today's dynamic business environment and, eventually, improving the overall SME sector in Malaysia. Therefore, it is timely for this study to address the issue of trying to find ways of improving the PMS of Malaysian SMEs.

1.3 Research objective and research questions

Having considered the importance of PMS and its critical role to help businesses to success (Epstein, 2004), this study formulates a general objective of trying to improve the measuring system particularly in small to medium sized businesses (SMEs). After reviewing existing literature on PMS, by looking at the evolution of the models and framework (e.g., Srimai et al., 2011; Taticchi et al., 2010), there is an emergence on the importance of the human or behavioural element in PMS. As an example, Bititci et al. (2011) highlight people and team perspectives, as well as innovation and intellectual property as a few changes in performance measurement dimensions. The importance of the behavioural element and its connection with organizational business performance has also been extensively researched (cf. Crook et al., 2011; de Waal, 2004 and 2010; Koys 2001). Up to another level of discussion, Srimai et al. (2011) even raise the idea of having a new model or framework in

order to have some insights and measure the human and intellectual capital in business organization.

Extra-role behaviour (ERB) as one of many types of behavioural aspect, which has widely been researched in the human resource and management literature, caught the attention of this study. A few researchers have developed a significant relationship between ERB and business performance (cf., Bachrach et al., 2006; Griffin et al., 2007; Nielsen et al., 2009; Podsakoff et al., 2009) which is to proven increase an organization's overall performance. Therefore, to fill the need to address human or behavioural elements in the PMS area, this study has embraced ERB, to be formally associated to PMS in SMEs. With regards to the three important aspects mentioned earlier (PMS, ERB and SME), the focus or objective of this study is generally to explore, suggest and develop improved features of performance measurement system (PMS), particularly focusing on measuring employees' performance, in order for them to address the behavioural aspect by adopting extra-role behaviour (ERB) elements and, finally, to have a better PMS in small to medium sized business organizations (SMEs).

Based on the above main objective of the study, several research questions are formulated to segregate the issue in order to achieve and realize it in a best possible technique. The objective could be approached by the research questions below:

1. What are the current practices of measuring employee performance in SMEs?
2. How are SMEs (employees and owner-managers) aware and value behavioural elements, particularly extra-role behaviours (ERBs), in their a day to day working environment?
3. How is the current treatment of (formal or informal way of measuring) ERBs in SMEs?

4. What are the possible implications of formally measuring ERBs and how do SMEs perceive the implication of including ERBs as part of PMS?
5. What are the future plans for SMEs in managing and improving ERB practices in their business organization?

1.4 Structure of the thesis

The presentation of the thesis is divided into seven main chapters and subdivided with several sections in each chapter, along with a number of supporting appendices.

Chapter 1: Introduction

This introduction chapter of the thesis illustrates the background to the study by briefly stating the gap in PMS literature, especially in SMEs and the Malaysian business environment, as well as embracing ERB in order to improve the PMS of SMEs; discussion of the justification of undertaking a study on SMEs rather than in a large business setting, together with a background and the significance of the Malaysian SME business environment; then, the objective of the study together with a few formulated research questions to approach and attain the desired objectives are listed. The chapter ends with a brief description on the structure of the thesis.

Chapter 2: Performance Measurement System (PMS) and Extra-Role Behaviour (ERB)

Performance measurement systems (PMS) and extra-role behaviour (ERB), as the main subjects of study were explored and discussed in great details in this chapter. Revisions of literature from both areas justify the scope and need to explore and fill the gap in the PMS literature especially concerning the lack of research on small business organizations' PMS. The mixed influences of ERB on organizational performance are also among the issues

raised in this chapter, which proves to be useful for further exploration and research. The final discussion in the chapter is on how to minimize the negative effect of measuring ERB.

Chapter 3: Methodology and Research Design

The overall methodology of this study is described in this chapter, in order to employ the best possible method or approach to achieve the research objective. Starting with the philosophical views of undertaking research, the chapter then moves to explain the design and approach including the plan and procedures of the study. Fieldwork of the study is discussed in great length covering some preliminary works, semi-structured interview schedule, questionnaire development and coding, observations and documents review. This chapter also includes the construction of a quantitative database in the discussion before it finally outlines some ethical considerations when undertaking research.

Chapter 4: Quantitative Evidence

This chapter shows how data from the administered questionnaires distributed to the respondents were extracted and summarized into statistical software (SPSS). Most of the quantitative information such as background and demographic of respondents, as well as some in relation to PMS and ERB are descriptively analysed through tables, charts and graphs. A few associational analyses are also established by looking at some interesting correlation between several key elements of working environment of the respondents' workplace (SMEs).

Chapter 5: Findings of the Study

Six case studies are written and presented in quite a similar way to each other based on the information gathered from the semi-structured questionnaire during face to face interviews with respondents. The themes in each of the cases include, background of the company, current practices of PMS, awareness and perception of behavioural element and ERB,

practicing and measuring ERB, working environment related to ERB, approach or treatment and limitation of ERB as part of PMS, and future plans for ERB in the organization. At the end of each case, there is a summary on the implication of the case for PMS.

Chapter 6: Cross-case Analysis

The subsequent presentations of the case are prepared in this chapter with a cross-case type of analysis. At the beginning of the chapter, a comparative summary of SMEs' background data, PMS, ERB and working environment related to ERB from all six cases are cross analysed and presented. Other type of data and information from all single case studies are analysed together to highlight several issues related to ERB that affect performance measurement as well as management accounting as a whole. Among the issues are; comparisons of small and large organization, formal and informal measuring system, ERB as a new measurement criterion for PMS, barriers and disadvantages of formally measuring ERB, as well as ERB as part of workplace spirituality. All issues are discussed in detail involving several interesting related sub issues which are brought together in the analysis and discussion. The chapter ends with the discussion of how research questions have been addressed to attain the objective of the study.

Chapter 7: Discussion and Conclusion

The final chapter of this thesis starts with reconciliation of both quantitative and qualitative findings. Then, several important contributions and implications of the study are outlined including producing a new set of evidence from Malaysian SMEs, the justification and appropriateness of ERB as a new measure for PMS, implication of ERB on PMS and organizational effectiveness, and implications of ERB and PMS on the size of an organization. There are also a few contributions to academics and practice including the advantage and disadvantage of formally measuring ERB. The chapter, as well as the thesis

overall, are closed with highlighting the limitation of this study together with suggestions and recommendations for future research.

Appendices

The thesis is supplemented by a number of documents regarded as relevant to support the data and evidence discussed in the body of discussion in the thesis. Appendix A comprises the letters sent to the SMEs' gate keeper and respondents (SMEs) requesting them to participate in a face to face semi structured interview of the study. Appendix B displays the questionnaire used in the interview with respondents. A few original documents retrieved from SMEs during visits to the organization are show in Appendix C. Among the listed documents are: letter of employment and contract; employee job scope; and general rules and regulations. Additionally, a few photographs to show the condition of the workplace, important notices displayed in the organization, recognition certificates and awards, facilities, as well as general layout of the offices, are displayed in Appendix D. Finally, in Appendix E, the results of the overall correlation analysis (several significant relationships of elements related to ERB further discussed and analysed in the body of thesis) run in SPSS from the quantitative data gathered from a part of the questionnaire.

1.5 Conclusion

The very first chapter of this thesis introduces a discussion on the background of the study that justifies the fieldwork setting of Malaysian SMEs. The significance to explore a study of PMS in small rather than large business organizations is argued with regard to the literature in the area. Further literature exploration on PMS and ERB are exhibited in the next chapter. An overview or background of Malaysian SMEs such as its high impact on the Malaysian economic and business climate, the bright future of the SME sector with full support from all government agencies, as well as the newly released (January 2014)

definition of SMEs in Malaysia. Then a general objective of the study is outlined with several research questions formulated to achieve the objective. Finally, the overall structure of the thesis is summarized with seven chapters and appendices.

Chapter 2: Performance Measurement System (PMS) and Extra-Role Behaviour (ERB)

2.1 Introduction

A performance measurement system (PMS) could be considered critical to organizational success, as in the literature, PMSs have been studied extensively for the decades (Taticchi et al., 2010). The features of PMS that drive superior performance and the characteristics of superior organizational performance are among the issues focused on by the performance measurement literature (Epstein, 2004). Taticchi et al. (2010) list 25 models and frameworks for large companies (e.g., balanced scorecard, business excellence model, and performance prism) and 18 frameworks (e.g., customer orientation and performance, quality model in an SME context, and dynamic integrated performance measurement system) for small to medium sized enterprises (SMEs) which had been introduced in the literature. The development of so many frameworks could be associated with the fact that the frameworks attempt to adapt to vibrant and ever changing business environments surrounding the organization nowadays. Generally taking a positive standpoint, this could be viewed as a good move in order to make sure the PMS will always be perceived as one of the instruments to improve decision making in an organization and thus increase the organization's performance (Rejc and Slapnicar, 2004).

Examining some recent literature on performance measurement (e.g., Bourne et al., 2014; Srimai et al., 2011; Taticchi et al., 2010), we note that several widely used PMS frameworks have surfaced. These include: Economic Value Added (EVA) (Al Mamun et al., 2012), Activity Based Costing (ABC) (Cooper and Kaplan, 1988), the Balanced Scorecard (BSC) (Kaplan, 2008), the Dynamic Performance Measurement System (Bititci et al., 2000) and the Performance Prism (Neely et al., 2001). It is noticeable, in the evolution of the above

frameworks that the focus has shifted on several aspects of performance in organizations. The latest literature synthesizes the performance measurement issue conducted by a team of multidisciplinary researchers and has clearly shown various developments and changes in the dimensions of the performance measurement including the change of performance measurement to performance management, the people and team perspectives, the innovation and intellectual property aspects of performance measurement, and performance measurement as a social system (Bititci et al., 2011).

The human and behavioural element is one of the major paths of evolution classified by Srimai et al. (2011), which is probably to suggest a new model, in order to have insight, measure and manage the intellectual capital in the organization. However, thus far, a consensus on the finest way to handle this intellectual or human related capital is yet to be established in the performance measurement area. In the transition from static to dynamic perspectives of a performance measurement system, there is a focus on measurement as an instrument for creating and developing dynamic capabilities. This development could adapt to the rapid and dynamic changes needed to help the organization to stay competitive. The dynamism of performance measurement still lacks the attention of recent studies, even though the dynamic capabilities are important in sensing and responding to an organization's internal and external environment. Through organizational learning a performance measurement system could be considered as a "measurement-information-learning" domain which builds the dynamic capabilities in an organization to out-perform its competitors (Srimai et al., 2011, p. 673).

The relationships between human elements and the organization's performance have been widely researched. A meta-analysis of 66 studies reviewed by Crook et al. (2011) on the connection between these two important elements shows a strong relationship between human elements and the organization's performance and they do, indeed, suggest that the

organization should allocate a certain amount of money in order to acquire, retain and increase good human capital. In the same way, de Waal (2010) finds that focusing equally on both the instrumental dimension (e.g., responsibility structure, content, integrity, manageability, and alignment) and behavioural dimension (e.g., accountability, management style, action orientation, and communication) on performance management systems, results in better performance, in terms of organizational competitiveness.

Again, in the performance analysis of 135 Dutch organizations, de Waal (2004) claims that all the participating companies paid their attention evenly to both structural and behavioural aspects of performance management. There is some more literature on several aspects of employee behaviour that focus on the effect of the human element and its relation to the performance of the organization. For example, in another de Waal study (2003), the results show that 18 behavioural factors derived from the literature seem to be important to the successful implementation and use of a performance management system. The effect of the human factor on organizational effectiveness, could be considered more obvious in a longitudinal study by Koys (2001), when the results of his cross-legged regression analysis show earlier employee attitudes and behaviours are related to later organizational effectiveness.

The extra-role behaviour (ERB) of an employee while performing his task in an organization, which is also known as organizational citizenship behaviour (OCB), could be embedded into a new measurement model. The relationship between ERB and organizational performance has empirically been proven in the ERB and OCB literature as a significant amount of research has been carried out (Bachrach et al., 2006; Griffin et al., 2007; Nielsen et al., 2009; Podsakoff et al., 2009) but, at the same time, there is still a lack of studies and/or literature concerning ERB or other elements of human behaviours that is formally incorporated into the performance measurement system.

Although there are a few studies specifically concerned with performance reward and ERB (Allen, 2006; Becton et al., 2008), the discussions basically simply relates to informally rewarding the behaviour and the relationship between the two, instead of formally measuring and rewarding ERB in the organizational performance measurement system. An interesting point that arises regarding the formal measuring and rewarding of ERB is the probability of mixed positive and negative outcomes for the organization as explained by Becton et al., (2008) in their findings. The negative effect of rewarding ERB is highlighted by Culbertson and Mills (2011), even though they use the wider dimension of extra-role and citizenship behaviour. In discussing ways for dealing with this issue, a review by Birnberg (2011) outlines how behavioural accounting research should be conducted in a comparatively comprehensive way. He suggests classifying the behavioural unit, into four different categories: individuals; small groups; organizations; and environmental conditions. This outlines the broad options and approaches that could be used. Existing research and potential future research for all categories discussed in the Birnberg (2011) study could be useful in approaching the performance measurement issues raised above.

In searching for the basis for the development of a new performance measurement system model, in which to formally include the element of extra-role behaviour (ERB), the need for such a behavioural element to be incorporated into the performance measurement model has been discussed generally in the literature. However, there is still much to be done. This thesis addresses the current gap on the literature by seeking to develop a new behavioural performance measurement system.

2.2 Importance of a Performance Measurement System (PMS)

A performance measurement system (PMS) is regarded as one of the crucial elements for improving organizational performance (Epstein, 2004) as it can play a critical role in

monitoring information of business functions, guiding to achieve an organization's objectives and identifying any required improvement to an organization (Franco-Santos et al., 2007; Najmi and Kehoe, 2001). A prominent British scientist, Lord Kelvin, in 1883 is quoted as saying "if you cannot measure it, you cannot improve it" (Kaplan, 2010, p. 3), thereby showing that he believed it is very important to managers, the same as it is to scientists, to measure everything that they want to improve. In supporting this argument, a number of researchers have shown their concerns and explained in their studies how organizations use performance measurement to measure and improve performance (e.g. Coff, 2002; Crook et al., 2011; Franco-Santos et al., 2012; Garengo and Bernardi, 2007; Hall, 2008; Homburg et al., 2012).

Before we go further discussing the important of PMS, it is important to have clear understanding of the definitions of three different terms related to performance measurement. 'Efficiency', which refers to "how economically...resources are utilized", and 'effectiveness', referring to "the extent...requirements are met", have been used by Neely at al. (2005, p. 1228) to differentiate those three terms:

- (1) Performance measurement – "the process of quantifying the efficiency and effectiveness of action".
- (2) A performance measure – "a metric used to quantify the efficiency and/or effectiveness of an action".
- (3) A performance measurement system (PMS) – "a set of metrics used to quantify both the efficiency and effectiveness of actions".

Meanwhile, with the same intention of making clarification on performance measurement systems, Franco-Santos et al. (2007) chooses to differentiate three elements in the business PMS according to: 'features' – properties or element in the PMS; 'roles' – the function that are performed by the PMS; and 'processes' – the combination of actions that represent the PMS. After reading and reviewing over 300 documents, two necessary 'features' of PMS:

'performance measure' and 'supporting infrastructures' was considered from 17 different PMS definitions. The third feature, which is 'goals', was in the grey area of whether to be named as a necessary or only a sufficient feature. Five different categories of 'roles' were also proposed from 17 different roles in the study; measure performance, strategy management, communication, influence behaviour, and learning and improvement. For the final element of 'processes', five categories of processes were included: selection and design of measures; collection and manipulation of data; information management; performance evaluation and rewards; and system review (Franco-Santos et al., 2007). All three elements of features, roles and processes could help researchers to clearly define the boundaries of PMS and the scope of their research. This will also help them to distinguish performance measurement with other management processes of function such as performance management.

Bourne et al. (2005) state 'managing through measures' in the title of an article on the impacts of performance measurement on performance. They realized, from the literature, that many studies focus on the impact of performance measurement on performance, but very few pay attention to the way those measurements have an impact on performance. Suggestions for further exploring ways of observing, measuring and quantifying those impacts on performance show how they value the importance of performance measurement. Bourne et al. (2005) further observe and list a number of studies which have been undertaken in different contexts, using different techniques and approaches, such as the study on the impact of the use of performance measurement in SMEs, voluntary organizations, the public sector, food retail supply chains, and customer logistics performance.

For the same reason, Pavlov and Bourne (2011, p. 115) established a model that shows performance measurement has "trigger, guidance, and intensification" effects on

performance from the organizational routines perspective. The conceptual model describes the 'trigger effect' of the environment (feedback), and the 'guidance effect' of management (feed forward) and the 'intensification effect' of both towards organizational routines or processes. This model shows significant knowledge on the means of performance measurement affected organizational performances, which were poorly understood in this area of study before. In a similar perspective of organizational routines, once again, the usefulness of performance measurement was studied in the daily life of an organization. A field work study over a three year period was carried out by Al Mamun et al. (2012) concluding that there is a relationship between certain 'performance indicator systems for continuous improvement' (PISCI) measures and the organizational ultimate objective, which is profitability.

There are also quite a number of reasons why we have to measure performance, as explained by Behn (2003) in his study on public managers. He advocates eight managerial purposes of measuring performance: "to evaluate, control, budget, motivate, promote, celebrate, learn, and improve" (Behn, 2003, p. 586). All of the seven managerial purposes could possibly be summarized under the 'improve' purpose, as the improvement of the overall performance of an organization is considered to be a fundamental reason for measuring performance. Despite managing to list eight purposes, he raises another important issue from the performance measurement field of study when he stresses that, unfortunately, there is no single performance measure (the need to use different measures to serve different purposes) which is appropriate to serve all eight purposes at that time.

The purpose of PMS was also explained from different perspectives by Tonchia and Quagini (2010, p. 38) when they summarise Neely's "comply, check and challenge" purposes of measures. They include the list of purposes such as: "compare with competitors' performance" (benchmarking), "control and coordinate operational activities", "evaluate

and motivate human resources”, and also “encourage individual and organizational learning environments”. In a similar way to the above, Santos (2004) summarizes the reasons why organizations need to measure performance into four proper general categories including: (1) planning and control, (2) supporting continuous performance improvement, (3) enhancing motivation, and (4) organizational learning.

Table 2.1: The consequences of contemporary PMS

Consequences on people's behaviour	Consequences on organizational capabilities	Consequences on performance
Strategic focus	Strategy processes	Organizational and business unit performance
Cooperation, coordination, and participation	Communication	Team performance
Motivation	Strategic capabilities	Managerial performance
Citizenship behaviours	Management practices	Inter-firm performance
Role understanding	Corporate control	
Decision making, learning, and self-monitoring		
Leadership and culture		
Satisfaction		
Perceptions of subjectivity, justice, and trust		
Judgment biases		
Conflicts and tensions		

Source: Summarised from Franco-Santos et al. (2012)

On another aspect of PMS research, Franco-Santos et al. (2012) substantiate the importance of contemporary PMS in an organizational setting when reviewing the methods and levels of analysis which have been the focus in the PMS literature. Different methods and approaches have been used to study the effects of PMSs such as case study (Aramyan et al., 2007; Englund and Gerdin, 2015; McElroy et al., 2008), survey (Flamholtz et al., 2002; Jusoh and Parnell, 2008), and experimental research (Kelly, 2010; Tayler, 2010). In terms of the level of analysis, different levels have been focused upon such as the effect of individual performance (McElroy et al., 2008) as well as team performance (DeNisi and Pritchard, 2006). The consequences of performance measurement were tabulated in Franco-Santos et

al.'s (2012) study, in which they classified the impacts on people behaviour, organizational capabilities, as well as the performance category. See Table 2.1.

The relevance of measuring criteria or indicators has been recognized, by a study (Larson and Callahan, 1990) that specifically shows the differences in terms of performance when employees are directly monitored or measured. For instance, the subjects in Larson and Callahan's (1990) lab experiment increased their performance significantly on monitored activity compared with the performance of the same activity when it was not monitored. Thus it is clear from this study that monitoring, as one way of measuring, had a beneficial impact on performance. However, there is a concern by the authors (Larson and Callahan, 1990) that the amount of monitoring could have some adverse effects when the employee perceives measuring and monitoring representing excessively close supervision on them.

Evidence gathered thus far undoubtedly shows the significant effects or the importance of PMS in order to manage and improve the performance of an organization. On the other hand, there are also some issues that should have been addressed, because they could possibly arise together with the good effects of PMS, such as the optimum amount of monitoring or measuring exercise being put on the subject (Larson and Callahan, 1990), the right measuring criteria chosen for the study (Behn, 2003), the cost-benefit or uses of surrogate measure (Walsh, 2005), the design and implementation of PMS (Bourne et al., 2000), using and updating/reviewing of PMS (Epstein, 2004), and the preferred alternative of either formal or informal methods of measuring and rewarding employees in an organization (Yap et al., 2009). Specifically focusing on the opposite end of this issue, several studies (e.g. Cross and Lynch, 1988; Kaplan, 2008; Mannion and Braithwaite, 2012; Ridgway, 1956) discuss the negative impacts of performance measures, which could also be known as unintended or dysfunctional consequences in the performance measurement literature. See Table 2.2.

Table 2.2: The taxonomy of dysfunctional consequences of PMS

Types of behaviour	Descriptions
<i>Poor measurement</i>	
Measurement fixation	Emphasis on meeting the target rather than supporting the spirit of the measure
Tunnel vision	Focus on the dimensions of performance that are included in the measurement system, displacing other important but unmeasured aspects of performance
Myopia	Excessive concentration on immediate and short-term issues to the exclusion of important long-term considerations
Ossification	Paralysis results from an excessively rigid system of performance measurement
Anachronism	Built in obsolescence data
Quantification privileging	Preoccupation with reducing complex social phenomena to numbers, and the loss of the appreciation of qualitative or softer aspects that may be missed or downplayed in assessments
<i>Misplaced incentives and sanctions</i>	
Overcompensation	Payments are made to providers over and above what is required for them to meet performance targets
Under-compensation	Incentives for performance are low-powered, trivial or non-existent
Insensitivity	Assessment is a blunt instrument for capturing the overall complexity of performance.
Increased inequality	Organizations are financially rewarded for their performance
Complacency	Lack of ambition for improvement brought about by perceptions that one's comparative performance is adequate
Silo-creation	Staff are attracted to join highly rated organizations and are less attracted to poorly ranked organizations
<i>Breach of trust</i>	
Misrepresentation	Deliberate manipulation of data by staff – ranging from creative accounting to fraud
Gaming	Altering of behaviour or reporting in order to obtain strategic advantage
Misinterpretation	Incorrect inferences about performance, often stemming from the difficulty of accounting for the full range of potential influences on performance
Bullying	Uncomfortable levels of pressure and coercion on staff are brought about by a demanding performance improvement climate
Erosion of trust	Lowering of levels of confidence that the local population has in their service following a poor performance assessment
Reduced staff morale	The <i>esprit de corps</i> falls in organizations assessed as underperforming
<i>Politicization of performance systems</i>	
Political grandstanding	The purpose of the measurement system or the use of the data it produces are politicized
Creating a diversion	Announcing a new or revamped performance system, with a promise that the improved data it produces will solve the problem eventually.

Source: Summarized from Mannion and Braithwaite (2012)

Both positive and negative effects of performance measurement have similarly contributed to the discussion of the importance of PMS in an organization. The only difference and critical aspect which must be considered is how managers should manage and avoid the negative effects or unintended consequences and, instead, promote and encourage all the positive effects emerging for the benefit of the organization. Thus, the overall aspects or

phases of performance measurement in an organization: design, implementation, use and reviewing or updating, need to be given great attention by all related parties.

2.3 Evolution of the PMS framework

Performance Measurement Systems (henceforth 'PMS') have been studied extensively by many researchers and scholars for the decades (e.g. Bititci et al., 2011; Srimai et al., 2011) and, as a result, Taticchi et al. (2010, p. 10 and 12) managed to create two tables (shown in Table 2.3 and 2.4), consisting of 25 models and frameworks for large companies, and 18 frameworks for small to medium sized enterprises (SMEs), which have been introduced and discussed in the literature. As performance, it is argued, depends largely on the ability of an organization to adapt to the changing environments (Najmi and Kehoe, 2001), the development of so many frameworks could be associated with the fact that the PMS frameworks attempt to adapt to vibrant and ever changing business environments surrounding the organization nowadays.

Table 2.3: Model and framework of PMS in large companies

Period of Introduction	Name of The Model/Framework	References
Before 1980s	ROI, ROE, ROCE and derivatives	Simons (2000)
1980	Economic Value Added Model (EVA)	Stewart (2007)
1988	Activity Based Costing (ABC) –Activity Based Management (ABM)	Cooper and Kaplan (1988)
1988	Strategic Measurement Analysis and Reporting Technique (SMART)	Cross and Lynch (1988)
1989	Supportive Performance Measures (SPA)	Keegan et al. (1989)
1990	Customer Value Analysis (CVA)	Customer Value Inc. (2007)
1990	Performance Measurement Questionnaire (PMQ)	Dixon et al. (1990)
1991	Results and Determinants Framework (RDF)	Fitzgerald et al. (1991)
1992	Balanced Scorecard (BSC)	Kaplan and Norton (1992)
1994	Service-Profit Chain (SPC)	Heskett et al. (1994)
1995	Return on Quality Approach (ROQ)	Rust et al. (1995)
1996	Cambridge Performance Measurement Framework (CPMF)	Neely et al. (1996)
1996	Consistent Performance Measurement System (CPMS)	Flapper et al. (1996)
1997	Integrated Performance Measurement System (IPMS)	Bititci et al. (1997)
1998	Comparative Business Scorecard (CBS)	Kanji (1998)
1998	Integrated Performance Measurement Framework (IPMF)	Medori and Steeple (2000)
1999	Business Excellence Model (BEM)	EFQM (2007)
2000	Dynamic Performance Measurement System (DPMS)	Bititci et al. (2000)
2001	Action-Profit Linkage Model (APL)	Epstein and Westbrook (2001)
2001	Manufacturing System Design Decomposition (MSDD)	Cochran et al. (2001)
2001	Performance Prism (PP)	Neely et al. (2001)

2004	Performance Planning Value Chain (PPVC)	Neely and Jarrar (2004)
2004	Capability Economic Value of Intangible and Tangible Assets Model (CEVITA)	Ratnatunga et al. (2004)
2006	Performance, Development, Growth Benchmarking System (PDGBS)	St-Pierre and Delisle (2006)
2007	Unused Capacity Decomposition Framework (UCDF)	Balachandran et al. (2007)

Source: Taticchi et al. (2010, p. 10)

Table 2.4: Model, framework and research of PMS in SMEs

Year	Name of The Model/Framework	References
1995	Model for quality-based performances	Noci (1995)
1997	BSC application to SMEs	Chee et al. (1997)
1998	Customer orientation and performance	Kwaku and Satyendra (1998)
1999	Activity based costing in SMEs	Gunasekaran et al. (1999)
2000	Quality model in an SME context	McAdam (2000)
2000	Computer-based performance measurement in SMEs	Kueng et al. (2000)
2000	OPM: a system for organizational performance measurement	Chennell et al. (2000)
2000	Performance measurement in the implementation of CIM in SMEs	Marri et al. (2000)
2000	Performance measurement based on SME owner's objectives	Watson et al. (2000)
2001	Effective performance measurement in SMEs	Hudson, Lean and Smart (2001)
2001	Indicators for performance measurement in SMEs	Hvolby and Thorstenson (2001)
2001	Theory and practice in SME performance measurement systems	Hudson, Smart and Bourne (2001)
2002	Dynamic integrated performance measurement system	Laitinen (2002)
2004	A strategic planning model for SMEs based on the BSC	Davig et al. (2004)
2005	Practice of performance measurement	Sharma et al. (2005)
2007	BSC implemented in a not for profit SME	Manville (2007)
2007	BPI framework and PAM for SMEs	Khan et al. (2007)
2008	Performance measurement model based on the grounded theory approach	Chong (2008)

Source: Taticchi et al. (2010, p. 12)

Concerned with current business environments and tough challenges being faced by businesses to succeed in the global competition, many authors have reviewed and outlined the significant changes or developments in the performance measurement field of study (e.g. Bititci et al., 2011; Epstein, 2004; Garengo et al., 2005; Korsgaard et al., 2010; Nudurupati et al., 2011; Srimai et al., 2011; Taticchi et al., 2010). The rapid and continuously changing demands of customers in terms of products and services specifications will pressurize the company into being more flexible, more responsive and more efficient in using the resources, in order to meet the demands of customers and markets (Najmi and Kehoe, 2001). One of the solutions suggested by Nurudupati et al. (2011) to proactively handle and respond to the above challenges, is to obtain up-to-date

and accurate performance information. Thus, it is necessary for management to monitor and understand business performance (Taticchi et al., 2010) as performance information has to be gathered by the PMS, to aid the management to make the best possible decision for the business organization.

Glancing through some recent literature on performance measurement (e.g. Franco-Santos, et al., 2012; Srimai, et al., 2011; Taticchi, et al., 2010), we note that several widely used PMS frameworks have surfaced. In chronological order, based on the year of introduction, we list a few widely known frameworks in performance measurement literature such as the Economic Value Added (EVA) introduced in 1982 by Stern Stewart and Co. (Al Mamun et al., 2012), the Strategic Measurement Analysis and Reporting Technique (SMART) by Kelvin Cross and Richard Lynch in 1988 (Cross and Lynch, 1988), the Balanced Scorecard (BSC) by Robert Kaplan and David Norton in 1992 (Kaplan and Norton, 1992), the Dynamic Performance Measurement System (DPMS) in 2000 (Bititci et al., 2000) and the Performance Prism in 2001 (Neely et al., 2001). It is noticeable, in the evolution of the above frameworks, where the focus has shifted on several aspects of the performance in organizations.

In order to oversee the changes of focus that have been explored in relation to organizational performance, the evolution of PMS has been scrutinized and mapped accordingly by authors and researchers in the performance measurement literature. Different authors have different views on how to categorize and chart the evolution of PMS as it goes from the very basic differentiation of all the existing frameworks into two categories, to the other end of more complicated themes and paths. For example, Burgess, et al. (2007) simply differentiate PMS into traditional and contemporary performance measurement systems by listing all the characteristics that show the differences between the two categories (see Table 2.5). They also point out that the new concept or category of

PMS has emerged from the need to move from reliance upon financial control towards the use of balance between financial and non-financial measures. This characteristic could be considered as the very basic and obvious element of change in the performance measurement area of study.

Table 2.5: Comparison between traditional and contemporary PMSs

Items	Traditional financial-based PMSs	Contemporary PMSs
Basis of system	Accounting standard	Company strategy
Types of measures	Financial	Financial and non-financial
Focus of measures	Internal, historical	Internal and external, future oriented
Audience	Middle and top managers	All employees
Shop floor relevance	Ignored	Used
Frequency	Lagging (weekly or monthly)	Real-time (hourly or daily)
Maintenance	Expensive	Relevant and easy
Integration	Ignored	Integration exists
Linkage with reality	Indirect, misleading	Simple, accurate, direct
Local-global relevance	Static, non-varying	Dynamic, situation structure dependent
Stability	Static, non-changing	Dynamic, situation timing dependent
Format	Fixed	Flexible/variable
Purpose	Monitoring	Improvement
Function	Allocate blame	Encourage creative and learning
Decision making	Structured	Unstructured
Effect on continuous improvement	Impedes	Supports/stimulates
Linked to strategy	No/less link to strategy	Derived from strategy

Source: Burgess et al. (2007, p.588)

Viewed in chronological order, Marchand and Raymond (2008) divide the evolution of different concepts or notions of PMS (see Table 2.6) into four periods: before 1980, 1980-1989, 1990-1999, and 2000 and after. The same chronological view was used by Nudurupati et al. (2011) but they narrate the PMS in the early period of 'before 1980' in more detail. All the PMSs were categorized accordingly under the periods of 1940s-1950s, 1960s-1970s, 1980s, late 1980s-1990s, and after 2000. Taticchi et al. (2010) listed all available PMS frameworks for both large companies and SMEs in chronological order from the year 1980 to 2008 (see table 2.3 and 2.4) and, at the same time, the frameworks were placed under different classification criteria: integrated frameworks, specific issues models and other relevant models, to give more information to the performance measurement community. Instead of explaining under a few different PMS notions: focus, performance logic, and

system characteristics, as done by Marchand and Raymond (2008), Nudurupatti et al. (2011) opted to use a general narration of performance measurement (see Table 2.7). Although both groups of authors use different approaches, the content of the discussions does not differ much, as both discuss the changes from financial to more balanced (include non-financial) measures, broader purposes of performance measurement, and the element of strategy and dynamics in performance measurement systems.

Table 2.6: Evolution of PMS notions

Notions	Before 1980	1980-1989	1990-1999	2000 and after
<i>Focus</i>				
Definition of performance	Essentially financial performance.		In relation to strategic objectives. In relation to stakeholder expectations.	Increasing the value/cost ratio in relation to society's expectations (multiple stakeholders) and the firm's strategic objectives.
		Operational performance extended beyond costs (ABC and ABM)		
Dimensions of performance		Operational aspects of performance	Diversity of aspects: Performance of the manufacturing strategy (costs-productivity, production cycle, flexibility, quality). Financial performance Managerial performance (employees, clients, innovation, processes, learning, knowledge management, etc.)	
				Extension to the long term and the social aspect.
<i>Performance logic</i>				
Architecture	Vertical	Vertical and somewhat horizontal	Vertical, horizontal, balanced (with both vertical and horizontal integration)	
Performance measurement frameworks*	Du Pont Pyramid of financial ratios (1903-1910).	Performance measurement matrix (1989).	Results and determinants framework (1991), performance pyramid (1991), business excellence model (1992), process-oriented framework, (1996), balanced scorecard (1992, 1996), integrated performance measurement system (1997).	Performance prism (2002)
<i>System characteristics</i>				
PMS definition			"set of metrics used to quantify both the efficiency and effectiveness of actions" (Neely et al., 1995).	
			Information system "at the heart of the performance management process" [. . .] "which enables the closed loop deployment and feedback systems" [. . .] (and) "which should integrate all relevant information from relevant systems" (Bititci et al., 1997a; Kueng et al., 2001).	
				"a balanced and dynamic system that is able to support

			the decision-making process by gathering, elaborating and analysing information” (Neely et al., 2002; Garengo et al., 2005).
Organizational role			Support for decision making, continuous improvement, strategy diffusion and development, operations-strategy alignment, managerial development.
Information output		Quantitative, operational, internal, short-term value, result oriented	Balanced: quantitative-qualitative, results-determinants, operational-strategic, internal-external, short- and long-term value
<p>*Notes: Performance measurement matrix (Keegan et al., 1989); results and determinants framework (Fitzgerald et al., 1991); performance pyramid (Lynch and Cross, 1991); business excellence model (European Foundation for Quality Management, 1992); Process-oriented framework (Brown, 1996); Balanced Scorecard (Kaplan and Norton, 1992, 1996b); integrated performance measurement system (Bititci et al., 1997b); performance prism (Neely et al., 2002)</p>			

Source: Marchand and Raymond (2008, p.666 and 667)

Table 2.7: Evolution of performance measurement

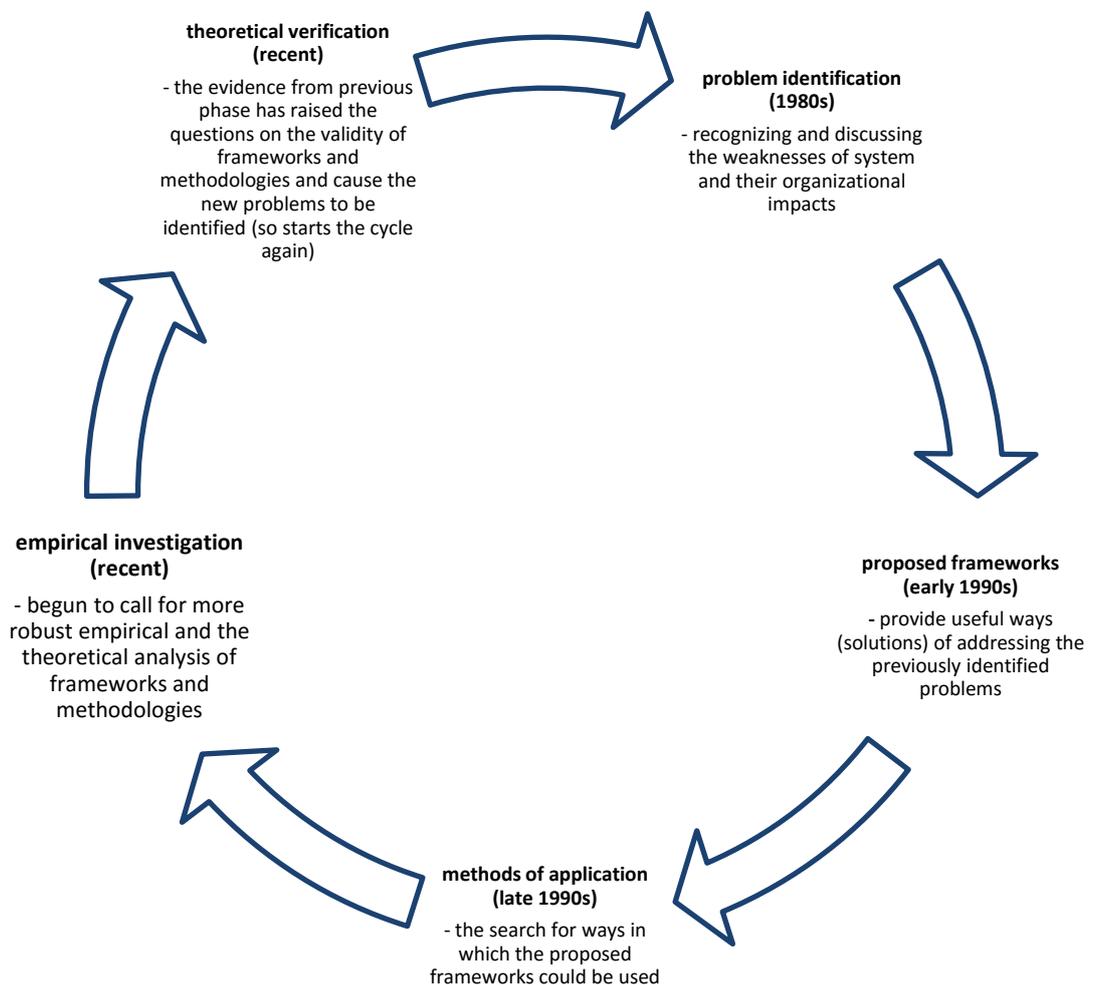
PERIOD	DESCRIPTIONS
1940s – 1950s	<ul style="list-style-type: none"> Quality issues facing by Japanese companies such as lot sizes, defects, inventory wastes and processing wastes. Japanese find the solution by introducing tools and techniques known as Total Quality Control (TQC), Just-in-time (JIT) and Kaizen.
1960s – 1970s	<ul style="list-style-type: none"> Prior to the 1970s, cost accounting and management control systems in the West were design based on financial indicators such as sales, productivity, efficiency and ROI. Western countries emphasis on innovation such as computer aided design (CAD), computer aided manufacture (CAM) and materials requirements planning (MRP) Traditional cost accounting models (based on mass production) were updated to accommodate the 1970s business environment.
1980s	<ul style="list-style-type: none"> West recognized Japanese success was through operational efficiency and effectiveness, thus their techniques and practices started to gain wide acceptance. Cost accounting use simplified models such as Economic Order Quantity (EOQ). New dimensions of performance emerged such as quality, time, cost and flexibility.
Late 1980s – 1990s	<ul style="list-style-type: none"> Academics criticized traditional financial measures (historical and internal based). Number of frameworks for performance measurement emerged and was described as ‘revolution’ by Neely in 1999. Broad definitions and purposes of performance measurement such as monitoring performance, enhancing motivation, identifying problems, improving communication and strengthening accountability.
2000 and after	<ul style="list-style-type: none"> Several definitions of PMS have no consensus between them thus indicate the obscurity in this field. Performance measurement from SME perspectives started to gain popularity as majority of frameworks do not consider the fundamental differences of SME and large organizations. Performance measurement in supply chain was studied from the process-based systematic perspectives with the majority of focus on operational aspects (customers and suppliers)

Source: Summarised from Nudurupati et al. (2011)

Meanwhile, other researchers and authors opted to focus on themes, phases or paths of performance measurement as the basis for mapping and explaining the development and evolution of PM. It is interesting to see how Neely et al. (2005) classified published PMS

literature into five broad phases: problems identification, proposed frameworks, methods of application, empirical investigation, and theoretical investigation (see Figure 2.1). He perceived the development of PMS in performance measurement literature as a cycle of ‘problem solving’ processes, thus he argued that the development of future new PMSs will continuously emerge in order to solve the surrounding problems in either current or future business environments.

Figure 2.1: Evolution of the field of performance measurement



Source: Adapted from Neely et al. (2005, p.1271)

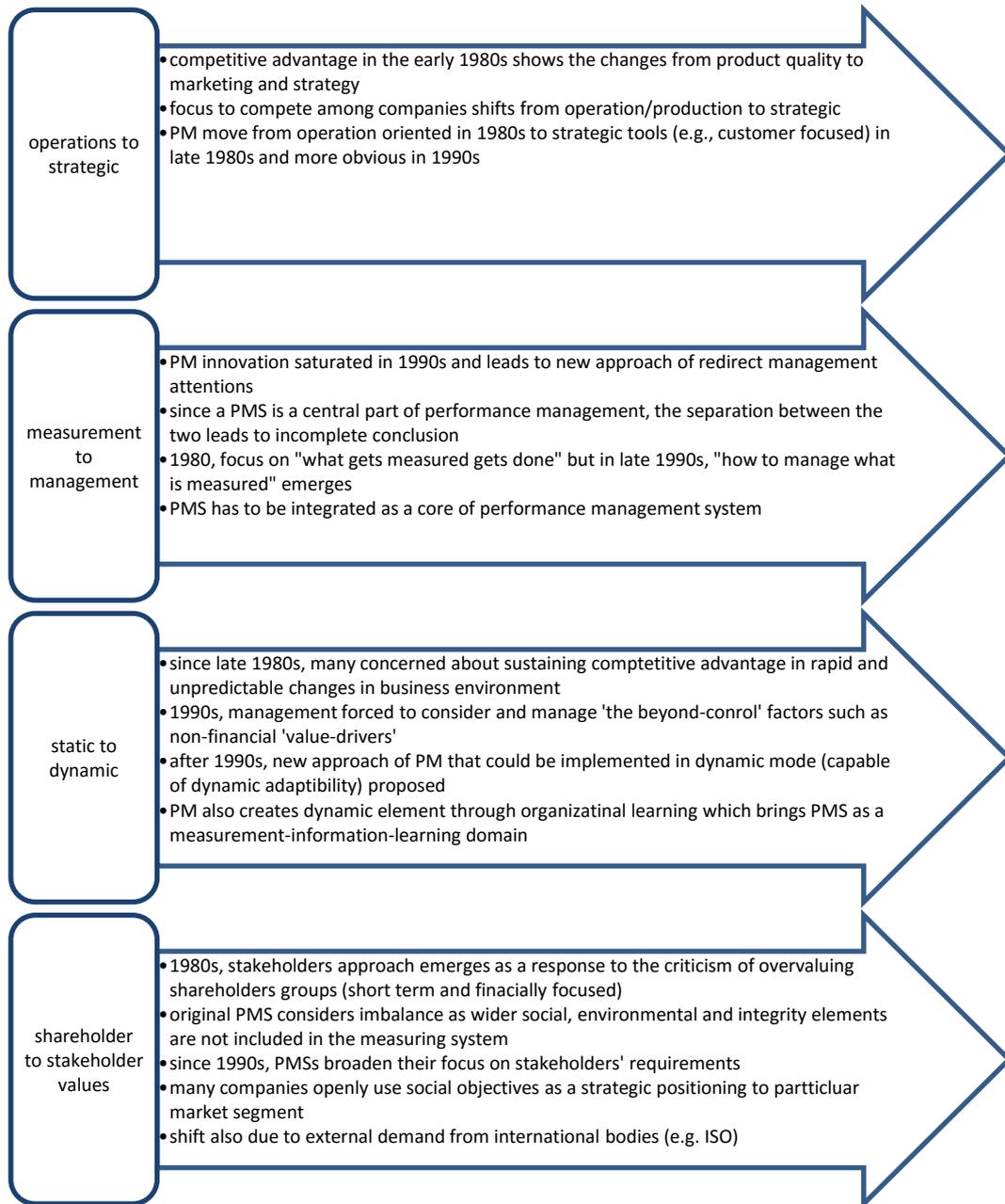
Instead of paying much attention to time lines, Srimai et al. (2011) display the evolution of performance measurement through four major paths: operations to strategic,

measurement to management, static to dynamic and shareholder to stakeholder values, from the era of the 1980s to the present (see Figure 2.2). The discussions of the 'evolutionary path' are regarded as an approach for simplifying all the changes and developments along the way from the 1980s to the present, as compared to Bititci et al. (2011), who simply displays two phases of each path. Bititci et al. (2011) instead reveal a comprehensive view of the development of the performance measurement literature, as well as the surrounding global trends.

One major part of the comprehensive development was extracted and we could see four emerging themes: productivity management, budgetary control, integrated performance measurement, and integrated performance management have been placed on the timeline from as early as 1900 to 2020 (see Figure 2.3). Although the 'paths' and 'themes' approached are used by the two groups of authors, the important changes and developments in the performance measurement field are highlighted by both discussions.

Generally, we have seen two phases of PMS in the literature: (1) 'Traditional' where financial measures such as profit, ROI, ROCE, ROE and EVA, are the basis for the measurement; and (2) 'Contemporary' with the inclusion of non-financial measures such as quality, cost, delivery, process time, flexibility, satisfaction, market share as measurement basis (Franco-Santos et al., 2012; Motowidlo, 2000). These basic differences are highlighted by all authors in their discussion of the evolution of performance measurement (Bititci et al., 2011; Korsgaard et al., 2010; Motowidlo, 2000; Nudurupati et al., 2011; Srimai et al., 2011; Taticchi et al., 2010) even though a few of them discovered further details on the 'contemporary' phase. For example, the later phase could also include 'balanced, integrated and dynamic' where the balances between financial and non-financial measures have been considered in the models or frameworks as well as the integration of those elements.

Figure 2.2: Four evolutionary paths of performance measurement



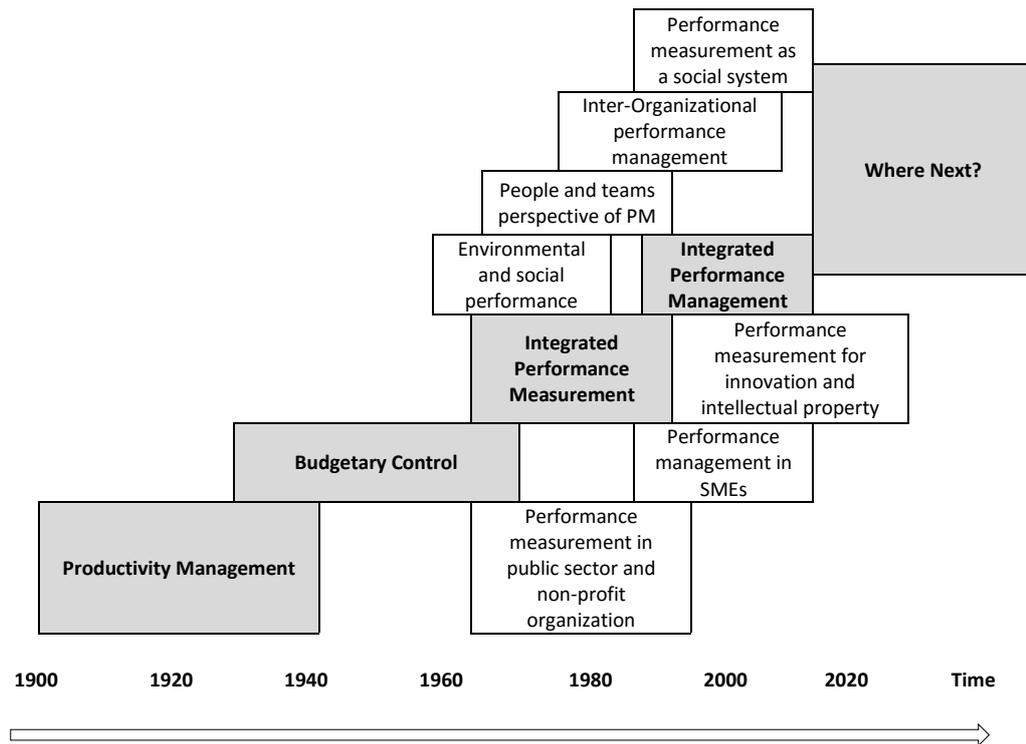
Source: Summarized from Srimai et al. (2011)

The criticism of previous frameworks' failure to adapt to both internal and external environmental changes could be the most obvious reason behind all those developments of new framework in the PMS. For example, financial measures were heavily criticized as short term and too shareholder-focused (Motowidlo, 2000; Srimai et al., 2011). Thus, they were

replaced with more balanced measures which include the non-financial elements. Another criticism focuses on the balanced framework where it is criticised as merely focusing on operations and PMS should, instead, be used as a strategic tool in order to assist organizations more efficiently and effectively (Srimai et al., 2011). The 'measuring' purpose of performance was also criticized as too narrow (Neely et al., 2005), and that it would be better to serve a broader scope, such as enhancing motivation, improving communication and strengthening accountability (Waggoner et al., 1999) which brings with it the introduction of performance management frameworks.

At the same time, the concept of 'integrated frameworks' also emerged in the performance measurement field of study as the broader scope of measurement purposes needs a good integration. Srimai et al. (2011) states that a PMS has to be integrated as a core element in the performance management system which basically explains the use of performance measurement for coordination and strategic management. The most recent issue of PMS frameworks is the ability to adapt to changing environments which brought the new 'dynamic' concept. The searching of new competitive advantage has brought the flexibility concepts and rapid responses to the needs of the environment as an edge to compete among organizations. Due to the current competition, PMS then experienced other changes in order to move parallel with current demands, and Bititci et al. (Bititci et al., 2011) suggest several reasons why PMS necessarily needs to be dynamic such as to sense and respond to the changes in the environment, and to review and reprioritize internal objectives.

Figure 2.3: Development of the performance measurement field and emerging themes



Source: Bititci et al. (2011)

A few other issues or sub-fields have emerged in the evolution of performance measurement such as the discussion of performance measurement for: public sector and non-profit organizations; innovation, RandD, and intellectual property (Bititci et al., 2011). Performance measurement system in small to medium sized enterprise (SME) (e.g. Garengo and Sharma, 2014) is also among the issues discussed in recent literature. Performance management as a social system is another issue raised by Bititci et al. (2011) where the discussion brings together environmental and social performance, people and team perspectives (human resource-based), inter-organizational management and the learning system. However, some of the discussions are at the very early phase and need more exploration as well as validation to be marked as an ample tool to aid the performance measurement community in enhancing the performance of an organization. The next phase of PMS needs to cater for the “turbulent operating environment” (Bititci et al., 2011, p. 10)

and to ease the reasonable flaws and criticism of the existing models or frameworks. This was also highlighted by Korsgaard et al., (2010) where they explain the cycle of PMS as the way to solve current and future problems, thus the establishment and innovation of new models and frameworks will naturally take place continuously.

2.4 Importance of Extra-Role Behaviour (ERB) in Organizations

Several types of resources should be effectively and efficiently managed in order to be a successful organization (Gomez-Mejia and Balkin, 2012). Efficiency could be achieved in an organization when resources such as “people, money, the physical plant, and technology” could be used in the best possible way (Gomez-Mejia and Balkin, 2012, p. 24). Managing ‘people’, or human resources, could be one of the critical tasks for an organization in order to function effectively, achieve organizational objectives and stay competitive in business. Human resources in an organization generally comprise different types of employees who act in differing ways, and thus different types of approaches are needed to identify sources of variances in employee behaviours and their motivations in order to manage them (Katz, 1964). Both human resource management practices and the employees’ behaviour are very important, and they are closely related to each other. A study by Gamage (2014) in manufacturing SMEs in Japan shows that there is a strong relationship between the former and OCB/ERB.

Several researchers have grouped two broad categories of employee behaviour at work as ‘in-role’ and ‘extra-role’ behaviour (e.g. Cheng and Coyte, 2014, Kim, 1996; MacKenzie, 1998), although some agree that there is a grey area between these two concepts (e.g. Belogolovsky, 2010; Morrison, 1994; Vey and Campbell, 2004). The basic definition of ‘in-role’ refers to the behaviour of an employee performing the assigned task prescribed by the organization, while ‘extra-role’ refers to the behaviours performed beyond the role or task

specified (Katz, 1964; Van Dyne and LePine, 1998). Meanwhile, with the same intention, some authors differentiate these two categories of employee behaviours by referring to job performance construct, distinguishing it as 'task performance' and 'contextual performance' (Bandura and Lyons, 2014; Bing et al., 2011; Motowidlo and Van Scotter, 1994). We are going to examine the importance of these types of behaviours further in this study, with the intention of trying to measure, manage and improve them for the betterment of performance in an organization.

The broad category of extra-role behaviour (ERB) generally refers to all employee behaviour that is not formally required by the task prescribed by the organization. There are several related constructs; for example, 'prosocial organizational behaviour' (Brief and Motowidlo, 1986), 'organizational spontaneity' (Katz, 1964) and 'contextual performance' (Motowidlo and Van Scotter, 1994) discussed in the literature as a means of explaining the concept of ERB in organizations. Meanwhile, organizational citizenship behaviour or OCB (Organ et al., 2006) has been argued to be one of the most widely and extensively researched constructs that relates to ERB. Some researchers (e.g., Cheng and Coyte, 2014; Lepine et al., 2002) view ERB as being similar to OCB while others (e.g., Chiaburu et al., 2006) use OCB as a measurement in doing research on extra-role behaviour (ERB). In clarifying and reducing the ambiguity surrounding these constructs, Bambale et al. (2011) analyse the similarities and differences between all concepts to avoid any possible error in measuring employee behaviour. They admit subtle differences do exist but there are many overlaps among the constructs, and despite the subtle differences, the items used to measure the constructs are often quite similar (Bambale et al., 2011). This study uses and adopts widely known OCB dimensions to measure ERB as well as on the discussion of ERB in this thesis, thus the term OCB and ERB will be found interchangeably throughout the thesis to explain the same element.

2.5 Dimensions of Organizational Citizenship Behaviour (OCB/ERB)

Observing the development of the OCB construct, takes us back to the year 1983, when it first appeared in the organizational behaviour and management literature (Bateman and Organ, 1983; Smith et al., 1983). OCB and all the related constructs mentioned above were believed to be influenced by Katz's (1964) third category of employee 'innovative and spontaneous' behaviour. Dennis Organ, generally considered to be the father of OCB, has twice defined the construct. In 1988, OCB was originally defined as behaviour that is discretionary and not directly recognized by the formal reward system, and with an objective that promotes and increases organizational performance (Organ, 1988). He later redefined the construct in 1997 to include behaviour that supports the social and psychological environment in which task performance takes place (Organ et al., 2006).

OCB dimensions, characteristics, and measures differ from study to study conducted by various researchers. Since it was first introduced, the dimensions have evolved and changed. Summarizing OCB dimensions over almost 30 years of research since 1983 as in Table 2.8, we start with Bateman and Organ (1983), who use several measures of behaviour for their research on OCB. These include "compliance, altruism, dependability, housecleaning, complaints, waste, cooperation, criticism of and arguing with others, and punctuality" (Bateman and Organ, 1983, p. 589). At the same time, Smith et al. (1983) divide OCB into two dimensions known as 'altruism' and 'generalized compliance'. They use the motive of the behaviours as the basis for differentiating the two dimensions, where the former behaviour is "to represent the help accorded to specific persons", but the latter behaviour is "doing things that are right and proper...for the sake of the system" (Smith et al., 1983, p. 662).

Five years later, Organ (1988) in his book, identifies and develops five dimensions of OCB: altruism, conscientiousness, sportsmanship, courtesy, and civic virtue; and, subsequently, in 1990, he added two new concepts of 'peacekeeping' and 'cheerleading', but left out the 'conscientiousness' dimension from the original five-dimension version of OCB. Despite the changes he made, the original five-dimensions of OCB have been rated as one of the most popular and most widely used types of dimensions in the literature (Becton, et al., 2008; Podsakoff, et al., 2009). Podsakoff et al. (1990), in their study on leaders' behaviour in organizations, could be considered to be one of the earliest studies to use the five-dimensions of OCB as a measure for studying employee citizenship behaviour. Meanwhile, a year later, Williams and Anderson (1991) identified two broad categories or dimensions of OCB, known as OCB-I (behaviour focused towards an individual) and OCB-O (behaviour focused towards an organization). As this type of OCB was to be considered different to previous OCB dimensions, which focus on the direction of the behaviour, it was then considered as another popular conceptualization of OCB used in the literature (Podsakoff et al., 2009).

In another development, Van Dyne et al. (1994) compose three substantive categories of OCB based on the work of Graham (1991) in his later essay on OCB. Loyalty, obedience and participation are chosen by them to differentiate the various types of employee citizenship behaviours in the organization, and for 'participation', they further explored employee behaviours by dividing the third category into 'social', 'advocacy' and 'functional' types of participation. Some of the OCB dimensions proposed in the earlier studies could be seen as sharing the same theme of helping co-workers. Inspired by the problems, Podsakoff and MacKenzie (1994) incorporate four OCB dimensions: altruism, courtesy, peacekeeping, and cheerleading, to be a general construct known as 'helping behaviour', but at the same time, they both maintain the other two dimensions: sportsmanship and civic virtue, in their study. In the period of five years of OCB study between 1995 and 2000, four groups of

researchers identified four completely different types of OCB (Brown, 1996; Coleman and Borman, 2000; Moorman and Blakely, 1995; Van Scotter and Motowidlo, 1996). This shows the richness of the information that could be extracted in the extra-role or citizenship behaviours of employees from various views or perspectives in organizations but, at the same time, it could also suggest a lack of consensus among researchers in OCB dimensions.

Discussing further on the above issues, Podsakoff et al. (2000) reveal that a lack of consensus in OCB has brought almost 30 different dimensions to the literature. In attempting to find a solution for the problem, and after examining the overlaps between all those dimensions, they identify seven dimensions or themes: helping behaviour, sportsmanship, organizational loyalty, organizational compliance, individual initiative, civic virtue and self-development (Podsakoff et al., 1990; Podsakoff et al., 2000). Agreeing with seven-dimensions of OCB, Organ et al. (2006) in discussing the similarities and differences among the OCB constructs, also organize them into the same seven themes or dimensions as in the previous study by Podsakoff et al. (2000).

Most of previous studies of OCBs' dimension are based on the USA or Europe. Farh et al. (2004), when trying to expand OCB study in another culture, successfully identify ten dimensions of OCB from their study in China. Their study, within that Asian culture, classify OCBs into four domains based on the context of action: self (self-training, taking initiative, and keeping the workplace clean), group (interpersonal harmony and helping co-workers), organization (protecting and saving company resources, voice, and group activity participation) and society (social welfare participation and protecting company image). They also highlight that OCBs may vary across culture or national boundaries, as well as across organization types within one society.

An extended discussion of the topic of OCB in the literature shows us a few modifications from the original or earlier years' concept of OCB in the organization. The issue of migration

in early definitions of OCB, from 'discretionary' to 'required behaviour', is highlighted by Turnipseed and Wilson (2009) in their study. The change brings us to a new dimension of the conceptual definition of OCB, which is originally regarded as a voluntary type of employee behaviour, as opposed to required or compulsory types of behaviour (e.g., Vigoda-gadot, 2006; Vigoda-Gadot, 2007). In another revision to the original definition of OCB, scholars start to question 'unrewarded or informally rewarded' behaviour (Korsgaard et al., 2010). They notice an evolution in the definition of OCB, from that which embraces citizenship behaviour, that is not directly monitored or formally rewarded (Organ, 1988) to one where observing and rewarding behaviour plays an important role (Podsakoff et al., 2009).

A study undertaken by Zhang et al. (2011) could be considered interesting in terms of exploring OCBs based on the continuum of an employee's degree of 'voluntariness'. They try to positively challenge one of the components or features in OCB's early definition: 'discretionary' behaviour, not directly recognized by the formal reward system, but for the benefit of the organization. Four subtypes of OCB identified in the study suggest that OCBs have different characteristics, and are influenced by an employee's different degree of intention while behaving in a certain manner. Altruistic OCB, based on personality, is the highest, followed by responsible OCB based on reciprocity, instrumental OCB based on self-interest, and the lowest in the degree of voluntariness is compulsory OCB based on stress. This type of research, which challenges the original definition of OCB, opens the opportunity, in future, for researchers to further extend to additional OCB features such as looking along the continuum of reward (from the most to the least rewarded OCB behaviour) or organizational benefit (from the most to the least beneficial to the organization).

To recapitulate the OCB dimensions, some literature on OCB in the years 2011 and 2012 (e.g. ,Bambale et al., 2011; Chiaburu et al., 2011; Davoudi, 2012; Ersoy et al., 2011; Huang and You, 2011; Nielsen et al., 2012) has been reviewed and there is no indication or discussion of new obvious or dominant OCB dimensions, except from those already included in Table 2.8. The latest meta-analysis study of the consequences of OCB undertaken by Podsakoff et al. (2009) highlights all the dimensions that have been listed. Bambale et al., (2011), when clarifying the ambiguity surrounding OCB constructs, names Organ's (1988) '5 dimensions' of OCB as the most popular construct, (later adding 'peacekeeping' and 'cheerleading' in 1990) and the OCBI – OCBO construct (Williams and Anderson, 1991) as the second most popular, with all key dimensions of OCB in their study considered and listed in Table 2.8.

It is important to be aware of as much variation as we can, in terms of the dimensions of OCB, as it will bring us better understanding of, and the best possible way to explain, OCBs in an organizational setting. At the same time, we need to organize the variations with the right and proper classifications in order to explore and manage the behaviours for the benefit of all related parties. Organ et al. (2006) reveal their concern about the importance of OCB's dimensions by questioning how to classify or determine the dimensions of OCB. They later suggest determining the unique antecedents and consequences of the dimensions towards an organization as one of the solutions to reduce or avoid the redundancy of the dimensions which could be seen in the literature. Research and explorations on OCBs have to be done in various contexts and organizational settings such as in different types of form, industry, culture, and size to obtain the unique factors for improving understanding of OCB-related issues. Despite the haziness of various conceptualizations and dimensions of OCB in the literature, the richness of the information from different dimensions and measurements which have been used provides us with

different types of valuable information on how to manage and solve behaviour related issues, specifically the citizenship or extra-role behaviour of employees in an organization.

Table 2.8: Dimensions and characteristics of OCB/ERB

YEAR AND AUTHORS	DIMENSIONS	CHARACTERISTICS	EXAMPLES
1983 – Bateman and Organ	Citizenship Behaviours	Any activity that lubricates the social machinery of the organization but is not directly considered as a usual act of task performance	- Comes up with new ideas for handling work - Train others to perform better - Conscientiously follow rules - Act cheerfully
1983 – Smith, Organ and Near	Altruism	Direct and intentionally helping behaviour in face to face situations towards a specific person	- Orienting new staff - Assists someone with heavy workload - Assists supervisor with his/her work
	Generalized Compliance	Indirect helping behaviour to others in the system or compliance with internalized norms	- Punctuality - Not wasting time - Does not take extra breaks
1988 – Organ	Altruism	Discretionary helping behaviour that affects a specific person	- Orienting new staff - Assists someone with heavy workload - Assists supervisor
1990 – Podsakoff, MacKenzie, Moorman and Fetter	Conscientiousness	Discretionary behaviour beyond the minimum general role (attendance, rules and schedule) requirements	- Does not take extra breaks - Obey rules and regulations - Attendance at work is above norm
	Sportsmanship	Willingness to tolerate without complaining	- Always focus on the positive side - Do not consume a lot of time complaining - Do not always find fault with organization
	Courtesy	Discretionary behaviour aimed at preventing problems with others to occur	- Try to prevent problems with others - Do not abuse the rights of others - Tries to avoid creating problems
	Civic Virtue	Behaviour that indicates he/she is concerned about the life of the organization	- Attend meetings that are not mandatory - Attend functions that are not required - Keep abreast of changes
1990 – Organ	Peacekeeping	Action that helps prevent, resolve or mitigate unconstructive interpersonal conflict	- Be a peacemaker when others have disagreements
	Cheerleading	Action of encouraging and reinforcing co-workers' accomplishments and professional development	- Encourage others when they are unhappy
	Altruism	*similar to Organ (1998) and Podsakoff et al. (1990)	
	Courtesy		
	Sportsmanship		
Civic Virtue			
1991 – William and Anderson	OCBO	Behaviour that benefits the organization in general	- Assists someone with heavy workload - Helps others who have been absent - Takes time to listen to friends who have problems
	OCBI	Behaviour that benefits specific interest individuals	- Attendance is above the norm - Conserves and protects organizational property - Adhere to informal rules
1991 – Graham	Loyalty	Identification with and allegiance to an organization's leaders and organization as a whole	- Represent organization favourably to outsiders - Actively promotes organizations products and services
1994 – Van Dyne, Graham and Dienesch	Obedience	Acceptance of the necessity and desirability of rational rules and regulations	- Rarely wastes time at work - Always punctual - Produces highest quality work regardless of circumstances
	Participation	Acts of responsible participation in the governance of the organization which include three types– social, advocacy and	- Shares ideas for new projects or improvement widely - Frequently makes creative

		functional participation	suggestions to co-workers - Encourages others to speak up at meetings
1994 – Podsakoff and MacKenzie	Helping	Action of helping co-workers to solve or avoid work related problems	*similar to peacekeeping, cheerleading (Organ, 1990), altruism and courtesy (Podsakoff et al., 1990)
	Sportsmanship Civic Virtue	*similar to Organ, 1990 and Podsakoff et al., 1990	
1995 – Moorman and Blakely	Interpersonal Helping	Helping co-workers in their jobs when such help is needed	- Voluntarily helps new employees settle into the job - Shows genuine concern and courtesy towards co-workers
	Individual Initiatives	Communication to others in the workplace to improve performance	- Often motivates others to express ideas and opinions - Encourages others to try new and more effective ways of doing jobs
	Personal Industry	The performance of specific tasks above and beyond the call of duty	- Performs duties with unusually few errors - Performs duties with special care - Always meets and beats the deadline for completing work
	Loyal Boosterism	The promotion of organizational image to outsiders	- Encourages friend and family to utilize organization's products - Defends the organization when others criticize it
1996 – Van scooter and Motowidlo	Interpersonal Facilitation	Interpersonal acts that help maintain the interpersonal and social context needed to support effective task performance	- Praise co-workers when they are successful - Help someone without being asked - Say things to make people feel good about themselves
	Job Dedication	Motivational foundation that drives people to act with the deliberate intention of promoting the organization's best interests	- Put in extra hours to get work done on time - Pay close attention to important details - Work harder than necessary
1998 – Van Dyne and LePine	Helping	Promote behaviour that emphasizes small acts of consideration which builds and preserves relationships and interpersonal harmony	- Help orient new employees - Assist others for the benefit of the group
	Voice	Promote behaviour that emphasizes expression of constructive challenge intended to improve rather than merely criticize	- Speak up and encourage others to get involved in issues - Communicate opinions about work issues to others
2000 – Coleman and Borman	Interpersonal Citizenship Performance	Behaviours that assist, support, and develop organization members through cooperative and facilitative efforts that go beyond expectations	- Helping other organization members - Keeping others in the organization informed about upcoming events, activities, actions
	Organizational Citizenship Performance	Behaviours that demonstrate commitment to the organization through allegiance and loyalty to the organization and organization objectives, and compliance with organizational rules, policies, and procedures	- Maintaining a positive attitude about the organization - Engaging in behaviour that benefits the organization
	Job-Task Citizenship Performance	Extra efforts that go beyond role requirements; demonstrating dedication to the job, persistence, and the desire to maximize one's own job performance	- Putting forth extra effort on own job - Providing extra service or help to customers
2000 – Podsakoff, MacKenzie, Paine, and Bachrach	Helping Behaviour	Voluntarily helping others with, or preventing the occurrence of, work related problems	*similar to altruism, peacekeeping, and cheerleading (Organ, 1988), interpersonal helping (Morman and Blakely, 1996), interpersonal facilitation (Van Scooter and Motowidlo, 1996)
	Sportsmanship	A willingness to tolerate the inevitable inconveniences and impositions of work without complaining and being willing to sacrifice their personal interest for the good of the organization	*similar to sportsmanship (Podsakoff et al., 1990)
	Organizational Loyalty	Promoting the organization to outsiders, protecting and defending it against	*similar to loyal boosterism (Morman and Blakely, 1996), loyalty (Graham,

		external threats, and remaining committed to it even under adverse conditions	1991 and Van Dyne et al., 1994)
	Organizational Compliance	Internalization and acceptance of the organization's rules, regulations, and procedures, which results in a scrupulous adherence to them, even when no one observes or monitors compliance	*similar to generalized compliance (Smith et al., 1983); obedience (Graham, 1991 and Van Dyne et al., 1994) and job dedication (Van Scotter and Motowidlo, 1996)
	Individual Initiative	Engaging in task-related behaviours at a level that is so far beyond minimal requirements or generally expected levels that it takes on a voluntary flavour	*similar to conscientiousness (Organ, 1988), personal industry and individual initiative (Moorman and Blakely, 1995)
	Civic Virtue	Willingness to participate actively in its governance to monitor its environment for threats and opportunities and to look out for its best interests even at great personal cost	*similar to civic virtue (Organ, 1988 and Podsakoff et al., 1990), organizational participation (Van Dyne et al., 1994)
	Self-Development	Voluntary behaviours employees engage in to improve their knowledge, skills, and abilities	- seeking out and taking advantage of advanced training courses - keeping abreast of the latest developments - learning a new set of skills to expand the range of contributions to an organization
2004 – Farh, Zong and Organ	Taking Initiative	Behaviour that indicates one's willingness to take on additional responsibilities	*similar to conscientiousness (Smith et al., 1983), functional participation (Van Dyne et al., 1994), and job dedication (Van Scotter and Motowidlo, 1996)
	Helping Co-workers	Helping colleagues in work-related matters or non-work matters	*similar to altruism (Smith et al., 1983) or helping (Van Dyne and LePine, 1998)
	Voice	Making constructive suggestions or speaking up to prohibit harmful behaviour to the firm	*similar to voice (Van Dyne and LePine, 1998)
	Group Activity Participation	Participating in activities organized by the firm or by special groups of employees	*similar to civic virtue (Organ, 1988 and Podsakoff et al., 1990)
	Promoting Company Image	Promoting the organization (image and products) to outsiders	*similar to loyalty (Van Dyne et al., 1994) and loyal boosterism (Moorman and Blakely, 1995)
	Self-Training	Improving one's own knowledge or working skills	*similar to self-development (Podsakoff et al., 2000)
	Social Welfare Participation	Employees' participation in activities of public welfare or community service	- contribute to public welfare such as donate blood and plant trees - serve community such as assist elders
	Protecting or Saving Resources	Actions that save company resources and use personal resources to aid the company, and protect the company from disasters	- save company equipment and electricity - use personal social connections - defend company against theft or fire
	Keeping Workplace Clean	Activity of maintaining cleanliness in the organization	*as part of conscientiousness (Organ, 1988) and obedience (Graham, 1991 and Van Dyne et al., 1994) - keep workplace clean and neat
	Interpersonal Harmony	Actions aimed at facilitating and preserving harmonious relations in the workplace	*similar to peacekeeping Organ, 1988)
2010 – Zhang, Liao and Zhao	Altruistic OCB	Behaviour that determined by personalities and do not affected by or influenced less by the outside variables	- citizenship act to help others without care much about their gains or losses - citizenship act due to their inherent personality such as offer to help co-workers resolving problems and provide ideas for organizations development - citizenship act because they simply enjoy to do so
	Responsible OCB	Behaviour determined by an obligation to pay back other's favours based on social exchange etiquette and the norms of reciprocity.	- citizenship acts to pay back leaders' respect, care and support - citizenship act to pay back organizational training promotion and

			reward - citizenship act to pay back the organization or others' fair treatment
	Instrumental OCB	Behaviours which use impression management tactics for self-serving aims	- proactive behaviour to satisfy employee's own motives (pursuing rewards, promotion and training) - citizenship act in the presence of leaders or co-workers
	Compulsory OCB	Context forced behaviour which is based on stress	- behaviours to prove they are valuable to the organization - behaviours caused by work context such as leader's demand, co-workers failing in jobs or lazy in team based work

2.6 Antecedents of OCB/ERB

The main reason for the growing interest in ERB/OCBs is that they are expected to have an effect on organizational effectiveness and performance (e.g., Nielsen et al., 2009; Organ et al., 2006; Podsakoff et al., 1997). Due to this reason, many researchers focus on identifying predictors of ERB/OCB in order to determine and define specific variables in organizational settings that influence and increase this type of behaviour. There are many variables that have been identified and tested in order to be named as the antecedents of ERB/OCB.

Authors of both of the earliest articles on OCB in 1983 (Bateman and Organ, 1983; Smith et al., 1983) noticed the importance of OCB as well as its nature and antecedents. Smith et al. (1983) broadly categorize the determinants of OCB into 'workplace environment' and 'personality' while Bateman and Organ (1983) single out 'overall job satisfaction' as being the cause of citizenship behaviour. These early discussions of the antecedents have influenced the ways in which researchers in earlier years discussed the aspects of OCB, as the majority of them focused on the antecedents of OCB in their research efforts (Podsakoff et al., 2009).

Later, Organ (1990) suggests the 'dispositional determinant' as the motivational basis of OCB, which he explains as the concept of fairness in organizations. In 1995, job attitudes were regarded as robust predictors of OCB, besides the dispositional factors, when Organ

and Ryan (1995) analysed 55 studies on OCB. A more inclusive review by Podsakoff et al. (2000) confirms all the previous antecedents of OCB as well as extending into a few more in their study. They then group all the antecedents in the empirical research into four main categories: individual characteristics, organizational characteristics, task characteristics and leadership behaviour.

Meanwhile Organ et al. (2006), in their book, summarise all the antecedents by further splitting them into another two categories: attitudinal and dispositional, and then explain the impact on OCB of several leadership behaviours and work environments. While reviewing the individual and organizational consequences of OCBs, Podsakoff et al. (2009) list several potential antecedents from previous studies in their research such as personality traits, employee attitudes and perception of fairness, leader behaviours and a variety of task characteristics.

Each element of antecedents has a different effect on OCB and also shows different intensities of relationship with OCB (Podsakoff et al., 2000) and, in fact, some of the antecedents show different effects between 'in-role' and 'extra-role' behaviour. When job satisfaction is measured by five items: work, pay, promotions, co-workers and supervision, as used in Bateman and Organ (1983), it shows stronger relationships with extra-role than with in-role performance.

Table 2.9: Antecedent of OCB/ERB

Category of OCB/ERB's Antecedents	Antecedents	Sources
Attitudinal	<ul style="list-style-type: none"> • Job satisfaction 	<ul style="list-style-type: none"> • Organ and Ryan (1995) • Judge et al. (2001)
	<ul style="list-style-type: none"> • Trust in leader • Perceived organizational support 	<ul style="list-style-type: none"> • Podsakoff et al. (2000)
	<ul style="list-style-type: none"> • Affective commitment • Assessment of leaders' supportiveness 	<ul style="list-style-type: none"> • Organ and Ryan (1995)
	<ul style="list-style-type: none"> • Morale (satisfaction, fairness, affective commitment and leader consideration) 	<ul style="list-style-type: none"> • Organ (1997)
Dispositional / Personality	<ul style="list-style-type: none"> • Agreeableness • Emotional stability • Extraversion 	<ul style="list-style-type: none"> • Organ and Ryan (1995) • Borman et al. (2001)

	<ul style="list-style-type: none"> • Conscientiousness 	<ul style="list-style-type: none"> • Van scooter and Motowidlo (1996)
	<ul style="list-style-type: none"> • Dependability • Cooperativeness 	<ul style="list-style-type: none"> • Motowidlo and Van Scooter (1994)
Leadership behaviour	<ul style="list-style-type: none"> • Instrumental leader • Supportive leader 	<ul style="list-style-type: none"> • Podsakoff et al. (1996) • Schnake et al. (1995, 1995)
	<ul style="list-style-type: none"> • Leader reward and punishment 	<ul style="list-style-type: none"> • MacKenzie et al. (2001) • Pelai et al. (2001) • Podsakoff et al. (1996, 2004)
	<ul style="list-style-type: none"> • Transformational leadership 	<ul style="list-style-type: none"> • Koh et al. (1995) • Pelai et al. (1999) • MacKenzie et al. (2001) • Podsakoff et al. (1990)
	<ul style="list-style-type: none"> • Leadership-member exchange (LMX) 	<ul style="list-style-type: none"> • Deluga (1998) • Hui et al. (1999) • Wayne et al. (2002) • Uhl-Bien and Maslyn (2003)
	<ul style="list-style-type: none"> • Servant leadership 	<ul style="list-style-type: none"> • Ehrhart (2004)
	<ul style="list-style-type: none"> • Leadership empowerment 	<ul style="list-style-type: none"> • Ahearne et al. (2004)
Task characteristics	<ul style="list-style-type: none"> • Task feedback • Task variety • Intrinsically satisfying task 	<ul style="list-style-type: none"> • Podsakoff et al. (1996) • Cardona et al. (2004)
	<ul style="list-style-type: none"> • Task and goal interdependence 	<ul style="list-style-type: none"> • Pearce and Gregersen (1991) • Smith et al. (1983)
	<ul style="list-style-type: none"> • Task scope (task autonomy, task feedback, task identity, task feedback and task variety) 	<ul style="list-style-type: none"> • Farh et al. (1990) • Van Dyne et al. (1994)
	<ul style="list-style-type: none"> • Role overload 	<ul style="list-style-type: none"> • Jex and Thomas (2003)
Group characteristic	<ul style="list-style-type: none"> • Group cohesiveness 	<ul style="list-style-type: none"> • George and Bettenhausen (1990) • Podsakoff et al. (1996)
	<ul style="list-style-type: none"> • Team-member exchange (TMX) 	<ul style="list-style-type: none"> • Liden et al. (2000)
	<ul style="list-style-type: none"> • Group potency 	<ul style="list-style-type: none"> • Ahearne et al. (2004)
	<ul style="list-style-type: none"> • Perceived team support 	<ul style="list-style-type: none"> • Bishop et al. (2000) • Deckop et al. (2003) • Bommer et al. (2003)
Organizational characteristic	<ul style="list-style-type: none"> • Organizational formalization and inflexibility 	<ul style="list-style-type: none"> • Podsakoff et al. (1996)
	<ul style="list-style-type: none"> • Perceived organizational support 	<ul style="list-style-type: none"> • Bishop et al. (2000) • Eisenberger et al. (2001) • Liden et al. (2003)
	<ul style="list-style-type: none"> • Structural distance 	<ul style="list-style-type: none"> • Podsakoff et al. (1996)
	<ul style="list-style-type: none"> • Organizational constraints 	<ul style="list-style-type: none"> • Jex and Thomas (2003)

Source: Summarized from Organ et al. (2006)

Organ et al. (2006) (see Table 2.9) summarize that in attitudinal antecedents, job satisfaction, as a morale factor, and sense of fairness in social exchange are considered to be the major motivators for employees to perform OCB but these two are, indeed, not the only important determining factors. On the other part of the employee factor, job satisfaction or attitudes are empirically proven as mediating variables on any effect of personality, thus it is implied that personality mostly affects OCB not in a direct relationship. They further explain the mediating effects of all the antecedents from leadership behaviour and other work environments or characteristics (task, group and

organizational) and stress more empirical testing needs to be done to obtain the best mediating mechanism for the effect on OCB.

There are not many differences in terms of the type of antecedents after 2006, as analysed and listed in Organ's (2006) book. Most researchers prefer to replicate the existing antecedents from the previous study. As an example, Davoudi (2012) list twelve antecedents in his research comprehensive model of OCB but only introduces one new antecedent, which is employee age. However, there remain a handful of antecedents of ERB/OCB that have been established in studies, such as 'openness' from a five-factor model of personality traits (Chiaburu et al., 2011), 'continuance commitment' and 'normative commitment' from organizational commitment (Huang and You, 2011).

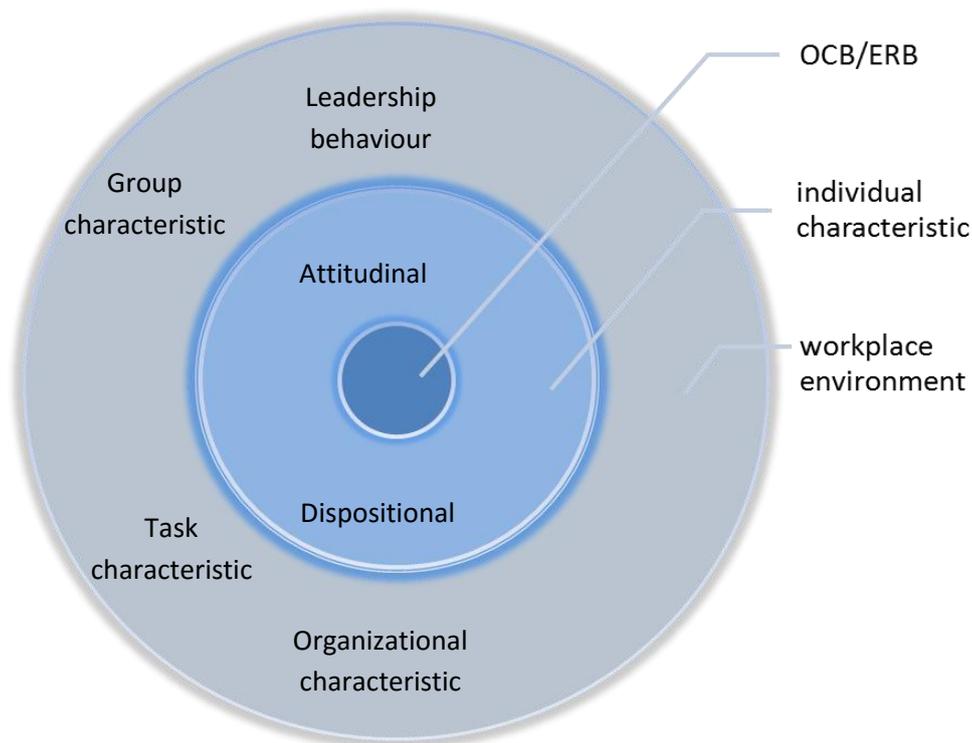
There are examples of studies which use or establish the same antecedents as listed in Organ (2006) as below:

- leadership behaviours (Ebbekink, 2008) and leadership styles (Khan et al., 2013)
- role clarity, leadership, organizational commitment, organizational justice and individual traits (Chahal and Mehta, 2010)
- emotional stability, extraversion, openness/intellect (a new antecedent), conscientiousness and agreeableness (Chiaburu et al., 2011)
- organizational support (Ersoy et al., 2011)
- job satisfaction and organizational commitment (Kim et al., 2011)

While discussing the antecedents of ERB/OCB, we must always bear in mind that there is a possibility that any organization could have its own unique characteristics which could motivate employees to perform citizenship behaviours. One example of a unique organizational characteristic is the finding of 'a sense of isolation' as one of the antecedents from a pre-school teaching study completed by Oplatka and Stundi (2011) in twelve Israeli

kindergarten. As for the reason, more variables could probably be examined by using different methods available, in different organizational settings, across all industries and countries, using different dimensions or elements of ERB, in order to establish more reliable antecedents to predict the ERBs in future.

Figure 2.4: Antecedents of OCB/ERB



Summarizing all the antecedents from the literature, we classify the antecedents into two broad categories: (individual characteristic and workplace environment) and in each category, there are a few sub-categories, which consist of the individual element or antecedent of ERB (Figure 2.4). It is a challenging task to comprise all the antecedents in literature, and to suggest an agreed or comprehensive definition in order to fit them into clear cut categories. Different interpretations and explanations from various scholars and researchers regarding this issue could attract more research to be done in this area and, hopefully, an improved or comprehensive framework could be drawn from that to improve our understanding of OCB.

2.7 Consequences of OCB/ERB

The importance of the relationship between ERB/OCBs and their potential consequences in the organization can be seen in the growing interest shown in the literature (Podsakoff et al., 2009). Many researchers in this area focus and conduct their research on the effects or consequences of OCBs (e.g. Dunlop and Lee, 2004; Koys, 2001; MacKenzie, 1998; Nielsen et al., 2009; Podsakoff et al., 2009; Purnama, 2013) besides the antecedents of the behaviours, which is the most popular part of OCB in its early years. While discussing the consequences of OCBs in an organizational setting, Organ et al. (2006) divide the effects of OCBs into two broad themes: 'performance evaluations and judgments', which is related to the employee himself; and 'organizational performance and success'. In a similar categorization, Podsakoff et al. (2009) approach their study of the effect of OCBs with the use of more common and familiar terms, which is the consequence of OCBs at the individual and organizational level. The individual level relates the consequences of OCB to the doers or employees themselves such as the effects on their performance evaluations and rewards. The organizational level relates the consequences of OCB on overall performance, such as the efficiency and effectiveness of the organization (Podsakoff et al., 2009).

Organ et al. (2006) begin the discussions of the theoretical mechanism, explaining the reasons why OCBs might influence 'performance evaluations and managerial judgements' of the employees. They later provide empirical evidence to support these effects. Several key potential reasons listed assume that OCBs have been thought to improve organizational effectiveness, by enhancing co-workers and managerial productivity, freeing up resources for more valuable and effective activities, coordinating activities between members and groups, increasing the ability to attract and retain the best people at work, and stabilizing organizational performance (Organ et al., 2006).

Among the important consequences of OCBs at the 'individual level' which have emerged from the literature, is an indication that OCBs are proven to enhance managerial evaluations of employee overall performance (e.g. MacKenzie et al., 1993; Motowidlo and Van Scotter, 1994) and to increase the recommendation for organizational rewards (e.g. Allen and Rush, 1998; Kiker and Motowidlo, 1999). Allen (2006) further explains the relationship between OCBs and organizational rewards in which he includes the promotion element besides the common salary rewards. Discussion from his study states that employees who engage more frequently with OCBs have been reported as gaining more promotions in the organization. He also tests and establishes gender as a moderator to the relationship and in explaining the relationship. His findings suggest male employees have a stronger relationship between OCBs and promotion than females.

In addition to the consequences at the 'individual level', Podsakoff et al. (2009) report another less focused effect of OCBs, which is on 'employee withdrawal behaviours', such as turnover intentions, turnover and absenteeism. Several criteria of employee withdrawal are tested in the Mossholder et al. (2005) study, which reveals that OCBs have a negative relationship with intention and actual turnover, as well as with absenteeism. It is then concluded that employees who engage with OCBs are less likely to leave the organization or not to turn up to work.

Moving on, we now discuss another part of OCB's consequences, which is 'organizational performance and success'. We might relate this to the previous individual level effect. One of the reasons why management of an organization enhances the performance evaluation, increases the rewards and promotes the employees who perform OCBs, is because the managers believe that those behaviours will enhance the efficiency and effectiveness of the organization. The very first supporting evidence for that claim could be seen in the original

definition of OCB in Organ (Organ, 1988), as mentioned by Organ et al. (2006), where they clearly suggest that the behaviours enhance the organizational effectiveness over time.

Empirical evidence reveals that different types of measures of organizational outcome have been used while explaining the relationship between OCBs and organizational performance. As an example, the positive effects of OCBs on quality and quantity of production units in a paper mill company have been studied by Podsakoff et al. (1997). Later in the literature, several other familiar measures are also available, such as sales performance (MacKenzie et al., 1998), customer complaints and satisfaction (Walz and Niehoff, 2000), profit (Koys, 2001), and service efficiency (Dunlop and Lee, 2004).

Group or unit performance is another aspect of measuring an organizational performance, and could also be considered as another approach of evaluating the effect of OCBs. Nielsen et al. (2009) provide a quantitative review with 38 independent samples of OCBs at the group level finding that OCBs have a significant and positive relationship with group level performance. Further explanation of OCBs and group performance, which includes task interdependence as a moderator, reveals the positive correlation between OCB and group performance (Nielsen et al., 2012).

Discussions on the effect of OCB on organizational performance have also been approached with different classifications as demonstrated by Podsakoff et al. (2009). They categorize the effects of OCBs on performance based on three main types of outcome from the literature: (1) organizational effectiveness; (2) customer satisfaction; and (3) unit or group turnover. In the study, OCBs are found to be positively related to a variety of organizational effectiveness measures such as productivity, efficiency and profitability (e.g. Dunlop and Lee, 2004; Koys, 2001), as well as to customer satisfaction (Yen and Niehoff, 2004), but negatively related to cost (Walz and Niehoff, 2000) and unit or group turnover (Sun et al., 2007).

Research on the effects and consequences typically include the moderating factor, where it possibly explains why the patterns of effects across studies are not completely consistent. Although an incomplete pattern of the effects of OCBs exist, especially when tested as an individual domain or item (e.g., helping, sportsmanship, and civic virtue) rather than overall OCB (Organ et al., 2006), there is still a limited number of studies focusing on the moderating effect (Podsakoff et al., 2009). They suggest a few interesting domains to be further examined, such as compensation systems, level of turnover, task and technological requirements, the amount of team work and the type of industry.

What is missing in the discussion of the consequences of OCBs is the negative effect. In 2006, one researcher from Israel, Vigoda-Gadot (2006) theorizes a dark side of OCB in organizations but he deviates from the conventional meaning of citizenship behaviour and proposes the new concept of 'compulsory OCB'. It indeed represents a dark and deconstructive side of OCB, as he argues that citizenship behaviours are not always discretionary and he also proposes a redefinition of the meaning of OCB. Another discussion on the negative effect can be seen in a study by Bergeron (2007) where he looks into individual time allocation between OCBs and task performance. He argues that individuals have to trade off the time spent between OCB and task performance, since we have a fixed amount of time every working day. Time spent on behaviour that benefits the organization may be at the expense of the task performance. Thus, it may be costly in terms of rewards and career advancement, since both task performance and OCB have been considered by managers for rewards recommendations.

It is also noted that the studies measure the performance and outcome of the organizations mostly based on objective measures (Organ et al., 2006). Thus more subjective measures of performance such as customer, employee and internal business process perspectives

(Kaplan and Norton, 1992) should also be explored empirically in the future, to strengthen the relationship between OCBs and organization effectiveness and performance.

2.8 Behavioural dimension as the next measure of the PMS framework

A number of phases of performance measurement emerged in the literature so far, such as: financial measures, non-financial measures, balanced measures, integrated measures and dynamic measures, as discussed in the previous section. The development of performance measurement models and frameworks undoubtedly took place due to the influences of the ever changing external environment as well as due to the increasing complexity of internal demand which surrounds the business and organizational setting (Larson and Callahan, 1990). Both internal and external dimensions of organizational environment nowadays are regarded as dynamic and turbulent, and it is predicted to continue changing for the foreseeable future in order to influence business entities and related organizations in various existing and new unexpected ways (Bititci et al., 2011; Bititci et al., 2006; Korsgaard et al., 2010; Nudurupati et al., 2011) . This premise has been used by several academic and research communities when predicting the future for performance measurement. Perhaps we could say that the dynamic and turbulent environment could be regarded as a challenge to be faced for scholars and future researchers in the performance measurement area of study (Bititci et al., 2011; Korsgaard et al., 2010; Nudurupati et al., 2011; Taticchi et al., 2010).

2.8.1 Future measures proposed in PMS framework

In the literature, a few dimensions, sub-fields or elements of performance measurement have been proposed. These could be the foundations for the researcher and practitioner operating in this area to ponder and try to find the next solutions, either with the introduction of a new PMS framework or working on modification of existing PMS

frameworks. Among the notions for the future which have surfaced in the PMS literature (at least in two studies) are organizational collaboration (Bititci et al., 2011; Nudurupati et al., 2011), networks (Bititci et al., 2011; Korsgaard et al., 2010), small to medium enterprises (SMEs) (Bititci et al., 2011; Garengo et al., 2005), sustainability (Bititci et al., 2011; Taticchi et al., 2010) and servitization (Bititci et al., 2011; Nudurupati et al., 2011).

The other popular aspect in future, which is listed and discussed in several recent studies on the future agenda of performance measurement is “the behavioural dimension” (Bititci et al., 2011; Nudurupati et al., 2011). The expectation of changes in the fundamental purpose behind performance measurement which observes the fading emphasis on ‘control’ to more emphasis on ‘learning’ (Bititci et al., 2011) has made the behavioural element of performance measurement look more valuable. The behavioural dimensions have been rated in de Waal’s (2010) study as equally important as instrumental dimensions (e.g., structure and content) in the PMS in order for the organization to achieve sustainable performance. Also, behavioural factors is listed as among the four factors (organizational, people, behavioural and cultural), which are believed to be closely related to the implementation and use of the measurement system in the turbulent operating environment of business and organization nowadays (Bititci et al., 2011).

The behavioural element seems to be having a significant relation with the PMS of an organization. Nudurupatti et al. (2011) argue that the real success does not solely and sufficiently depend on the information on performance per se, but also depends on the employees who use the information. On another note, Bititci, et al. (2011) suggest the ‘social phenomenon’ concept of performance measurement, and they argue that the behavioural element will react with the social concept and research community. This social concept explains how values and perception of individuals and the communities shape the organizational and individual behaviours in the organization, and thus highlight the

importance of the two types of behavioural element in performance measurement (Bititci et al., 2011).

2.8.2 The behavioural element as a part of human capital in an organization

People or employees in the organization are normally represented by specific terms such as human capital and human resource. Both terms are used to demonstrate that employees are regarded as equally important as other capital or resources in the organization, such as financial and physical resources. These two terms are brought into our discussion as previous researchers studying human aspects and employees in organizations have used specific terms such as 'Human Resource Accounting' (HRA) (Krueger and Casey, 2009) and also 'Human Capital' (Barbour, 2007), even though the significant differences of these terms are not important in our discussion for this study.

The three elements of knowledge, skills and abilities (KSAs) of people in the organization are regarded as both the explicit and tacit attributes of human capital by Coff (2002). Meanwhile, Flamholtz et al. (2002) also include behavioural as well as other attributes of human capital or people in organizations, besides skill and talents, when they discuss the impact of human resources in an organization. The additional element of behaviour to the previous KSAs could be seen as the element that embraces all three elements (KSA) as the employees probably attach or could hardly separate their behaviour while exhibiting knowledge, skills and abilities when performing their job in an organization.

The importance of human capital inevitably brings the same weight to the importance of the behavioural element. However, the main issue is the cost-benefit of human capital, as raised by Crook et al. (2011) in their study. They are concerned with the possibility that the huge amount of time and money which it takes to acquire or develop human capital in organization will offset the benefit they will get from them. On the positive side, Coff (2002)

views human capital as a source of value for the organization to compete with their competitors, or could be considered as a competitive advantage, as it is unevenly distributed among them. At the same time he adds that it is very difficult for the competing organization to assess, imitate or acquire human capital, and thus every effort to develop the values seems worthwhile to the organization (Katz, 1964). Meanwhile, in explaining the importance of human capital in a global and knowledge based economy, Crook et al. (2011) specify that organizations need to attract, invest in and develop human capital, as superior human capital appears essential to organizations' viability and success. Ultimately, these nurtured and experienced employees, due to the effort and investment put into them, need to be retained as much as possible, because it is evidently shown that retention of these brightest employees pays off, substantially (Barbour, 2007).

However, in earlier studies Newbert (2007) argues that human capital is not an important determining factor to organizational performance. He undertook 33 tests on the human capital- performance relationship and managed to acquire only 33% of the tests which support the notion that these two elements are positively and significantly related. A contradictory claim by Newbert (2007) seems partially to agree with the conclusion drawn by Crook et al. (2011) in their study on the relationship between human capital and firm performance. They put together 66 studies and compare both human capital and performance constructs to show the relationship between the two in the organization. In their study, it clearly states that only specific human capital could be a key determinant of firm success. In other words, they agree that not all human capital is equal especially when it is placed in various settings and different environments, and if there is benefit from them, we have to bear in mind that not all benefits will go to the owners of the organizations. The impact of human capital also strongly relates to the firm performance especially when it is not readily tradable in labour markets (Barbour, 2007).

The behavioural element of people or employees has also been discussed under the term 'human resource accounting' (HRA) by Flamholtz et al. (2002); however, they admit that HRA is merely an accounting tool for measuring and managing human capital. In the study, five phases of accounting for people as human assets are drawn, and at the final stage (Stage V: Resurgence of interest in HRA) they assert that the assessment and reassessment of the people's behaviour, together with skills and talents attributes, need to be undertaken continually to make sure human resources has an impact on the basic objectives of an organization. Concerned with which changes to the core assets of the organizations from plant and equipment to human capital and intellectual capabilities, Flamholtz et al. (2002) agree that much attention has to be paid to the latter types of core assets in this post-industrial based economy. They also claim that accounting does not respond well to the circumstances of the business environment and leads to the measurement process providing irregular information on human capital. The above evidences and discussions show that human capital needs to be measured in better ways to provide more accurate information for the decision maker in the organization. Thus, the same concerns arise surrounding the measurement of the behavioural element, as it is considered to be a part of the human capital.

2.8.3 Influence of behavioural factors on the performance of an organization

Looking further at the importance of behavioural elements in an organization, a number of works by Andre de Waal, who has been known as a prolific scholar in performance measurement and management, have been drawn into our discussion. He discusses the behavioural element in numerous of his studies such as: in the use and implementation of performance management system (de Waal, 2003), in creating effective performance management systems (de Waal, 2006), and as the key to improved organizational performance (de Waal, 2010). A tool called performance management analysis (PMA) is

considered one of his significant contributions to this line of study, with the establishment of nine aspects of structural and behavioural factors (see Table 2.10) in performance management systems (de Waal, 2004). The main principle in PMA suggests that equal attention must be paid to both structural and behavioural aspects to establish a performance driven organization (de Waal, 2006).

Table 2.10: Nine aspects of the performance management analysis (PMA)

Aspect	Type	Short description
Responsibility structure	Structural	A clear parenting style and tasks and responsibilities have been defined and these are applied consistently at all management levels.
Content	Structural	Organizational members use a set of financial and non-financial performance information, which has a strategic focus through the use of critical success factors and key performance indicators.
Integrity	Structural	The performance information is reliable, timely and consistent.
Manageability	Structural	Management reports and performance management systems are user friendly and more detailed performance information is easily accessible through information and communication technology systems.
Accountability	Behavioural	Organizational members feel responsible for the results of the key performance indicators of both their own responsibility areas and the whole organization.
Management style	Behavioural	Senior management is visibly involved and interested in the performance of organizational members and stimulates an improvement culture and proactive behaviour. At the same time it consistently confronts organizational members with lagging results.
Action orientation	Behavioural	The performance information is integrated in the daily activities of organizational members in such a way that problems are immediately addressed and (corrective or preventive) actions are taken.
Communication	Behavioural	Communication about the results (top-down and bottom-up) takes place at regular intervals as well as the sharing of knowledge and performance information between organizational units.
Alignment	-	Other management systems in the organization such as the human resource management system, are well aligned with performance management, so what is important to the organization is regularly evaluated and rewarded.

Sources: Summarized from de Waal (2004).

Prior to the introduction of PMA, de Waal (2003) in his case studies on profit and non-profit organizations in the Netherlands, establishes 20 behavioural factors that are considered

important to the use and implementation of performance management systems. In his recent study, de Waal (2010) clearly reveals the behavioural dimensions as the key to improving the overall performance of the organization. He even suggests an organization needs to combine both instrumental and behavioural dimensions in order to create a “successful performance-driven organization” which could achieve and sustain better performance (de Waal, 2010, p. 88). The above discussions thus imply that the organization needs to pay much attention to measuring and managing the behavioural elements in order to compete successfully.

2.8.4 Types of behaviour in an organization

Two broad categories or types of behaviour in organizations could be named as in-role behaviour and extra-role behaviour (Morrison, 1994), which also refers to in-role performance and extra-role performance (Stoner et al., 2011; Yap et al., 2009). Most of the empirical evidence seems to agree that the boundary between these two was clearly defined (Belogolovsky, 2010; Kim, 1996). However, some managers as well as employees themselves struggled to have a clear distinction between in-role and extra-role behaviour (Morrison, 1994), and in the same study, Morrison (1994) states that a clear boundary between those two terms also varies across employees in an organization. Other types of categorization have also been suggested in literature such as task performance and citizenship performance (Culbertson and Mills, 2011), and ‘core task behaviour’ (CTB) and organizational citizenship behaviour (Johnson et al., 2009). The difference in terms of the type of categorization of those concepts is basically irrelevant for this study because more or less in-role behaviour and task behaviour could refer to one set of behaviours and, on the other hand, extra-role and citizenship behaviour refers to the other set in an organization. We are more interested to focus on the difference of the two divided

behaviours in an organization (in-role against extra-role behaviour, or task against citizenship behaviour), rather than the different name of the category.

In-role behaviour or performance relates to the employee's technical core activities that "directly transform raw materials into the goods and services produced by the organization" (Stoner et al., 2011, p. 94). Referring to quite similar types of behaviour, Culbertson and Mills (2011) define task performance as the employee's behaviour while performing core technical activities for the job and it is different from one job to another. Whereas, on the opposite end, extra-role behaviour (ERB) or performance represents the activities that were considered not formally required by any particular job but which do facilitate the effectiveness of organization performance via "help to form the social context of all jobs" (Stoner et al., 2011, p. 94). More or less explaining the same type of behaviour as citizenship performance, extra-role is defined as any organizational or interpersonal behaviour to support the previous mentioned task performance and tends to be similar across the job (Culbertson and Mills, 2011).

Organ et al. (1994) make an attempt to show the distinctions of these two types of behaviour with different views. They explain the variations in task performance, which represent the in-role behaviour, are based mostly on a function of ability, technology and the design of the system, while the variations in organizational citizenship behaviour, which refers to extra-role behaviour (ERB), are more a function of inclination, attitude and discretion. Basically, the key or basic ideas of showing a differentiation in the core and support activities to show the different type of behaviour in the organization were both exhibited in all the above discussions.

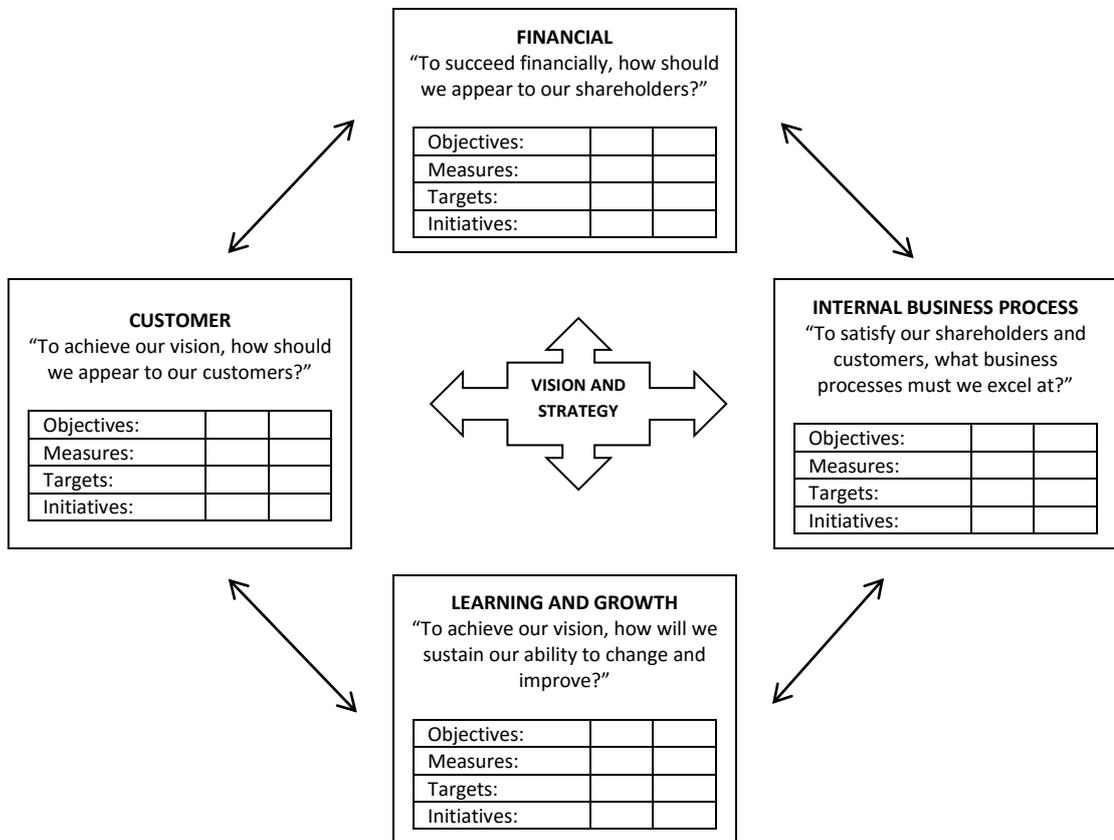
2.8.5 Employee perspective and behavioural measures in existing frameworks

The move towards quantifying qualitative measures for a performance measurement system is considered comparatively difficult. Previous measurement was based on quantitative performance indicators such as time (e.g., processing and delivery), output (e.g., unit produced or processed) and finance (e.g., income and cost) and were relatively easy, compared to the use of qualitative measures such as behaviour and unquantifiable outcomes (Bing et al., 2011). Since the criticisms of traditional measures, a number of performance measurement frameworks or models have included the employee dimension or perspective (together with the other non-financial perspectives) in order for them to measure and manage the human capital. The introduction of the balanced scorecard, the performance prism, the macro process model, and the EFQM excellence model could be a few examples of the well-known frameworks which consist of human or employee elements. However, specific measurement of employee behaviour could not clearly be seen due to in-role behaviour or task performance sometimes being embedded with other types of measurements or perspectives such as the quality, reliability, flexibility, and delivery performance measures.

Briefly reviewed, the balance scorecard (Kaplan, 2008) is undoubtedly considered as the most widely known performance measurement framework that embraces the employee and behavioural perspectives. It has three non-financial perspectives: customer, internal business process and learning and growth, as additional to the financial perspective (see Figure 2.5). The 'learning and growth' perspective discusses a basic understanding of the needs and the importance of people or employees to continuously innovate and create values to the organization. This perspective also implies that management must recognize the employee contribution, and must pay attention to measuring and managing the

employees in order to make sure the organization could sustain the ability to change and improve, and subsequently achieve the organization’s visions and objectives (Kaplan, 2008).

Figure 2.5: Balanced Scorecard

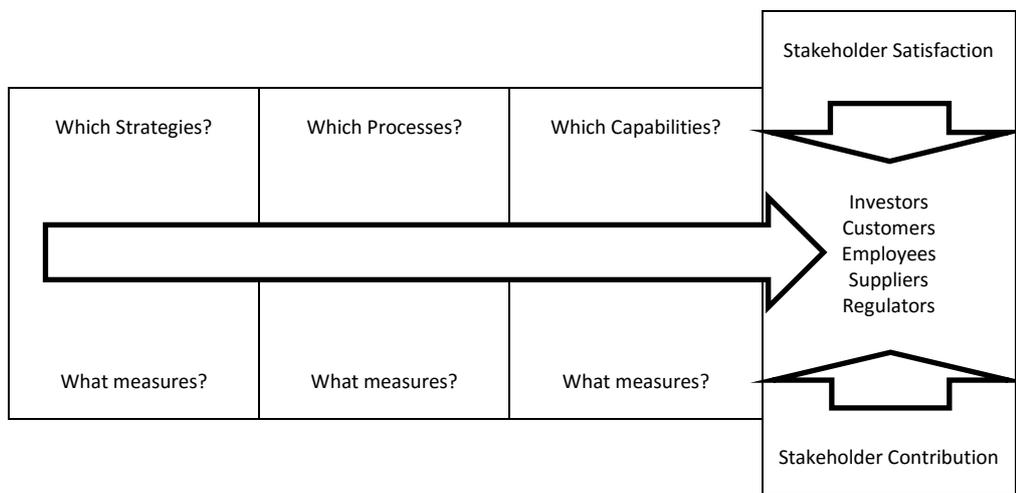


Source: Kaplan (2008, p. 4).

One of the latest frameworks on performance measurement, developed at the Centre for Business Performance at Cranfield School of Management is known as the Performance Prism (Neely et al. 2001). There are five interrelated perspectives in this framework: stakeholder satisfaction, stakeholder contribution, strategies, processes, and capabilities (see Figure 2.6) which provide a holistic approach that guides management attention to what is considered important to achieve long term success for the organization. The performance prism clearly illustrates the importance of the employee as it is included as one of the stakeholders in the first and second perspectives of stakeholder satisfaction and stakeholder contribution. The value to be delivered to the employees, as well as the

contribution from them, was described in terms of competitive compensation packages, training and development, and promotion prospects. The importance of the employee and the behavioural element is once again exhibited in the fifth perspective, as it discusses the employee capabilities (skills, experiences and abilities) that are required in the organization in order to deliver value to the stakeholders together with some policies, procedures and physical infrastructure.

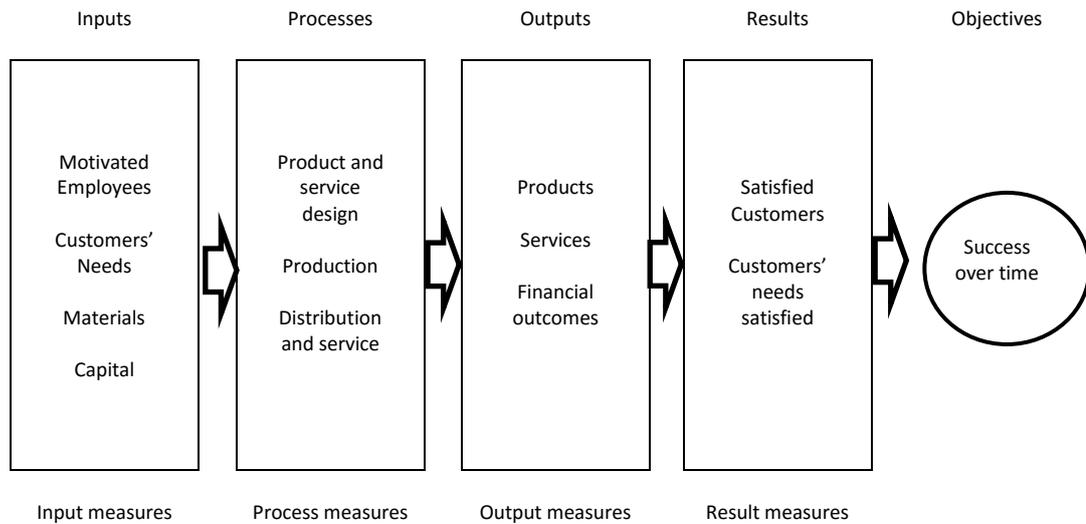
Figure 2.6: Performance Prism



Source: Neely et al. (2011, p. 161)

The people or employee elements are directly mentioned in another two frameworks, the Macro Process Model introduced by Brown (1996) as cited by Tonchia and Quagini (2010), and the European Foundation for Quality Management (EFQM) Excellence Model, introduced in 1992 (An Overview of the EFQM Excellence Model, 2013). The causal linkages between the five stages of business process in the Macro Process Model bring the extension from the typical 'inputs-processes-outputs' relationship, to an additional 'results-objectives' cause and effect relationship (see Figure 2.7). The linkages indicate that each stage is considered as the driver or determinant of the next stage and, thus, the skills, motivated and happy employees together with a few other 'inputs' measures play a critical role as they are listed in the very first stage of the model.

Figure 2.7: Macro Process Model



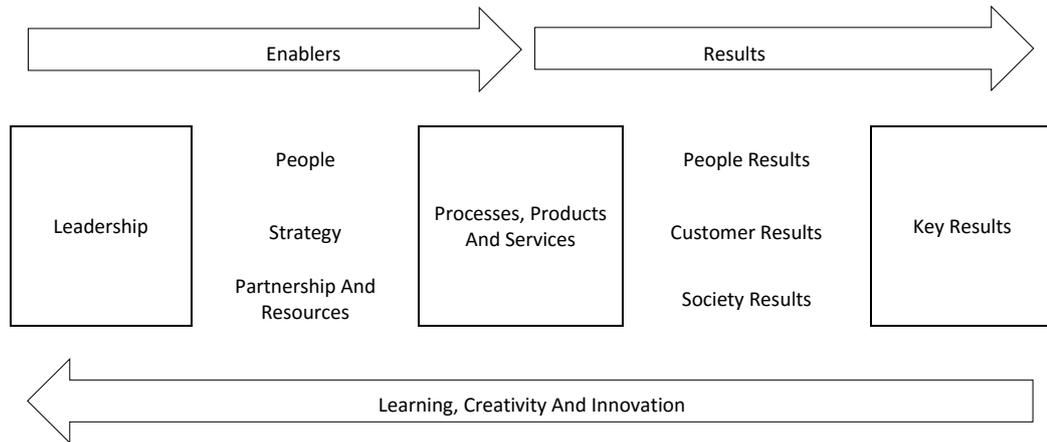
Source: Brown (1996) cited by Tonchia and Quagini (2010, p. 58).

The same is true for the EFQM Excellence Model (see Figure 2.8) where the 'people' element is obviously stated as one of the five 'enablers' also one of the four 'result' criteria in the framework. This self-assessment quality tool is used to assess organizational performance, and to identify key strengths and improvement areas. This model lists eight fundamental concepts as the essential foundation for any organization to achieve sustainable excellence. One of the concepts - succeeding through people - explains how excellent organizations need to value their people and subsequently create a culture of empowerment to balance the personal goals and organizational achievement.

Despite the fact that all the frameworks discussed above seem to include the employee and behavioural element, Armstrong and Baron (2005) have much concern with the common problem which could be faced when measuring the behavioural element in an organization. They argue that measuring employee behaviour will potentially bring the biases, unfair, and inconsistent results or outcomes due to the judgmental element while performing the measurement process. Furthermore, since the concept of human capital and behavioural dimensions has been increasingly discussed nowadays, extensive discussion and more

attention need to be taken in the area of performance measurement and management to introduce a model which specifically accommodates the employees and behavioural dimension in an organization.

Figure 2.8: EFQM Excellence Model



Source: An Overview of the EFQM Excellence Model (2013)

2.9 Formally measuring ERB in organizations

Most organizations have various mechanisms for managing and improving their operations, inventory, financial, supplier and several other aspects of performance. Formally measuring or evaluating performance is one of the key steps for the organization to take to improve their effectiveness and efficiency in delivering goods and services to others. Employees' performance or behaviour is one of the various aspects of an organization that need to be managed and improved, and thus needs to be formally measured or appraised (DeNisi and Pritchard, 2006). They state that employee performance appraisal provides input into the process of performance management, which then leads to the crucial goal of performance improvement. It is considered very important to the survival of an organization yet quite complicated to be measured, managed and improved due to the subjectivity factor of human behaviour. In-depth study needs to be undergone in future to add to the body of

knowledge, and improve our understanding in this employee performance or behaviour area.

Two general categories of employee behaviour or performance in the organization were discussed in Section 2.7.4 “in-role” and “extra-role” performance (Stoner et al., 2011; Yap et al., 2009), also referred to as “task performance” and “citizenship performance” (Culbertson and Mills, 2011), or “core task behaviour” (CTB) and “organizational citizenship behaviour” (OCB) (Vey and Campbell, 2004). We will not focus on the more common and widely known of formal measures of ‘in-role’ or ‘task performance’ categories, as we attempt to pay attention to the extra-role performance and the issue of formally measuring this type of behaviour (Bush and Jiao, 2011). This section will discuss further this issue, from several aspects, firstly, the concept or construct to be used when representing employee extra-role behaviour or performance in an organization. Then, we will discover the best possible tools for measuring various types of extra-role behaviour in organizations. After that, the discussion will be on the consequences of formally measuring the behaviour, and finally, the preparation needing to be taken by the management, such as steps to improve or manage the positive effects as well as to lighten the negative consequences.

Several studies that have been completed regarding the issues of formally measuring the extra-role or citizenship behaviour in the organization (e.g., Becton et al., 2008; Bush and Jiao, 2011; Culbertson and Mills, 2011; Johnson et al., 2009) but these are still considered too few and to be at a very initial stage. For example, two recent studies have been completed empirically on this topic; first by Johnson et al. (2009) who obtained data from 78 working adults and 249 students; and the second study surveying 107 business students with relevant job experience (Bush and Jiao, 2011). Both studies look into the respondents’ reactions, as employees, to formal evaluations of extra-role behaviour (ERB) in performance appraisal. Meanwhile, the other two studies related to this topic (Becton et

al., 2008; Culbertson and Mills, 2011) are merely rated as conceptual studies. The relevant theory and literature were reviewed by Becton et al. (2008) in order to study the potential effects of explicitly incorporating ERBs into performance appraisal and reward systems. The same method is used by Culbertson and Mills (2011) as they conceptually explore the implications of formally including citizenship performance in the organization rating system. Meanwhile, a study by Bysted and Jespersen (2014) on innovative work behaviour shows that public sector employees perceived it as an extra role behaviour, which needs to be rewarded (formalized). The significance of exploring this topic further was signalled to future researchers as they suggested empirically testing all the considerations and theoretical frameworks outlined in their studies.

2.9.1 OCB and ERB

Since this study has opted to choose organizational citizenship behaviour (OCB) dimensions for representing extra-role behaviour (ERB) of employees in an organization, we have discussed an extensive amount of various OCB concepts and frameworks, which were introduced by several authors, in the previous section. The dimensions and frameworks have experienced several changes and modifications in order to suit researchers' personal interpretations as well as the scope for a particular study. Here, we focus on OCB as the concept for formally measuring the employee extra-role behaviour (ERB) in an organization, thus a clarification on the aspect of in-role and extra-role and OCB concepts will be further discussed below.

Vey and Campbell (2004) specifically raise the issue of in-role and extra-role behaviour in their study. Among the findings from the study they show that the majority (85% or more) of the participants categorize 17 of 30 OCBs items as in-role work behaviours rather than extra-role. Thus from study implies that the OCBs do have both in-role and extra-role behaviours in its framework. Much discussion has been raised regarding the extra-role

element in the OCB. Motowidlo (2000) argues that it appears there are two different definitions of OCB available in the literature, due to the reason that not all scholars are aware that Organ redefined his original OCB construct of 1983 as a new concept with no reference to extra-role behaviour in OCB in 1997. Additionally, there is another reason for the availability of two definitions of OCB in the literature as there is a group of researchers who believe that taking out the extra-role characteristic will weaken the original theoretical construct of OCB and they wish to measure the only extra-role of OCBs (Vey and Campbell, 2004). Both reasons stated above show that the two definitions of OCB available in the literature have their own supporters and continue to grow and add to the OCB body of knowledge. The first group of researchers who were aware of and agreed with the redefinition in 1997, continue their research on OCB without exclusively referring to extra-role behaviour, as they believe OCB should also refer to in-role behaviour (Vey and Campbell, 2004). Meanwhile, the researchers belonging to the other group still believe that OCB specifically attaches to the extra-role dimension of employee performance. Thus, the relationship between OCB and extra-role behaviour actually exists in studies from both groups of researchers but the only difference is whether it exclusively refers to extra-role, or refers to both in-role and extra-role employee behavioural performance.

Eliminating the conflict of in-role and extra-role behaviour in OCB frameworks, Morrison (1994) admits in her study that the boundary between these two behaviours is not clearly defined and it probably varies across different situations and contexts. For the same reason, Vey and Campbell (2004) also suggest that future researchers who wish to measure the extra-role behaviour (ERB) should not use the entire version of traditional OCB scales, as they are perceived to include many "in-role" behaviours. This suggestion is based on their finding that the majority of behaviour in OCB's five dimensions scales (altruism, conscientiousness, courtesy, sportsmanship, and civic virtue), is considered to be in-role performance, or to be required in their formal job performance. Researchers suggest

excluding conscientiousness and courtesy from OCB measures, if they only want to focus on extra-role behaviour, and paying more attention to altruism and civic virtue, as in aggregate, the latter two measures are considered to be more extra-role than the other OCB dimensions (Vey and Campbell, 2004). This finding also suggests the traditional OCB measures introduced and used by Organ (Organ, 1988) and Smith et al. (1983) might not be measuring only extra-role performance in the organization. Looking from a positive perspective, these findings have raised the importance of ERB/OCB being measured formally in the organization, in order to improve the employee overall performance as well as the organization's effectiveness, regardless of whether it is exclusively measuring extra-role or both types of behaviours.

The discussions and tussles on OCB dimensions have also brought about related issues with the extra-role behavioural (ERB) element, such as the discretionary element of OCBs, as highlighted by Turnipseed and Wilson (2009) in their study. They state that many OCBs are perceived by employees, as part of the formal job description, rewarded and punished (if absence) in an organization. This study further suggests that the original definition of OCB migrates from discretionary and extra-role behaviour to a compulsory type of behaviour. Several authors (e.g. Korsgaard et al., 2010; Vigoda-gadot, 2006, 2007; Zhang et al., 2011) also bring this dimension into a good constructive discussion as they start to question unrewarded or informal rewarding of extra-role behaviour, and they seem to realize the importance of observation and rewarding employee behaviour, in the improvement of the employees' and organizational performance. Once again, these new ideas and concepts of OCB have placed an opportunity for future researchers to use OCBs as a means for formally measuring extra-role behaviour (ERB) together with the in-role performance in an organization.

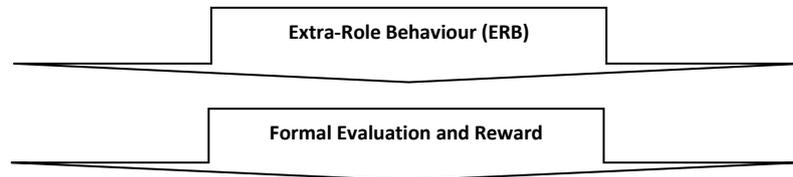
2.9.2 Consequences of formally measuring the ERB in organizations

Whether or not formally including ERB in performance appraisal will encourage greater performance of ERB itself has been raised by Vey and Campbell (2004), as they feel this issue is more critical than the indecisiveness of employee perceptions of the in-role and extra-role elements. Other researchers have also shown their concern about the effects of formally incorporating OCB/ERB, in representing the extra-role behaviour (ERB) of employees in the organization's appraisal system. Becton et al. (2008) show much interest in exploring this topic, and suggest the conceptual framework of potential consequences of formally evaluating and rewarding ERBs in an organization (see Figure 2.9). Using cognitive evaluation theory (CET) as cited in Deci (1971) and other literature, they outline eight propositions to represent both positive and negative consequences, as exhibited in Figure 2.9. The different types of employee motivations seem to give management the idea of focusing on different types of motivational factors, in order to make sure the employees continue performing their ERB. This could also be considered as one of the approaches to improve the performance of the organization, as the OCB/ERBs are widely known to play an integral part in organizational effectiveness (Podsakoff et al., 2009).

Meanwhile, the negative consequences seem to be a more critical issue in formally measuring extra-role behaviour compared to the positive effects. Not only proven in Becton et al. (2008), where the listed negative effects are greater than the figure for the opposite effects, Culbertson and Mills (2011) explicitly state in the title of their study the negative implications when management formally include citizenship performance in employee performance rating. They analyse the negative effects further by dividing the consequences into three different categories: performance ratings (inaccurate portrayal of performance), employee (lower equity and justice perceptions) and organization as a whole (lower competitive advantage and potential legal troubles). The study advises not including

citizenship behaviour in formal evaluations, as employees are likely to perceive lower equity and justice regarding behaviour that is not job related.

Figure 2.9: Potential consequences of formally evaluating and rewarding ERBs



Positive consequences	Negative consequences
<ul style="list-style-type: none"> Increased occurrence of ERBs in extrinsically motivated employees 	<ul style="list-style-type: none"> Decreased occurrence of ERBs in intrinsically motivated employees
<ul style="list-style-type: none"> Decreased role ambiguity 	<ul style="list-style-type: none"> Emotional dissonance leading to emotional exhaustion and burnout
<ul style="list-style-type: none"> Improved self-efficacy 	<ul style="list-style-type: none"> Increased role conflict and overload
<ul style="list-style-type: none"> Improved (leader-member exchange) LMX 	<ul style="list-style-type: none"> Less accurate organizational diagnosis
	<ul style="list-style-type: none"> Greater legal risk
	<ul style="list-style-type: none"> Impeded employee development

Source: Becton et al (2008, p. 507)

Conversely, empirical evidence from Bush and Jiao (2011) study insists that there is no evidence to confirm that formally including OCB/ERB in a performance evaluation system has significant effects on employees' reactions to satisfactions of performance ratings. The same is true of the effect on procedural and distributive justice of evaluation systems, where it is again stated in the Bush and Jioa (2011) study. The findings rather show the effects of the inclusions depends on the levels of task performance, as employees with higher task performance react more negatively when a higher weight of extra-role behaviour is assigned to them. Further empirical evidence obtained by Johnson et al. (2009) shows similar results to Bush and Jiao (2011), when 78 respondents from the first of the two studies reported that evaluating employees on OCB/ERB was considered as fair. The 249 respondents of undergraduate business students, who represent the employees in the

second study, perceived the inclusion of some weighting of OCB/ERB as fairer than none, and they also specifically rated 25 – 50% weightage of OCB/ERB as the fairest practice.

The conflicting results from the studies reviewed in this section seem to be an ideal and a good reason for future researchers to study and explore further in this area and to gain more consistent evidence regarding the issue of formally measuring extra-role behaviour (ERB) in organizations. Becton et al. (2008), however, have a tendency to believe that the negative effects are slightly critical on this issue, at the same time agreeing that a number of organizations have moved towards formally measuring and rewarding OCB/ERBs. They also suggest that this trend keeps increasing in future, similar to the popularity of the OCB/ERB topic observed in the literature. Future empirical exploration has a chance to be in agreement with the results of the two previous empirical studies, and it will contribute in more consistent ways to the body of knowledge of OCB/ERB and performance measurement.

2.9.3 Ways to minimize the possible negative effects of measuring ERB

Two recent conceptual studies (Becton et al., 2008; Culbertson and Mills, 2011), that show the negative effects of formally measuring extra-role behaviour in organization could be considered beneficial to future empirical studies as both groups of authors suggest a possible ways of alleviating the likely negative effects. Six potential ways of minimizing the negative effects listed by each study of Becton et al. (2008) and Culbertson and Mills (2011) are shown in Table 2.11 below. Among the key points highlighted (as discussed in both studies) from the table are: the awareness and understanding of employees regarding the ERB; the chances for and encouragement of the employee to have a voice; giving feedback towards the measuring and evaluation process; and the importance of managers' skills and ability to be a good appraiser of the employees.

The issue of formally measuring extra-role behaviour (ERB) in the organization seems to be far from conclusive, even though some studies do outline the possible consequences as well as suggesting a few potential ways of minimizing its negative effect. There are more factors to be considered, which are less highlighted in previous studies, for example, the complexity of employee or human motivations, and the dynamic relationship between employees in groups or teams. In terms of current practices, a factor related to the existing working culture or the nature of existing working practices in an organization, could also be explored in future. Other potential areas are the employee and organizational demographic factors, as well as the international cultural dimensions. Thus, an empirical study seems timely, in order to at least understand several non-highlighted or maybe less highlighted factors of previous studies, and better to understand the relationship of performance measurement and ERB.

Table 2.11: Ways to minimize the negative effects of measuring extra-role behaviour (ERB)

Becton et al. (2008)	Culbertson and Mills (2011)
<ul style="list-style-type: none"> The weight given to OCB/ERB must be proportionate to overall job performance and employees need to understand the relative importance of OCB/ERBs. 	<ul style="list-style-type: none"> Combat the issues of contamination and deficiency thus organizations must be informed of what should and should not be included in ratings.
<ul style="list-style-type: none"> Focus on the rater training to avoid the possibility of halo errors (overall impressions) and recency error (emphasis on recent behaviour). 	<ul style="list-style-type: none"> Continuously evaluate performance expectations and communicate them to managers prior to evaluations periods.
<ul style="list-style-type: none"> Pay attention on the rating providers as input from peers and subordinates could be more accurate (360 degree feedback or multi-rater format). 	<ul style="list-style-type: none"> Employees could be involved in the appraisal process to clarify their own expectations and redirect managers when including the behaviours that have never been included before (or not supposed to be included).
<ul style="list-style-type: none"> Help employee to balance work and family demands (introduce work-life policies such as flexi-time, telecommuting, and compressed work weeks, paid family leave). 	<ul style="list-style-type: none"> Giving employees a voice in the appraisal process to minimize feelings of inequity and injustice and they may gain an appreciation of why and to what extent the behaviour should be included.
<ul style="list-style-type: none"> Create ways to encourage employees to offer critical analyses and feedback concerning organization practices and processes. 	<ul style="list-style-type: none"> Managers must be informed of the definition and how to conduct such appraisal.
<ul style="list-style-type: none"> Defining OCB/ERB in observable and behavioural terms (utilize behaviourally oriented appraisal techniques such as behaviourally anchored rating scales and behavioural observation scales). 	<ul style="list-style-type: none"> Managers undergo training to observe and evaluate OCB/ERBs

Source: Summary from Becton et al. (2008) and Culbertson and Mills (2011)

2.10 Conclusion

The existing literature of the two main themes in this study, PMS and ERB have been reviewed thoroughly with the focus to find and fill the gap in the PMS area. The evolution of PMS as well as the importance of having a good PMS for an organization was noted from previous studies. In the same note, previous studies on ERBs show the importance of human or behavioural elements which, when proven, increase organizational performance. Based on the above indications, ERB/OCB dimensions were reviewed on several aspects such as on the possible impact of ERBs, as well as the ways to minimize any negative consequences if ERB is to be incorporated as part of formal PMS of SMEs. Having considered the existing literature on these subjects of study, the semi-structured questionnaire will be developed in the methodology chapter. The methodology chapter also outlines how fieldwork of this study should be conducted to gather empirical information from respondents.

Chapter 3: Methodology

3.1 Introduction

This chapter describes the overall methodology of this study where the main concern is to employ the best possible approach or method to answer the research objectives. Basically, it explains how this research was actually carried out and managed accordingly. This chapter is structured under several sections and subsections to ensure the passage of this research is clearly and smoothly explained. Section 3.2 discusses philosophical views or research paradigms as a very basic element of undertaking research, and the adopted paradigm for this research is justified after briefly outlining a few other available philosophical views. Then, the overall research design for this study is discussed thoroughly in Section 3.3 and case study as a chosen method for this study is specifically discussed. Most of the actual journey of this research is narrated in detail in Section 3.4 and this fieldwork section covers topics such as respondents of the research, interviews schedule, questionnaire development, observation and document reviews. Early information on the construction of a quantitative database is covered in Section 3.5, before being further discussed in the next quantitative chapter. The final section of this chapter briefly mentions the ethical consideration which is very critical especially when conducting research involving human beings as respondents or subjects of study.

3.2 Philosophical worldviews/research paradigms

Philosophy in research activity is generally related to a belief about data which, to explain a phenomenon, should be gathered, analysed and used. The term 'philosophical worldviews' (Creswell, 2007) or 'research paradigms' (Bryman and Bell, 2007), is largely hidden in research but it is important as it will determine and explain why researchers choose the

two research elements, research inquiry and research methods, form their research design. Briefly, the philosophical worldview or research paradigm is a shared set of beliefs and directives that influence what should be studied, how research should be done and how results should be interpreted by researchers in a particular discipline (Bryman and Bell, 2007). Thus, the research design for this study should consistently choose approaches and methods according to the researcher's views and beliefs.

3.2.1 Epistemology and ontology

The discussion of two important terms of research philosophy, epistemology and ontology, could explain how researchers see the world with their own beliefs. Epistemology is a set of claims or assumptions about the possible way of gaining knowledge of reality, how what exists can be known and what criteria must be satisfied in order to be described as knowledge (Druckman, 2005). Meanwhile, ontology is a view about the nature of social entities, whether it exists only through experience of social actors, or exists independent to social actors (Bryman and Bell, 2007). Relationships between these two elements within research methodology has been explained by Ryan et.al (2002, p.35) where they narrate "the assumptions which the researcher holds regarding the nature of the phenomenon's reality (ontology), will affect the way in which knowledge can be gained about the phenomenon (epistemology), and this in turn effects the process through which research can be conducted (methodology)". Thus the process of doing this research (methodology) could not be considered isolated from these elements and should have its own ontological and epistemological dimensions.

Categorization of philosophical worldviews or research paradigms could be found differently among authors and researchers in the literature. As an example, Guba and Lincoln (1994) write about four different paradigms: positivism, post-positivism, critical theory, and constructivism in their handbook. Meanwhile Creswell (2007, 2009) in his two

books has four slightly different terms of paradigms: post positivism, social constructivism, advocacy/participatory, and pragmatism. In the meantime, with a very basic categorization, Martinez et al., (2004) opt to differentiate research paradigms by dividing them into only two basic terms: positivist and phenomenological/social constructionism.

Briefly, the main idea behind positivism believes that the social world exists objectively and externally but the phenomenological paradigm argues that the world and reality are not objective and exterior. Positivism then suggests that the properties of the world and realities should be measured through objective methods rather than being inferred through sensations, reflections or intuition; however, the phenomenological paradigm sees that the world and realities are socially constructed and given meaning by people (Martinez et al., (2004). The differences of the worldviews will influence the researcher to choose the other elements in the research design (approaches and methods) or the proper way of conducting the research consistently with what they believe and, thus, bring the best solution or outcome from their research.

3.2.2 Positivism as a dominant research paradigm in management accounting

Three different categories of research in the accounting area are known as mainstream, interpretive, and critical accounting research (Ryan et al., 2002). Accounting research, in general, narrowly moves into one dominant, the so-called mainstream paradigm, which leads to excessive homogeneities in the accounting field (Lukka, 2010). Similarly in practice, accountants seem to claim that they engage in an objective and value free practice by producing various reports without much realization that they are also operating within the constructive environment and socially interacting with their surroundings (Morgan, 1988).

In the management accounting area, some literature (Lukka, 2010; Malmi, 2010; Merchant, 2010; Richardson, 2011) directly discusses the issue of paradigms in accounting research,

concerned about the way research in management accounting has been undertaken in recent years. The increasing narrowness of mainstream accounting research which is dominated by economic-based empirical research, was mentioned by Lukka (2010) as the reason to marginal contribution within one largely programmed, theoretical and methodological framework in management accounting research. An editorial report released by 'Management Accounting Research' written by Scapens and Bromwich (2010) highlights a tendency towards homogenisation in accounting research. The, so-called, mainstream researchers could genuinely pledge to an ontological position of extreme empirical realism and a positivist epistemology, where they see the world as extremely stable and predictable (Modell, 2010).

Similarly, Merchant (2010) argues the mainstream dominance is squeezing out topic and research method diversity, as potentially important research undertaking paradigm outside the norm is argued being marginalized in top North American journals. Malmi (2010) also expresses his concern about the current dominant paradigm by narrating his three personal experiences of paradigms at work where, in general, he explains that experiences representing reality do not seem to fit into the thinking models of the established or mainstream paradigm. These debates are likely to be a healthy move in the long run, by looking at the issue from a positive side, as being knowledgeable about the different assumptions or being conscious of the variety of available paradigms could help researchers see new possibilities for approaching research in management accounting in the future.

3.2.3 Interpretivism as an alternative research paradigm in management accounting

There are several critics on positivism or dominant paradigm in social science, (e.g., management accounting), one of which is a belief that social ontology comprises different layers and is context dependent, thus it is too dynamic to explain the universal applicability

concept, and this complex social situation also cannot be explained by using a few particular restricted variables (Thompson, 2011).

Generally, this study aims to explore the performance measurement area by looking further into the relationship between behavioural elements of employees and performance measurement systems (PMS). Looking merely at the term 'performance measurement' itself, there are at least 17 different definitions of business performance measurement found in over 300 documents reviewed by Franco-Santos et al. (2007). Therefore, it basically shows that the view of meaning or the nature of reality for the term varies from one person or organization to another. The variations in the definitions will probably be due to different settings or situational backgrounds such as experience, belief, values and context. This could assume, in terms of paradigm perspective, that performance measurement is ontologically subjective and socially constructed, thus this study is considered to fit better with the interpretive (social constructionism) research paradigm. This is supported with the explanation by Lukka (2010) that interpretive paradigms in management accounting research seriously consider the subjective meanings of people attached to social environments, and recognises that the world can be viewed as socially constructed.

Instead of trying to apply a choice of various existing performance models and frameworks, which have been listed in the previous literature chapter, this study chooses an induction approach as an alternative, where it believes specific circumstances of the cases can be used to explain or be a basis of explanation rather than deduced from general laws (Ryan et al., 2002). Starting with the process of collecting and analysing data from the observation of specific events in the chosen SMEs, this study then produces a result which, perhaps, will contribute to developing hypotheses and, subsequently, a possible new theory (Wilson, 2010). This seems parallel with a study from Garengo et al. (2005), which exposes a

significant gap between theory and practice due to very little empirical and theoretical research having been carried out on performance measurement in SMEs.

The qualitative approach employed in this study (multiple case studies) which gathers real-life and in-depth data (Yin, 2009) of socially constructed reality in chosen SMEs by using multiple data collection methods, synchronizes with the characteristics of the interpretive paradigm. It aims to understand the real-life phenomena in-depth and claims knowledge is local and situated with the description of employees' personal experience as well as the contextual and setting factors related to the phenomena of the study. Semi-structured interviews (with both managers/supervisors and employees), administered questionnaires, documents (employees' roles/contracts) reviews, and observations, could also increase the validity of the knowledge due to multiple sources of evidence in this research (Yin, 2009).

No single paradigm, methodology or method in research is better or superior than the others, as the most over-riding concern in undertaking research depends on the problems or questions under consideration. The increasing recognition of the need to complement established quantitative methods in positivism with an element of qualitative case study based in management accounting is highlighted by Modell (2005) and is supported by Ahrens and Chapman (2006). They describe it as a good reconciliation, because the positivistic will be hollow without the specific qualitative approach and, similarly, the specific investigation of qualitative will help refine the general statement of positivistic studies.

3.3 Research design/approach

Research design could easily be explained as the plans and procedures to answer research questions or to achieve the objectives of a study. The whole decision to conduct a study normally starts with the worldviews or philosophical assumptions the researcher brings to

the study (explained in the previous section). Then, the procedures of inquiry, also known as the research approach of inquiry, lead to other types of decisions on research methods, data collection tools/techniques, as well as data analysis/interpretation (Creswell, 2009). In a continuum line of research design, Creswell (2009) names the two opposite ends as quantitative and qualitative approaches, opting to include everything in the middle of the line as a mixed methods approach. In following subsections, several types of research in both quantitative and qualitative approaches commonly found in social science literature will be briefly defined, followed by a detailed discussion of the chosen type of research method employed for this study.

3.3.1 Quantitative approach

Two types of research in the quantitative category include survey and experimental research. Generally, research categorized under this approach has an intention to generalize from a sample of a population; the main difference being that experimental research takes place in a laboratory whereas survey takes place in the field.

3.3.1.1 Experimental research

This type of inquiry takes place in a laboratory setting where every participant is exposed to the same environment. A specific treatment to at least one independent (intervention) variable influences one dependant variable (outcome) during the experiment is one of the main characteristics and it is most suited when there are clear outcomes and causal variables (Moutinho and Hutcheson, 2011). Full control of the variables is the main advantage of this type of inquiry; however, conversely the real or natural life setting could not easily be imitated while conducting experiments (Creswell, 2009).

3.3.1.2 Survey research

Surveys try to provide quantitative descriptions of participants' opinions, attitudes and behaviours from a sample that represents certain populations of the study (Creswell, 2009). Ability to reach out to a large sample to represent population as well as the development and application of advance samplings are the main advantages of this approach; however, one of the common setbacks in survey is the lack of in-depth information, which simply focuses on the selected variables (Moutinho and Hutcheson, 2011). Various means of collecting data could be used in the survey approach of inquiry such as mail, e-mail, telephone and face-to-face interviews.

3.3.2 Qualitative approach

Meanwhile, significant numbers of approaches could be used in the qualitative research design. Creswell (2007) lists ten authors from different disciplines of study, each of whom has different categorization of qualitative approaches. Several selected types of research under the qualitative approach are explained below as it could be considered as most frequently appearing in the social, behavioural and health science literature.

3.3.2.1 Ethnography research

A prolonged period of study towards a particular cultural group in a natural setting which allows the researcher to be immersed into and subsequently describe the shared values, behavioural, beliefs and language of participants of cultural groups is an obvious feature of ethnography (Silverman, 2010). This research process includes the act of collecting primary data typically through participant observation in the daily life of the people, in order to observe or interview the lived realities of the subject or participant (Creswell, 2009). Real life, detailed and rich types of data is the main advantage of this approach but an obvious flaw is the prolonged time in the fieldwork setting.

3.3.2.2 Phenomenological research

This approach of inquiry identifies the essence of an object of human experience by means of describing and focusing on what all participants have in common while they experience a phenomenon. The descriptive data of 'what' and 'how' the participants have experienced the phenomenon is collected and the inquirer then develops a blended description of the essence. Normally a small number of participants are involved in this type of strategy and this could be considered as an advantage but, at the same time, all participants in this study need to be very carefully chosen so that everybody has the same experience on the phenomenon in question (Creswell, 2009).

3.3.2.3 Narrative research

The researcher in this study conventionally associated their effort with literary text, which largely centred on technical components of the narratives themselves (May, 2002). While further elaborating on this type of research, May (2002) includes everything that is apparent, which can be seen and observed, as part of the research object of study. The data, however, could be in written text or spoken by the individuals regarding the events or series of events that are chronologically connected. Several forms of narrative study that could be found in the literature include biographical study, life history or experience, and oral history (Creswell, 2009). This approach, typically, is easy to conduct in terms of the single or specific subject (individuals) or maybe a few related individuals, however, the challenge is also to collect extensive information about the subject or participant as it could be problematic if important sources of information could not give full cooperation.

3.3.2.4 Grounded theory

The grounded theory approach generally has an intention to move beyond descriptive data gathered from participants by going further to generate or discover a theory from their

action, interactions and social processes (Creswell, 2007). However, in literature there are three different types of grounded theory to be seen: unstructured classic grounded theory (Glaser, 1992), systematic procedures of grounded theory (Corbin and Strauss, 2008) and the constructivist approach (Charmaz, 2006). We could see from all three types of grounded theory, that the main ideas of generating a theory from the data collected through the participants' experiences is the same, but only to be differentiated by the procedures or process of grounding the data itself. Barney G. Glaser and Anselm Strauss worked together to mark the origin of the grounded theory approach in their study of 'Awareness of Dying' (Glaser and Strauss, 1967) choosing different paths for the approach, as to the latter prefers to use more structured procedures in grounding the data. Meanwhile, Charmaz (2006) came forward to smother the conflict of the two originators by advocating another type of procedure, a constructivist approach, for grounded theory.

A grounded theory approach could be the best way to analyse an area of research which has no or little available theory to explain the process of the study, as Creswell (2007) suggests the researcher put aside any theoretical ideas or notions as much as possible. This simply allows the analytic and substantive theory to emerge from the data. On the other hand, it must also be concerned with one of the biggest challenges in grounded theory, which is to determine when to stop gathering the data or to identify that the category of data has been fully saturated or the theory is sufficiently detailed.

3.3.3 Mixed methods strategies

The strategies of inquiry in this third category of research design is the least known compared to the other two previous approaches. The idea of combining both quantitative and qualitative methods emerged as researchers try to cancel out or neutralize the biases inherit from any single method. This is also the reason why the term 'triangulation' comes into the discussions as they undertake analysis of a 'mix and match' on the data from

multiple sources to their study (Creswell, 2009). The development of procedures for mixed methods then brings three general strategies of inquiry in literature: (1) sequential mixed methods, (2) concurrent mixed methods, and (3) transformative mixed methods.

In terms of research design, the characteristics of this study have an inclination toward a qualitative rather than quantitative approach. The definition for qualitative, “a means for exploring and understanding the meaning of individuals or groups ascribed to a social or human problem” (Creswell 2009, p. 4), seems suitable with this study’s research objectives, rather than a quantitative approach of testing objective theories. Two strong features of ‘subjective’ and ‘understanding human experience’ considered as part of the features of this study, are emphasised by Silverman (2010) in explaining the differences of qualitative from quantitative research. Additionally, he stresses that the former type of research is more suited to answer ‘how’ rather than ‘how many’ questions.

Qualitative research which is also concerned with the accumulation of subjective assessment of attitudes, opinions and behaviours, is most likely to be the main type of data gathered from this study. It comes from semi-structured face-to-face interviews with the SMEs’ employees regarding their PMS and behavioural practice. Several other qualitative approach characteristics, summarised by Stake (1995), seem related to the features of this study. Case bounded system oriented; field oriented; interpretive, which all rely on researcher-subject interaction; and emphatic, which attends to actor intentionality and experience are among them. Six SMEs from Malaysia were chosen as fieldwork settings, with four to five employees from each organization being interviewed with the aim to gather their opinions, feelings, experiences and ideas on PMS and ERB, seems very much tailored to the qualitative approach, as discussed above.

3.3.4 Case studies as a chosen research method

Case study was described by Creswell (2007) as exploring one or more events, programmes, activities, entities or individuals in depth within a specific bounded system by using multiple procedures or sources of information. This brief definition is fundamentally in line with the characteristic of this 'qualitative research design', and thus the case study method could be the best approach to ensure the research problem is solved as comprehensively as possible. Exploring organizations by using multiple procedures and sources of information to answer 'how' and 'why' types of central questions are suited to the case study line of inquiry (Creswell, 2007; Yin, 2009). Meanwhile, further discussion has highlighted three main characteristics of case study as written by Yin (2009) and as he distinguishes from other approaches in social science such as surveys and experiments. They are: (1) the 'how' and 'why' type of central question of the study, (2) the limited control of the researcher over the object of study, and (3) the contemporary phenomenon of the real life context as the focus of the study.

The nature of achieving the objectives of this study by looking for in-depth and detailed information of current PMS and employees' ERB practices seems parallel with a study by Dawson (2010) when he used the case study method to conduct an in-depth analysis through speaking to several members of the company. The use of 'how and why' questions for getting in-depth information in this study was similar with an earlier study of PMS, by Azofra et al. (2003), when they used a single case study to provide insight into 'how' and 'why' certain performance indicators had been used, which resulted from the interaction of the indicators and the various elements of the working environment in which they operate. Case study has also been considered as a good method for investigating PMS in organizations as used, for example, in previous studies (e.g. Azofra et al., 2003; Fried, 2010; and Jochem et al., 2010).

Furthermore, the characteristics of most of the data to be collected in this study such as individual perceptions, opinions, beliefs, attitudes, and the descriptive information on the situational setting of the respondents' workplace are all in agreement with this type of research design. In-depth information on PMS and ERB practices are collected from various sources such as quantitative data from administered questionnaires, qualitative data from interview transcripts, document reviews of employees' contracts and observations notes while in the fieldwork setting.

Specifically referring to management accounting literature, there are a few key articles (e.g. Scapens, 1990 and 1992; Llewellyn, 1992; Otley and Berry, 1994) which thoroughly discuss the roles, advantages and limitations of the case study method in this area. One of the roles of the case study method in management accounting listed by Scapens (1990) examines management accounting practices by looking at various levels within organizations. He also suggests case studies need to explore day-to-day accounting practices of real people in their workplace. The roles suggested above are parallel with this study as part of the objectives is to explore current PMS practices, and also the practices of ERB related to formal or informal measuring and reward systems in the respondents' organizations. This study also approaches all respondents (except for one respondent) at their workplace in order to observe the practices in the context in which they work.

There are a few types of case study categorized specifically in accounting research as shown in Table 3.1 below. All five types listed in the table show how case studies could be used in quite a variety of ways when undertaking research specifically in accounting. Scapens (1992) admits there are no necessarily clear-cut distinctions between these types of case studies and it eventually depends on the researcher's intentions. The specific use of case study methods might well depend on the nature of the research and the methodology of the researcher (Ryan et al. 2002). Yin (2009), however, simply classifies case studies in

social science in general into: (1) explanatory or causal; (2) descriptive; and (3) exploratory though at the same time acknowledging the existence of the quantitative case study in social science.

Table 3.1: Types of accounting case study

Types of case study	Description
Descriptive	Describe differences and similarities of a few selected cases of accounting systems, techniques and procedures used in practice.
Illustrative	Illustrate new and innovative (assume as superior) practices which have been achieved by companies.
Experimental	Examine the difficulties and evaluate the benefits of implementing new proposals.
Exploratory	Explore reasons for particular practices or preliminary investigations to generate ideas/hypotheses for later rigorous testing.
Explanatory	Explain and understand the reasons for accounting practices which focus on a specific case.

Source: Adapted in Ryan et al. (2002) and Scapens (1992)

Denscombe (2010), when explaining the strength of case study, specified that the extensive data collection via multiple sources of information such as interviews, observations, archival records and related documents, was the best reason for its choice in social science research. This study's data collection tools, which covered all the above listed sources of information, will be explained further in the next 'fieldwork' subsections. Conversely, Yin (2009) lists several traditional prejudices against the case study method, among which are: the lack of rigour; cannot directly address the causal relationship; and the most obvious criticism from quantitative researchers is that case study provides little basis for generalization, as that is among the main objectives to be achieved by a survey strategy of inquiry. The problem to identify the right case, and also the right number of cases is another most challenging task in using the case study approach. Such criticisms are treated as a good precaution while undertaking analysis of evidence and data interpretation in the

next chapter; hence it will only make assumptions, hypotheses or conclusions within its boundary and limitation.

3.3.5 Data collection method/tools

There are many ways scholars seem to assist and give guidance to researchers in order to complete this final decision on research design. All the tips and advice could be inferred to the main or sole objective which is to give an answer to what is being studied, through accurately measuring and gathering the facts and evidence by using the right tools or methods. A good fact or evidence could be wasteful, or misleading to say the worst, simply because of being gathered or measured using wrong or inappropriate methods. Choosing the right data collection tools for the right research or study is very important because what is suitable for one situation might be unsuitable for another (Denscombe, 2010).

Five rules which could be used as a guidance to select suitable methods or tools in doing research have been suggested by Denscombe (2010): (1) does not rule out the possibility of choice; (2) no perfect or totally useless methods for any possible data collection methods; (3) usefulness rather than superiority is the main criterion; (4) the weaknesses of one method could possibly be compensated by the strengths of another method; and, (5) the triangulation (emerging when using different methods) could bring values of compare and contrast from different perspectives.

The term 'sub-methods' was used by Gillham (2000) when explaining the data collection tools of the case study method, which he referred to as the 'main method'. Different sub-methods or tools have different strengths and weaknesses; therefore, there is an issue of convergence and disagreement of data while using a 'multi-method' approach (Gillham, 2000). This issue is also explained by Yin (2009) as he presents six most common sources of evidence which could be used in doing case studies, encompassing four 'sub-methods'

listed by Gillham (2000): interviews, observations, documents and record analysis. The other two extra sources are direct observations and physical artefacts. Meanwhile, Ryan et al. (2002) categorize it slightly differently, including 'questionnaires' as part of the sources of evidence. Denscombe (2010) also suggests four main methods: questionnaires, interviews, observations, and documents which is also discussed by Creswell (2009) but the latter is supplemented with a fifth method of audio-visual materials which has been included in the 'documents' method by Denscombe (2010).

This study has used multiple data collection methods available in line with the qualitative research approach, hence several above listed data collection tools or sub-methods were employed to some extent. Semi-structured interviews' scripts, administered questionnaires, employees' job descriptions/employment contracts, and observation notes were the sources of evidence gathered while undertaking fieldwork for this study.

Regarding the information that we collect, the ultimate reason is to ensure all the objectives of the study are successfully achieved. Both quantitative and qualitative types of data were gathered in this study which could be divided into several categories. Table 3.2, below, shows the overview of information needed in this study together with the characteristics of the information and the appropriate method of collecting the data.

Contextual information such as the physical condition and working environment of an organization, interaction and behavioural aspect of the employees, as well as any related situational information while visiting the organization were observed and noted. Another part of contextual information was also gathered through the relevant documents obtained from the SMEs or from their official websites. Most of the information of this study is derived from the interview transcripts and is categorized as perceptual information. This is considered as critical data to this study and includes all information such as employees' experiences, observations, feelings, assumptions, ideas or any other related description.

Perception has always been considered as having no absolute right or wrong and it is normally constituted of what individuals believe to be the truth as narrated to others. Categorized as demographic information, this category is divided into individual and organization demographics information. All six SMEs together with each individual respondent's personal background were gathered with the intention of helping to explain similarities and differences, as well as the basis underlying an individual's perception information gathered from the interviews. The final category is the secondary sources of data known as 'theoretical information' gathered through wide relevant literature sources to support all the raw primary data of this study.

Table 3.2: Overview of information needed

Type of information	Characteristics of information	Data collection method
Contextual	<ul style="list-style-type: none"> Working environment (interaction, attitude, layout, cleanliness, behaviour, etc.) Organizational background (industry, culture, history, value, structure, etc.) 	<ul style="list-style-type: none"> Document review (physical and web document) Observation (pictures and observation notes) Interviews (questionnaire)
Demographic	<ul style="list-style-type: none"> Descriptive information of participants (age, gender, experience, hierarchy, etc.) Organization as a single case / respondent (size, establishment, experience, industry, etc.) 	<ul style="list-style-type: none"> Interviews (semi-structured questionnaire) Document review (physical and web document)
Perceptual	<ul style="list-style-type: none"> Explanation and description from the participants (belief, thought, feeling, observations, assumptions, etc.) 	<ul style="list-style-type: none"> Interviews (semi-structured questionnaire)
Theoretical	<ul style="list-style-type: none"> Secondary sources (journal, books, etc.) 	<ul style="list-style-type: none"> Literature review

Source: Adapted from Bloomberg and Volpe (2012, p.107)

The 'convergence' and 'discrepancy' concerns could arise from these multi sources of evidence. Convergence could bring consistency of evidence through 'triangulation' when all of them give the same fix, meanwhile discrepancy could not assumed that one set of data

(or any of them) is wrong even when they do not agree, as it is quite common to see discrepancy between what respondents say and what they actually do (Yin, 2009 and Gillham, 2000). As an example, during interviews with respondents this problem could not be considered as insincere feedback or answers but was treated more as an indication that they could not know themselves quite well.

Semi-structured interview, observation, and document review have been used to some extent in this 'case study' research approach, and the objective to seek detailed information about the PMS of an organization is the main justification for their use. Creswell (2007) suggests that multiple methods of data collection and triangulations could be considered as critical to the study that seeks in-depth understanding of any specific subject or situation. These multiple procedures are believed to add the breadth and depth of the evidence of the needed information.

3.4 Fieldwork of the study

In management accounting, intensive fieldwork and case study appeared to be more popular after questionnaire survey was argued to give a very superficial view of practice which, to some extent, could lead to misunderstanding about the use of management accounting techniques (Ryan et.al, 2002). Scapens (1992) also mentioned that researchers from the United States such as Kaplan and his colleagues had recognized the importance of fieldwork and case study in management accounting research, particularly in resolving the problems of manufacturing firms.

A strong relationship between the term 'fieldwork' and case study is exposed in the literature as both are "used to refer to studies of accounting in its practical setting" (Ryan et. al., 2002, p.143).

However in this subsection fieldwork will be described and narrated as part of the whole process in the case study method, which embraces interviews and observations. Kreiner and Mouritsen (2005) support the use of these techniques and believe these two are an example of the many ways researchers have to a close collaboration with fieldwork. Fieldwork is mostly argued as exploratory in nature as its researcher approaches the field and explores the phenomenon with relatively little information on it (Kreiner and Mouritsen, 2005). In a further explanation, below, there are a few steps on how fieldwork has been undertaken in order to collect relevant data to answer the problem underlined by this study's research questions.

3.4.1 Preliminary unstructured fieldwork

Initially, SMEs from both Scotland (United Kingdom) and Terengganu (Malaysia) were planned to be included as respondents in this study. A comparative type of case study was planned by considering four to five pairs of SMEs operating in the same industries from both countries. A preliminary fieldwork plan was formed to find respondents (SMEs) in Scotland by using a few potential ways such as contacting gatekeepers of SMEs in Scotland as well as directly browsing listed SMEs from databases in websites and business directories. This idea was also considered as being possible to replicate while doing fieldwork in Malaysia.

Several gatekeepers of Scottish SMEs were contacted (see Appendix A); however, only two, Scottish Enterprise (SE) and Lanarkshire Enterprise Services (LESL), agreed to be interviewed or have preliminary discussions, the main objective being to obtain any relevant information to support this study. Access and penetration to SMEs under the gatekeepers' control and supervision is another objective of building a rapport with these organizations. An introduction letter, together with an agenda for the meeting, was sent after both had been contacted via email and verbally agreed via the telephone, to take part

in this study. The themes or issues listed in the agenda included an overview of PMS and ERBs in SMEs, current support for SMEs in Scotland (UK), procedure or rules to gain access to SMEs in Scotland, potential benefits of this study to the SMEs in Scotland, and any possible advice relevant to the study.

Table 3.3: Access to the fieldwork research in SMEs

Problems of access
The academic terms could be 'taboo/paranoid' for the SME owners/managers (persons contacted), specifically reference to PMS and ERB in this case.
The SMEs are not convinced of the benefits to their businesses from this project.
The 'official method' of using letters, emails, and phone calls could not seem to be fruitful due to the information not reaching the right person (decision maker) in the SMEs.
Most of the small business people reluctant to talk about 'academic' affairs during their working hours especially on a busy Monday.
Potential solutions of access
The leaflet could be used where the summary of main critical points could be highlighted about the research project and could explain the terms PMS and ERB in more layman's language rather than academic terms.
The benefits of the project could be broken down to make it clearer in order to convince the SMEs. It could also state some other things offered in return to the SMEs if they agreed to be respondents, such as administrative or accounting related advice. This information could also be included in the leaflet.
Develop a one-to-one relationship with the owner or managers of the SMEs before proceeding with the official letter. This could be done via business networking with these types of people and getting involved with events/programmes organized by the local council, business support organizations or other private organizations. The business owners/managers when coming to this type of event/programme could be said to be more ready to talk on this 'academic matter' and feel better to discuss further. Several big networking groups such as 'Scottish Chambers of Commerce' and 'Scottish Business Networkers Group' that could be useful for the business networking in Scotland.
It is also suggested to obtain as much extra information at no cost from the Business Gateway 'information service' database by email to them.

Source: Notes from the interview with Scottish SME gatekeepers.

Generally, the interviews or discussion with the gatekeeper brought some fruitful information and some advice to the study, especially regarding access problems faced nowadays by fieldwork researchers and the potential ways of gaining access to Scottish SMEs (refer to Table 3.3). Scottish Enterprise also gave a chance to move a step further in obtaining respondents as they agreed to highlight this study in their newsletter. Despite all the preliminary works to gain access, including adopting most of the advice suggested by the business adviser of the gatekeeper, this study still faced access problems. Attention

then moved to the other half of the plan which was finding respondents from Malaysian SMEs.

3.4.2 Respondents in Malaysia

SMEs in Malaysia represent as high as 97.3 percent of total businesses established in the latest census in 2011, for the reference year 2010. These small-to-medium sized businesses also provided more than three million of the total employments in the country (SME Census, 2011). This information shows the significance of SMEs as a catalyst for the growth of the Malaysian economy, in their wish to achieve developed country status by 2020. In addition to the figures in the census, the Malaysian government shows their full commitment to supporting SMEs in various other ways. The formation of The National SME Development Council (NSDC), chaired by the Prime Minister, is a major step in promoting and facilitating the development of SMEs in the country. NSDC comprises 14 ministries and three other government agencies, provides strategic policy direction and framework for SME development and, at the same time, has more than 75 agencies supporting the government's SME development efforts.

Academics need to play a parallel role with the government's efforts by helping SMEs to develop a sustainable resilience, while operating in today's dynamic business environment. This study is therefore timely in addressing the issue of trying to find ways of improving the PMS of Malaysian SMEs. There are very few previous studies which focus on the PMS of SMEs in Malaysia (e.g., Jamil and Muhamad, 2011; Ong and Teh, 2008; Rosli, 2011) and none of them try to explore in any detail the practices of PMS and its relationship with ERB in Malaysian SMEs.

3.4.2.1 Case study sampling in Malaysia

Regarded as an inevitable feature for most if not all social research investigation, sampling needs to be addressed accordingly and this study should be no different (Bryman 2012). Bryman's argument centres on the possibility that we cannot investigate and analyse all subjects of our study, or it is very unlikely to do so due to time and cost constraints.

Convenient non-probability sampling is considered as the most applicable sampling method to be used in this study. The term 'convenient', per se, merely explains the availability and accessibility of the sample to the researcher (Bryman, 2012). The organizations (SMEs) selected for this study comprise of six Malaysian SMEs from different types of industries. All those SMEs were conveniently selected from the researcher's available contacts, and all are also established and operate their business in Kuala Terengganu with approximately in the same size in terms of the number of employees. However, a snowball technique could be considered as having been used to contact two of the SMEs as the first contact at the organization was suggested by the previous respondents.

Learning from the previous experience in gaining access to Scottish SMEs, a different approach was applied in Malaysia. Personal contact to the owner or manager of SMEs is the key success of doing fieldwork in Malaysia. Four of the six SMEs who agreed to take part and contribute to the study were contacted through the researcher's personal contacts, and another two could be considered as a snowballing effect as they were suggested by the owner or manager of the earlier organization. Several factors contribute to the issues of gaining access to SMEs that could be noticed from this study.

At the same time, there is another type of sampling commonly used in qualitative research known as purposive sampling. It could also be considered as part of non-probability sampling (Bryman, 2012; May, 2011), where the selection of the sample for this method is made according to the known characteristic, and relevant to the research objectives posed

in that study. This type of sampling is probably used to some extent in this study, as four to five employees from each SME were purposely chosen from the known category of manager/supervisor as well as lower employees, to fit the main objective of this study which is to look in-depth into the PMS of the organization. Incidentally, convenient and purposive sampling generally appears different in the literature but in reality in practice it often considerably overlaps (Marshall, 1996).

Some researchers even argue that a qualitative approach to inquiry does not have 'samples' (Stake, 1995) but prefers to use the term 'research participants or selected participants' (Bloomberg and Volpe, 2012;). Although it seems very useful for a selected case or cases to represent some population, primarily case study research is not obliged to understand other cases or populations but only that specific case/cases (Stake, 1995). In this study, we believe 'sample' is the right term to be used since our respondents are part of all SME populations to some extent. Agreeing with the proposition that small sample size could bring difficulties in generalizing their findings, this study however believes small sample case study is very useful in generating hypotheses as a preceding step for testing through large sample studies subsequently (Ryan et al, 2002).

3.4.2.2 Sample of six Malaysian SMEs

Initially, several SMEs which were shortlisted from different types of industries, were contacted (see Appendix A) but some did not reply and others replied but clearly said they were not willing to take part in this study. Also, two of the SMEs withdrew in the middle of negotiation, which was through email, due to certain issues such as the hectic schedule of the owner and not obtaining permission from the franchising owner (fast food retailer). All the first four organizations that agreed to take part were considered through personal contacts with the researcher, either as a friend to the employee or the manager of the SME,

relatives, as well as earlier customer-seller relationships. The other two SMEs were suggested by an earlier manager participant.

Table 3.4: Demographic and background of respondent (SMEs)

SME	ACCOUNTING	FURNITURE	MOTEL	PRACTICE	LIGHTING	COMPUTER
Industry	Accounting, and management services	Wood and furniture making and trading	Accommodation or hospitality	Advocates and solicitors	Servicing and trading lights and electrical products	Servicing and trading ICT related products
Years existence	8 years	22 years	5 years	12 years	7 years	15 years
Size - employee	15	23	10	10	12	34
Size - Turnover (RM)¹	500,000	600k- 2.4 million	500,000	200,000-300,000	1.2 million	5-9 million
Size -Assets (RM)	57,000	680,000	4,030,000	535,000	580,000	6,300,000
Rivalry	30-40	10 main	500 rooms	100 (30-50 main)	15 (1 main)	45 (1 main)

Table 3.4 above shows the demographic information of the respondents (SMEs) as well as the individual respondents who were interviewed. All six SMES were purposely chosen according to different types of industries, with the idea of observing whether any specific evidence exclusively belongs to a certain type of industry. The possibility of obtaining the same answer could be perceived as being highly consistent across industries. Some other information such as size, establishment, as well as competitors could be used in supporting the analysis of qualitative evidence from the semi-structured questionnaire.

3.4.3 Semi-structured interviews schedule

Semi-structured interviews were successfully conducted during a period of two and a half months in Terengganu Malaysia. This fieldwork engaged 26 face-to-face interviews with

¹ RM1.00 (Malaysian ringgit) is equal to GBP0.20 (Great Britain Pound) throughout the thesis.

various levels of employees in six selected Malaysian SMEs. Managers, supervisors as well as lower level employees (see Table 3.5) are all included as the respondents to this study in order to obtain overall views of PMS and ERB in the organization. Different hierarchy levels could provide different views or possibly represent a level of consistency if the same answer was given to the questions posed. The gender among the respondents was fairly even, 15 male and 11 female could be considered good for the purposes of gaining useful or unique information.

Table 3.5: Respondents (individual) of the study

SME	Manager / Supervisor	Employee / Lower Staff	Male	Female	Total
ACCOUNTING	1	3	1	3	4
FURNITURE	2	2	3	1	4
MOTEL	1	3	3	1	4
PRACTICE	1	3	3	1	4
LIGHTING	2	3	3	2	5
COMPUTER	2	3	2	3	5
Total	9	17	15	11	26

In social science research, Gubrium and Holstein (2002) argue that interviewing is probably the most prevailing method for collecting data, thus this study has taken the same step by using interview as the main tool for gathering data. In addition to exploring in-depth information from respondents, this exploratory type of research appears suited the best to the face-to-face interview technique as it could offer more than mere answers from respondents, such as gestures, facial expression as well as their voice intonation.

Even though the interview method is considered as an attractive proposition for research, Denscombe (2010) raises his concern on how to differentiate between interviews and conversations. He draws the main difference between the two as the former should actually involve a set of assumptions and understanding about the situation but not the latter. The first assumption is the there must be consent from the interviewee to take part

on the understanding that the meeting is intended to gather information for research purposes. Secondly, interviewees must be fully informed that all their words can be treated 'on the record' and 'for the record' unless they specify to the contrary. The final assumption for interviews is the agenda for the discussion is set by the researcher or interviewer, although the level of control during the session will vary and depend on the style or intention of the interviewer.

Gillham (2005) discusses in length regarding the range of techniques of research interviewing. He simply states three main features of interview but admits that not all interviews meet all such criteria: (1) the interviewee is open to determine his own answer on the question being asked or raised; (2) an interactive or responsive relationship between the parties involved allow elements of clarification and exploration to emerge; and, (3) there is at least a structure and purpose on the part of interviewer even if the context is natural. In another development, Kreiner and Mouritson (2005), coin the term analytical interview, in which they try to distinguish their new technique from the so called 'conventional' interview. This redefines respondents' contributions or responses which can no longer be treated as final answers but as input to the analytical conversation.

The main concern when Gillham (2005) outlines the characteristics of interviews was to differentiate questionnaires with conversations as highlighted earlier by Denscombe (2010). In terms of the types of research interview, there are common types which have been discussed such as structured, semi-structured, unstructured, one-to-one and group interviews (Denscombe, 2010; Gillham, 2005). At the same time, Gillham (2005) adds several other distance types of interview such as telephone, email and 'open' questionnaire interview.

There are several important issues with using interviews as a data collection tool (Denscombe, 2010; Gillham, 2005), to make sure the method differentiates between the

'surveyed questionnaire' and purely 'conversation'. Firstly, all the respondents were asked for their consent to take part in the interviews. Then, they were also asked whether they were agreeable to all the words being recorded, purely for research purposes. Further, the interviews themselves were conducted according to a basic agenda set by the interviewer, in order first to assure consistency across all cases, and second that they finished approximately within the timeframe outlined to the interviewee at the start of each interview. This study seems satisfied regarding the above factors being semi-structured rather than being vested at both ends of 'surveyed questionnaire' and purely 'conversation' terms.

Semi-structured interview is quite flexible as, in this case, it allows questions to be adapted to either employees or supervisors of the SMEs, and Dawson (2010) argues it could provide a richer data set to the study. In order to have a better view of PMS in the company, both sides of the measurement system, the assessor (supervisor/manager) and the assessed (employee) have been chosen to be interviewed. The decision to have several employees representing one organization is a way of seeking consistent information from respondents regarding the PMS in the company. It could also bring richness to the data as well as other possible emergence issues from different types of individual. In other words, alternative responses would not necessarily be seen to be due to inconsistency, but more likely due to other factors not being assessed in the current study.

A total of 1496 minutes (nearly 25 hours) was spent which were fully recorded by audio tape; however, a lot of preliminary work was undertaken before the interviews could be carried out. The interview was guided by a questionnaire (further discussed in the next subsections) which was prepared based on the relevant literature from the ERB and PMS research area. A few steps needed to be followed accordingly before any interview could take place. It could be critical to obtain approval from the owner/manager to access the

organization. The approval would then be followed by an initial informal meeting; however, there could be occasions when they would be cancelled at the final hour by the owner. Ethically, it could be considered unwise to approach the organization without having a discussion with the owner or person-in-charge at the company and to act without specific compliance and agreement from them. Some staff and employees could also refuse to be interviewed, especially the low level staff such as the receptionist or general worker, if they were not told to do so by their superior or the business owner.

Whilst conducting the interviews, the proper steps and procedures were planned and taken, in order to make sure that the ethical elements of the data collection process were taken and followed correctly. At the same time, the limited time available for the data collection process was a concern; thus the balance between these two factors (time and procedure) needed to be managed practically and wisely. Each interview lasted approximately 24 to 129 minutes, depending on the level of understanding and/or the willingness of the respondent to answer the questions. Some of the employees seemed not really to understand the subject matter of this study and opted to give a very minimum answer but the manager/supervisor had a longer conversation and felt happy to divulge much about their organization.

The interviews were conducted in the Malay language as it is the respondents' local daily used language. All interviews were audio recorded and answers were completed in the stipulated space in the questionnaire as it could act as important back-up data if anything went wrong with the audio recording. The very first thing to do was to inform the respondents of the ethical aspect of undertaking the interview, such as their rights as a respondent, anonymity and security of the personal information given (details explained in the ethics section).

All interviews were successfully carried out at their own organization, except one which was completed at a nearby café. Most of the organizations allocated a private place to conduct the interviews, either a separate room or at the far corner of the office. This could be seen as a good way to prevent anxiety from the lower level staff to give honest answers, as alerted by the respondent in the pilot interview. At only one organization with limited space the interviews were completed at the main area but still happened without the presence of the owner/supervisor. Technically, all interviews were considered successful in terms of the way they were conducted as well as the warm reception of the respondents. Everybody seemed willing to answer all the questions, except for one or two who did not understand the real meaning of some of the questions.

3.4.4 Questionnaires

The face-to-face interviews conducted in this study were guided by questionnaire. Questionnaires can be found in various sizes, purposes and appearances but Denscombe (2010 p.155) lists three main elements in order to qualify as research questionnaires: (1) be designed to collect and subsequently analyse the data, instead of to change respondents' attitudes or give information to them, such as marketing a product; (2) consists of a written list of questions (occasionally pictures could be used); and (3) gather information by asking respondents directly on the points of interest.

3.4.4.1 Questionnaire development

Most part of the interview session used a semi-structured questionnaire developed for this study to gather in-depth qualitative evidence. Respondents' spontaneous ideas and opinions, together with their informed experience, are among the worthy evidence which could be elicited from semi-structured questionnaires in face-to-face interviews. The

questions posed in the questionnaire were slightly short and simple rather than long and complicated, to make it easier to respondent and answer.

However, each question was subsequently supported by several pre-planned prompts, and sometimes from the respondent's earlier answers, in order to probe them to give more detailed answers. This strategy attempts to support a move from the traditional towards the new analytical type of interview with these questionnaire characteristics. Mixed type of open and closed questions were included in this questionnaire as each type has its own advantages and disadvantages. Open questions are more difficult to analyse compared to closed types but can give greater levels of discovery while, at the same time, the former needs to be restricted to justify the limited sources of money and time (Gillham, 2007).

Meanwhile, another type of questionnaire was also used during the interview, known as the self-administered questionnaire. It was inserted in a few sections in the main semi-structured questionnaire to gather some relevant quantitative evidence. It is not unusual in social science case study research to use two questionnaires and Sekaran (2006) agrees that a multiple data-collection method is a good way of obtaining research data. Self-administered types of questionnaires could also give respondents the chance to answer questions in different ways, by filling up the answer sheets in between the whole conversation. However, the main advantage from the administered questionnaire remains that statistical analysis could be carried out on the quantitative data.

The questionnaires were developed based on the PMS and ERB literature and divided into six sections (see Table 3.6). The first and second sections were only related to the demographic of the organization (SME) and the individual respondent respectively. Industry, size, establishment and competition are among the questions listed in section 1, meanwhile information on the respondent's position, roles and experience were itemised in section 2.

Table 3.6: Agenda of the interview

Section	Description
Section 1	Background of the organization
Section 2	Background of the employee
Section 3	Current practices in the organization
Section 4	Behavioural dimension in the organization
Section 5	Performance measurement system (PMS) and extra-role behaviour (ERB)
Section 6	Future plans for the organization

Source: Extracted from Questionnaire (Appendix B)

Section 3 focused on the current practices of PMS in the organization. The five listed key performance indicators (KPIs) in the questionnaire were based on the study of PMS in SMEs by Hudson et al. (2001). Employees' perception towards their organization's KPIs, whether it is good or bad practice, was also asked as it is considered as important evidence in PMS study (Wouters and Wilderom, 2008). Moreover, information on informal measures such as behaviour elements was included in this study, as it was used in assessing PMS in SMEs by Cocca and Alberti (2010). A full list of elements to assess the organization's working environment was inserted as a self-administered questionnaire. This element was measured in a 5-point Likert Scale allowing respondents to rate their working conditions ranging from excellent to poor. Several studies were referred to (e.g.: Wouters and Wilderom (2008), Cocca and Alberti (2010), Marr et. al. (2004), Smith et al. (1983), Bateman and Organ (1983)) in order to determine the long list of workplace environment elements.

The behavioural dimension of employees is the theme for section 4. The importance of behaviour (in a 5-point Likert scale), formal and informal assessment of behaviour, the existence of voluntarily behaviours (actions), as well as behaviour that is being performed beyond the specified role (extra-role) of employees are among the specific information sought in this section. This behavioural and human element seems very important to PMS

as Chenhall and Langfield-Smith (2007) indicate concerning 'human' and insist performance measures should be developed to accommodate such an element in the organization. Meanwhile Marr et al. (2004) classify organizational assets into seven categories, four of which are related to human or human related types of assets. Respondents need to 'check' on their answer sheet if any of the seven extra-role behaviours (ERBs) adopted from Podsakoff et al. (2000) existed or was practiced in their organization.

Section 5 of the questionnaire was constructed to find an answer regarding the relationship between PMS and ERB. The motivations of the employees, perceived effects of measuring and rewarding ERB (Becton, 2008; and Culbertson and Mills, 2011), ERB elements in current PMS (formal or informal) and the possible learning effect, rather than control (Bititci et al., 2011) to the employees from measuring ERB are among the questions listed in this section. As this study did not expect many organizations or SMEs do formally measure ERB, an extra question on restrictions or barriers of formally measuring ERB was included.

Coming to the final section, respondents were asked to give their views and ideas on the future plans of the organization regarding ERB including the approach that suits best their organization's measurement of ERB, perception to see ERB as a future tool with which to compete; and both short and long term plans for the organization regarding behavioural aspects. One of the questions in section 6 also needed respondents to check on the questionnaire answer sheet regarding the best way to cultivate the organization's environment or surroundings to improve ERB practices. This question was based on previous research by Organ et al. (2006) on the antecedents or motivations of ERB in organizations.

A pilot interview was conducted to run through the questionnaire, with concern to the length and overall understanding of the questions. It was finished in approximately two

hours, which was 30 minutes more than the intended period, but no action was taken after taking into consideration that this could improve when the researcher became more familiar with the questions while conducting the interviews. In terms of overall understanding of the questionnaire, the respondent in the pilot interview was given good feedback after a post-interview discussion. The interviewee seemed to understand the flow and the theme of the questionnaire but was somewhat concerned with the 'courage issue' in a few questions to some respondents. He doubted that some of the lower level employees would give honest answers, especially regarding criticism or negative aspects of the organization.

3.4.4.2 Questionnaire coding

All questions gathering numerical responses from the respondents were listed according to the individual case (respondents) in statistical software (SPSS). Most of the data comprised the background of SMEs and individual respondents grouped in section 1 and 2 such as size of organization (number of employees and turnover/sales), years of establishment, individual working experience, and number of competitors. Another type of non-numerical response which could be coded into numerical values was keyed into SPSS such as information on gender, hierarchy, KPIs of current practices (exist =1 or non-exist=0), positive or negative effects of measuring ERB, and future plans to measure ERB (informal=1, formal=2, or both = 3).

Answers given on the Likert scale sheet (5-point) regarding 19 elements of working environment of SMEs were coded from 1-5 to represent poor to excellent responses respectively and were also included in the software. Another 5-point Likert Scale was used on questions regarding the importance of employee behaviour and coded with the values of 1-5 ranging from very unimportant to very important. Another two self-administered sheets from the questionnaire: (1) existence of ERB and its contribution; and (2) cultivation

of surroundings to improve ERB, were coded according to the response given by respondents. As an example, an ERB contribution rating of 'a lot', 'a bit', and 'not at all' as well as antecedence of ERB rating of 'highly need to be improved', 'need to be improved', and 'status quo' and were coded with 2, 1, and 0 respectively. The coding system allowed descriptive and simple statistical analysis such as frequencies and correlations to be carried out on the data of this study.

3.4.5 Observations

Possibly, observations could be thought of as a simple and direct way of doing research but Creswell (2007) rates it as difficult for novice researchers and suggests that could be one of the reasons why interviewing is used more often in qualitative research. Observation has its own distinction as a method of data collecting in social research, Denscombe (2010) states that for certain purposes of research, observing people, events or activities is the best to explain what actually happens. He then differentiates two types of observation: systematic and participant, and basically links the former with the production of quantitative data, and the qualitative data with the latter.

The suitability of events or behaviours to be observed in systematic observations is determined by a few conditions to be met such as overt (observable and measurable), relevant, complete, precise and easy to be recorded in order to make sure to maximize advantages of the methods. Meanwhile, participant observation has its own advantages as it gives rich insights of events especially when dealing with complex realities and, at the same time, has the highest possibilities of preserving or retaining the naturalness of settings than other types of social research (Denscombe, 2010).

While spending a few days during two or three visits to each of the organization, general observations on several aspects or activities thought to be relevant to this study

successfully took place. A few organizational characteristics were listed in one sheet (Table 3.7) to ensure note-taking tasks were done effectively. Although it not giving as much information as the main method (interview), observations could play a supporting role and probably look at the same aspect from a different view and, subsequently, add to the richness of the data. Besides taking notes, several pictures were taken to show the workplace condition as well as some important notices which could be considered as relevant evidence during the data collection process.

Table 3.7: Observation note

Columns heading
signage/notices
operation
physical layout
staff activity
words of staff

3.4.6 Documents review

'Documents' could merely be seen as data gathered from questionnaires, interviews, and observations rather than an alternative to those previous methods discussed above but, principally, it could also be treated "as a source of data in their own right" (Denscombe, 2010 p.216). Several types of written documents could be used in social research such as: government publications and official statistics; newspapers and magazines; records of meetings; letters and memos, diaries and website pages.

Alternatively, there are also a few other source of documents which take a visual form such as pictures and artefacts and even sounds such as music and voices (Denscombe, 2010). Commonly, vast amounts of information could be extracted from the documents and the lower cost could be an advantage of this method of data collection in research, but the

credibility or authenticity of the information could be questioned in some respects such as internet web pages and diaries. A few documents were collected such as the companies' organizational charts, employees' profiles, job offer letters, lists of projects undertaken, general rules and regulations and lists of assets. The researcher was also advised to refer to some of the companies' websites to look at any other relevant documents.

3.5 Quantitative database construction

Database construction is part of the process of obtaining meaningful information from this study's quantitative evidence. Several sections in this study's questionnaire were purposely designed and constructed to collect quantitative types of evidence. Included in this methodology chapter, a few steps were taken in order to construct a quantitative database prior to the evidence being discussed and analysed in the next quantitative evidence chapter.

3.5.1 Extraction from questionnaire

Firstly, before all the responses could be transferred into the computer software, the questionnaire needed to be numerically coded accordingly. Most of the respondents' answers or responses were in numerical values thus it could be transferred or keyed-in directly into the computer software (Microsoft Excel and SPSS) to be further analysed. However, some the answers needed to be coded as their original form were in 'text or alphabet' such as, gender, levels of hierarchy, list of KPIs or levels of ERB contribution. A Microsoft Excel spread sheet was only used as the first phase of data extraction from the questionnaire. Then it was transferred into SPSS (Statistical Package for the Social Sciences) where most of the relevant statistical analyses could be conducted by using the software.

Microsoft Excel is one of the most common spread sheet software packages and is easier to view and access in most computers when compared to SPSS. All quantitative related responses from the questionnaires were firstly tabulated in this software according to the theme or section as in the questionnaire. The column and row in the spread sheet view is not much different to the SPSS data view and every observation entered into a Microsoft Excel cell could be transferred to SPSS with very minimum editing required. At this stage of constructing the database, all SPSS requirements were taken into consideration as the data in Microsoft Excel could certainly fit the statistical software for further analysis.

A list of all relevant questions where the quantitative evidence had been extracted from the questionnaire were summarized (see Table 3.8) listing all questions according to every section in the original questionnaire structure, with two other columns on the type of quantitative answers given by the respondents as well as the numerical code. The numerical code column shows the value given to all text or alphabet (non-numerical) responses from respondents according to the questions asked. Some of the codes were already allocated in the questionnaire itself such as the 5-point Likert scales, recognition level, contribution level, types of approach, and improvement level to make it easier for respondents to respond. However, some codes were given at later stage to ensure the text responses could be transferred to computer software such as for gender (male and female), hierarchy level, key performance index (KPI), and yes/no type answers.

Table 3.8: List of questions related to quantitative evidence

No.	Question	Type of answer	Numerical code
	General information		
1.	Length of the interview	Minutes	-
2.	Respondent's gender	Male/female	1 = Male 2 = Female
	Background of the organization		
3.	How long has this business been running?	Number of years	-
	How big or large is your business?	No. of employees Turnover values Assets values	-

4.	Who are your main of rivals [competitors] in business?	Number of rivals	-
Background of the employee			
5.	Where are you in your organization hierarchy?	Hierarchy level	1 = Owner/manager 2 = Supervisor 3 = Lower level staff
6.	Working experiences?	Number of years No. of previous org.	-
Current practices in the organization			
7.	How is performance measured in your organization?	Listed types of KPIs	0 = No 1 = Yes
8.	How do you rate the working environment at your organization?	Likert 5-Scale	1 = Poor 2 = Fair 3 = Average 4 = Good 5 = Excellent
Behavioural dimension in the organization			
9.	What importance/emphasis do you (management) place on your employee (your) behaviour?	Likert 5- Scale	1 = Very unimportant 2 = Somewhat unimportant 3 = Neutral 4 = Somewhat important 5 = Very important
10.	Could you recognize or identify the behaviour that is considered beyond the specified role or task being performed in your organization?	Recognition levels	0 = Does not happen 1 = Not sure 2 = It happens
11.	Did you do that (extra-role) behaviour yourself?	Yes/no	0 = No 1 = Yes
12.	To what extend does it contribute to the effectiveness and efficiency of your organization?	Contribution levels	0 = Not at all 1 = A bit 2 = A lot
Future plans for the organization			
13.	What would be the best for your organization, either to formal or informally measure extra-role behaviour? Or both?	Types of approach	0 = Do not measured 1 = informally measured 2 = Formally measured 3 = Both approach
14.	How to cultivate the environment or surrounding in your organization to encourage this type of extra-role behaviour? (Six antecedents of ERB)	Improvement level	0 = Does not contribute 1 = Status quo 2 = Need to be improved 3 = Highly need to be improved

Source: Extracted from Questionnaire (Appendix B)

3.5.2 Respondent quantitative dataset

Presentation of the dataset was completed according to what was extracted from the questionnaire. The dataset was assumed to be in an overall raw form before it could be analysed with specific purposes later in the next chapter. In addition to a summary of organizations' (SME) demographic and background shown in previous subsection (Table 3.4), the raw dataset also shows detailed information on the value of individual assets owned by each SME and a summary of respondent individuals' demographic and background information.

As part of the process of quantitative database construction, the dataset displayed in SPSS could be viewed in two different facets known as 'data and variable' views. The data view shows all the numerical answers extracted, coded and entered into SPSS (Figure 3.1) whereas the variable view shows the characteristics of all variables in the dataset (Figure 3.2) as shown below. A few basic key terms in the data view are referred to as: 'variable' – column represents a variable or questionnaire items; 'case' – row represents a case or respondent (observation) in the study; and 'cell' – response or answer from the questionnaire for each respondent according to the defined variables or items (Morgan et al. 2011). Meanwhile the variable view has a list of terms to define the characteristics of variables which have been created to represent the questionnaire items in the study. The important terms are listed in Table 3.9.

Table 3.9: Terms to describe variables in SPSS

Terms	Description
Variable name	Brief and meaningful name of variables
Variable type	It is either text or number based characters known as strings and numeric types of variables
Variable label	Description of variable name to avoid misinterpretation due to its brief name
Variable value	Numerical value of categories being used to represent the text answers such as values of 1 and 2 for male and female
Variable measure	Levels of variable measurement; ordinal, nominal or scale

Source: Morgan et al. (2011)

The dataset shown in Figure 3.1 and 3.2 has 26 cases (observations) and 82 variables extracted from the questionnaires which bring a total number of 2132 cells or responses between them. The initial data which was first entered into Microsoft Excel was directly transferred into SPSS with the variable names automatically created by recognizing the very first row in Microsoft Excel. A list of variable names represents all the categories of items or responses from 26 respondents which could be statistically analysed accordingly.

Figure 3.1: SPSS data view

CASE	CO	NAME	POST	DATE	START	END	MIN	COYEARS	NOEMP	TOVER	BUILDING	VEHICLE	LAND	EQUIP	INV	MACHINE	FUR	TOTALA	L
1	Z01	Z	NHA	SECRET...	17.07.13	11.15 AM	12.02 PM	47	.	.	.	.	.	.	.	.	.	.	.
2	Z02	Z	SS	AUDIT AST	17.07.13	12.14 PM	12.56 PM	42	.	.	.	.	.	.	.	.	.	.	.
3	Z03	Z	NA	SECRET...	17.07.13	01.00 PM	01.42 PM	42	.	.	.	.	.	.	.	.	.	.	.
4	Z04	Z	SY	AUDIT SE...	17.07.13	01.45 PM	02.37 PM	52	8	15	500000	30000	.	17000	.	10000	.	57000	
5	M01	M	SAB	CARPENT...	03.07.13	11.10 AM	11.55 AM	45	.	.	.	.	.	.	.	.	.	.	.
6	M02	M	AA	OWNERIM...	03.07.13	12.02 PM	01.14 PM	72	22	23	1200000	50000	180000	200000	50000	200000	.	680000	
7	M03	M	JAA	CARPENT...	04.07.13	10.50 AM	11.14 AM	24	.	.	.	.	.	.	.	.	.	.	.
8	M04	M	HAS	ADMIN	09.07.13	11.05 AM	12.31 PM	86	.	.	.	.	.	.	.	.	.	.	.
9	D01	D	AAR	OWNERIM...	23.08.13	09.30 PM	11.16 PM	106	5	10	500000	2500000	30000	1500000	.	.	.	4030000	
10	D02	D	MAH	RECEPT...	24.08.13	09.00 AM	09.50 AM	50	.	.	.	.	.	.	.	.	.	.	.
11	D03	D	ACA	ROOM AT...	24.08.13	11.00 AM	11.44 AM	44	.	.	.	.	.	.	.	.	.	.	.
12	D04	D	AAA	RECEPT...	24.08.13	08.10 PM	10.19 PM	129	.	.	.	.	.	.	.	.	.	.	.
13	K01	K	FAY	PARTNER...	27.08.13	04.00 PM	04.49 PM	49	12	10	300000	500000	.	20000	.	15000	.	535000	
14	K02	K	SAA	LITIGATIO...	28.08.13	10.00 AM	10.49 AM	49	.	.	.	.	.	.	.	.	.	.	.
15	K03	K	RBI	CLERK	28.08.13	12.00 PM	12.57 PM	57	.	.	.	.	.	.	.	.	.	.	.
16	K04	K	WMA	LEGAL AS...	28.08.13	09.15 PM	10.15 PM	60	.	.	.	.	.	.	.	.	.	.	.
17	E01	E	MHG	TECHNICL...	21.08.13	11.00 AM	12.07 AM	67	.	.	.	.	.	.	.	.	.	.	.
18	E02	E	IBL	OWNERIM...	21.08.13	04.20 PM	05.28 PM	68	7	12	1200000	30000	.	550000	.	.	.	580000	
19	E03	E	NMI	SUPERVL...	22.08.13	05.00 PM	05.48 PM	48	.	.	.	.	.	.	.	.	.	.	.
20	E04	E	NSA	SALESPE...	22.08.13	06.00 PM	06.37 PM	37	.	.	.	.	.	.	.	.	.	.	.
21	E05	E	MAG	TECHNICL...	22.08.13	06.50 PM	07.21 PM	31	.	.	.	.	.	.	.	.	.	.	.
22	L01	L	ABK	OWNERIM...	18.08.13	10.00 AM	11.40 AM	100	15	34	7000000	5400000	400000	500000	.	.	.	5300000	
23	L02	L	AJN	TECH SU...	18.08.13	12.30 PM	01.23 PM	53	.	.	.	.	.	.	.	.	.	.	.
24	L03	L	RBR	SALES SU...	18.08.13	01.30 PM	02.20 PM	40	.	.	.	.	.	.	.	.	.	.	.
25	L04	L	NMA	SALES CL...	18.08.13	03.15 PM	04.03 PM	48	.	.	.	.	.	.	.	.	.	.	.
26	L05	L	NBE	ACCOUNT...	18.08.13	04.05 PM	04.55 PM	50	.	.	.	.	.	.	.	.	.	.	.

Figure 3.2: SPSS variable view

	Name	Type	Width	Decimals	Label	Values	Missing	Columns	Align	Measure	Role
1	CASE	String	9	0		None	None	8	Center	Nominal	Input
2	CO	String	8	0	name of the co...	None	None	5	Left	Nominal	Input
3	NAME	String	9	0		None	None	8	Center	Nominal	Input
4	POST	String	51	0	position	None	None	9	Left	Nominal	Input
5	DATE	String	24	0		None	None	8	Center	Nominal	Input
6	START	String	24	0		None	None	8	Center	Nominal	Input
7	END	String	24	0		None	None	8	Center	Nominal	Input
8	MIN	Numeric	8	0	interviews leng...	None	None	8	Center	Scale	Input
9	COYEARS	Numeric	8	0	company years...	None	None	8	Center	Scale	Input
10	NOEMP	Numeric	8	0	number of empl...	None	None	8	Center	Scale	Input
11	TOVER	Numeric	8	0	values of turnover	None	None	8	Right	Scale	Input
12	BUILDING	Numeric	8	0		None	None	8	Right	Scale	Input
13	VEHICLE	Numeric	8	0		None	None	8	Right	Scale	Input
14	LAND	Numeric	8	0		None	None	8	Right	Scale	Input
15	EQUIPMENT	Numeric	8	0		None	None	8	Right	Scale	Input
16	INVENTORY	Numeric	8	0		None	None	8	Right	Scale	Input
17	MACHINERY	Numeric	8	0		None	None	8	Right	Scale	Input
18	FURNITURE	Numeric	8	0		None	None	8	Right	Scale	Input
19	TOTALA	Numeric	8	0	total asset values	None	None	8	Right	Scale	Input
20	LOCAL	Numeric	8	0		None	None	8	Right	Ordinal	Input
21	REGION	Numeric	8	0		None	None	8	Right	Ordinal	Input
22	NATION	Numeric	8	0		None	None	8	Right	Ordinal	Input
23	ONLINE	Numeric	8	0		None	None	8	Right	Ordinal	Input
24	POSTH	Numeric	8	0	position hierachy (f. Owner/r...	None	None	8	Right	Nominal	Input

As an example of the main responses in this quantitative dataset SPSS data view, Figure 3.3 shows 19 variable names of 'WORKA' to 'WORKS' which represent the items to measure the element of the working environment in the organization. The 5-point Likert scale type of answer was used to record five ranges of 'excellent to poor' ratings from 26 respondents in order to extract the valuable information in the dataset from respondents' answers in the questionnaires. This methodology chapter only shows the structure and process

involved with regards to the database construction; however, more information of this dataset is discussed and presented in great detail in the subsequent chapter.

Figure 3.3: SPSS data view for working environment

	WORKA	WORKB	WORKC	WORKD	WORKE	WORKF	WORKG	WORKH	WORKI	WORKJ	WORKK	WORKL	WORKM	WORKN	WORKO	WORKP	WORKQ	WORKR	WORKS
1	4	5	3	4	4	5	3	4	3	5	5	3	5	3	4	4	4	3	4
2	4	3	5	5	5	5	3	4	3	5	3	4	3	5	3	3	4	4	5
3	4	5	5	4	4	4	3	3	5	5	5	4	5	5	5	4	5	5	5
4	4	4	4	4	4	5	4	5	5	4	3	4	4	3	4	3	4	4	4
5	4	4	4	4	4	4	3	4	3	3	2	4	3	3	3	4	4	4	4
6	3	3	5	3	3	4	4	3	3	4	3	3	3	4	4	5	5	5	5
7	4	3	5	4	3	5	3	3	3	3	3	3	4	3	5	4	4	4	4
8	4	4	4	4	4	5	4	4	5	4	3	5	5	4	5	4	4	4	4
9	4	5	5	4	5	5	4	5	5	5	5	4	4	4	4	3	4	4	4
10	3	5	5	4	4	4	3	4	4	3	4	3	3	3	5	3	4	4	4
11	4	1	3	4	5	5	4	4	4	4	5	4	3	4	5	3	4	2	5
12	5	5	5	5	5	4	4	4	4	5	5	4	4	4	5	4	4	5	5
13	4	4	4	4	4	4	4	3	3	5	5	4	4	4	5	5	5	4	4
14	5	3	5	5	4	5	4	4	3	5	4	4	5	4	3	4	4	3	4
15	5	3	5	5	4	5	4	3	4	4	4	4	4	5	5	4	4	4	5
16	4	5	4	4	5	5	3	5	4	5	4	4	3	3	5	4	5	4	4
17	3	4	4	4	4	3	3	4	3	3	3	4	3	3	4	3	3	4	4
18	4	5	5	4	4	5	4	3	3	4	4	3	3	4	5	3	4	5	4
19	4	4	5	5	5	5	4	4	4	4	3	4	4	5	5	5	4	4	4
20	4	5	4	5	4	4	4	4	3	4	3	4	3	5	4	4	4	4	5
21	3	4	4	5	5	3	4	4	4	4	4	4	4	3	5	4	4	4	5
22	3	2	5	3	4	4	4	2	3	5	5	3	5	4	5	4	4	4	4
23	5	4	5	5	4	4	4	3	3	4	4	4	4	4	4	4	4	4	4
24	4	4	4	4	4	4	4	3	3	4	4	4	4	4	4	3	4	4	4
25	4	3	5	4	3	3	4	2	2	3	4	3	4	4	4	4	3	3	3
26	3	4	4	5	4	3	3	4	3	4	4	4	4	3	4	4	4	4	3

3.6 Ethical considerations

As a researcher, everybody needs to always bear in mind the issues of ethics while conducting research especially when it is involved with human beings. This study has taken the necessary steps to address this issue in order to minimize potential harm either to the data or subject matters of this study, or to the most important party in research which is the respondent. It is clearly stated in the ‘Code of Practice on Investigations Involving Human Beings’, all types of investigations involving human beings as participants either in the course of teaching or research undertaken in the University of Strathclyde must have been approved by the University Ethics Committee (UEC).

Firstly, it has to be recognized this issue needs to be addressed in a few critical stages of the research process, starting with preparing a research proposal, where all research objectives for this study must be ethically associated with the idea of solving the genuine problems

faced by the practitioners. It was considered as a genuine gap in the literature highlighted by several academics rather than simply an unimportant issue purposely side-stepped by them. Once the proposal is approved, it is normally attached with the approved methodological approach in finding the solutions to the problems.

Subsequently, the ethical issue moves to the next phase, which is constructing tools for the data collection. As part of the university ethics regulation, the proposed questionnaire to be used in the semi-structured interview sessions needs to go through several steps for approval. Firstly, a completed application form was attached with the proposed questionnaire, and submitted to the Department of Accounting and Finance Ethics Committee. Once it was approved by the department committee, the application was taken to the Strathclyde Business School, and again approved with concern to the confidentiality issue of the respondents, whereby they have to remain anonymous in the written report.

While conducting the semi-structured interviews, as part of the data collection process, all the respondents were addressed according to the ethics committee advice where they remain anonymous in the written report of the study. Before every interview session, permission to audio-record the interviews was requested for and respondents were also clearly informed that they had the right to bring the interview to a close at any time, or not to answer any questions that they feel could harm, jeopardize or bring any stress to them. While approaching all the respondents (SMEs), as suggested in the ethics application form, advanced notice needed to be sent to them - they were initially contacted via email or telephone - and, subsequently, once they agreed to take part in the study, they were once again sent an official letter by post together with an agenda of the questionnaire and structure of the interview.

Finally, while storing the data and disseminating the research findings, ethical consideration has no less importance at this stage. All information gathered by this study, especially

related to the personal identity of the respondents, is treated as confidential and will be stored with an appropriate level of security. In terms of accessibility to the data, the author as a principal investigator and the supervisor are the only persons with possible access to the data.

3.7 Conclusions

Most parts of the whole research process undertaken by this study have been discussed in this methodology chapter. Justification of the chosen research paradigm, approach, method and finally data collection tools have been outlined to ensure this study was conducted consistently from the start until the final stage of this research. This chapter concludes this methodology phase with all the collected data ready to be presented, analysed and interpreted in the following chapters. Both quantitative and qualitative data collected in this study, by using all the justified tools, will be managed accordingly. A specific chapter for the quantitative data will follow and any interesting issues arising from that chapter will be explained and supported with in-depth qualitative information from the interviews in several subsequent chapters.

Chapter 4: Quantitative Evidence

4.1 Introduction

There are several objectives when undertaking statistical analysis by using quantitative evidence from research. It is either to see the difference, associational or descriptive type of statistics from the data gathered through questionnaires distributed or questions put to respondents. The discussion on quantitative data analysis firstly highlights the summarized data extracted from questionnaires, which demonstrates the descriptive statistics regarding the main features of background and demographic data of respondents, as well as quantitative data related to PMS and ERB gathered by this study. Factors such as gender and hierarchy level which influence ERB and PMS are also discussed. Then, a brief associational analysis is established in this section to observe some interesting correlations between several key elements of the working environment. Finally a brief conclusion is displayed in the final section to conclude this whole quantitative evidence chapter.

4.2 Quantitative data analysis

Describing variables of the study is a minimum undertaking for the researcher, such as stating the proportion of occurrences of one action. There are various ways of analysing and presenting information on a research subject known as 'univariate', 'bivariate' and 'multivariate' analysis. The term 'univariate' describes a single variable, then 'bivariate' explains relationships between two variables, and the final term of 'multivariate' explores connections among more than two variables (Bryman and Cramer, 2011). This chapter focuses only on the first two types of analysis by summarizing data or completing descriptive as well as comparing differences and established relationships between variables in subsequent subsections.

4.2.1 Summarizing data / descriptive statistics

Descriptive statistics describe the main features of a collection of quantitative data, aiming to summarize a data set without employing a probabilistic formulation (Morgan et al. 2011). Various procedures are employed to summarize variables which Bryman and Cramer (2011) position under several categories such as frequency distribution, measuring central tendency, as well as measuring dispersion. Several variables were addressed quantitatively before being supported and explained further with qualitative evidence on the issues being raised or highlighted from this type of analysis.

4.2.1.1 Respondents' background data

The overall raw data extracted from several sections of the questionnaires are presented in this chapter (see Table 4.1 and Table 4.2) consisting of detailed information of the background of SMEs' as well as individual respondents' demographic information respectively. Several frequency distributions were undertaken in this study to summarize the data gathered from all 26 respondents and the six SMEs to which they belonged.

Table 4.1: Background of SMEs

Assets (RM)	ACCOUNTING	FURNITURE	MOTEL	PRACTICE	LIGHTING	COMPUTER
Building	-	50,000	2,500,000	500,000	-	5,400,000
Vehicle	30,000	180,000	30,000	-	30,000	400,000
Land	-	200,000	1,500,000	-	-	-
Equipment	17,000	-	-	20,000	-	-
Inventory	-	50,000	-	-	550,000	500,000
Machinery	-	200,000	-	-	-	-
Furniture	10,000	-	-	15,000	-	-
Total Assets	57,000	680,000	4,030,000	535,000	580,000	6,300,000
Turnover (RM)	500,000	1,200,000*	500,000	250,000*	1,200,000	7,000,000*
No. of employee	15	23	10	10	12	34
* Note: Average value from the range of figures given by respected respondents.						

According to the listed assets of the SMEs (see Table 4.1), three full service-based companies have no inventory value (ACCOUNTING, MOTEL and PRACTICE); meanwhile, two opted to simply rent rather than own their own building to operate their business (ACCOUNTING and LIGHTING). COMPUTER has a high value for buildings due to the recent acquisition of two buildings as an investment for near future business expansion. The high inventory value for LIGHTING is due to the nature of the decorative lighting business which needs to display various types of lights and fans in the shop. The start-up amount of RM60,000 and periodic renovation (interior design) value were also included in the total inventory amount.

Figure 4.1: Size - Number of Employee

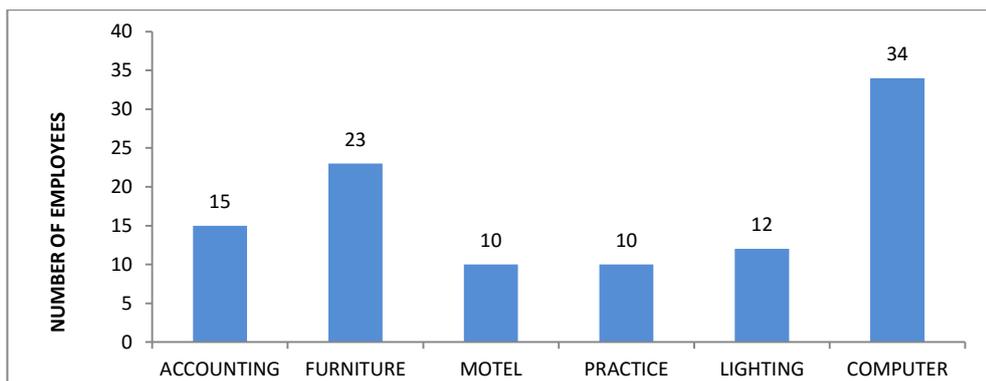
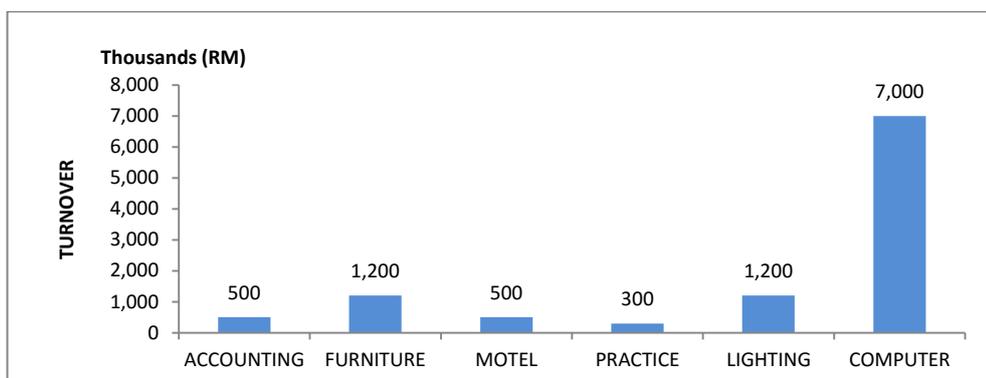


Figure 4.2: Size - Annual Sales Turnover

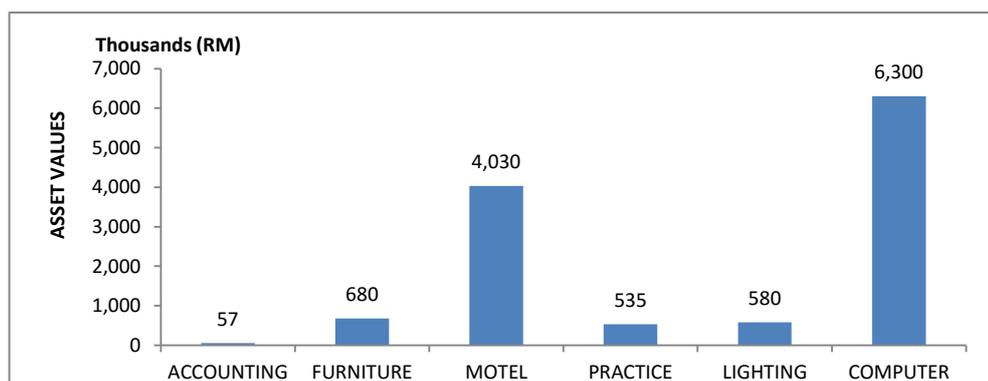


The size of the SMEs is typically measured by two important factors: number of employees and annual sales turnover. These two criteria are used to qualify them as a small or medium

rather than large size organization. Figure 4.1 and 4.2 clearly show these organizations satisfy Malaysian SME criteria (sales turnover not exceeding RM20 million or full-time employees not exceeding 75 workers) for services and other non-manufacturing sectors. COMPUTER employs the highest number with 34 employees and MOTEL and PRACTICE the smallest, with 10 employees, to give the range value of 24. All of the businesses (except for COMPUTER) specifically fall under ‘small’ rather than ‘micro’ or ‘medium’ where the number of full time employees is in the range of 5 to 29 people (Guideline for New SME Definition, SME Corp. Malaysia, 2013).

Under sales turnover value, once again, COMPUTER recorded the highest value with RM7 million which was nearly six times better than the value of the other SMEs. Choosing to operate with a large number of employees could be a valid reason for them to record such high annual sales or turnover. The lowest turnover was recorded by PRACTICE with RM300,000. Under both criteria, all of the SMEs have a small range of differences (except for COMPUTER) with minimum-maximum range value of 13 for employees and RM900,000 in terms of turnover. This could be seen clearly in both bar charts (see Figure 4.1 and 4.2). According to the annual turnover criterion COMPUTER is, once again, the sole business falling under the ‘medium’ category (the amount of RM3 million to RM20 million), and the rest were ‘small’ with the range value of RM300,000 to RM3 million (Guideline for New SME Definition, SME Corp. Malaysia, 2013).

Figure 4.3: Total values of assets



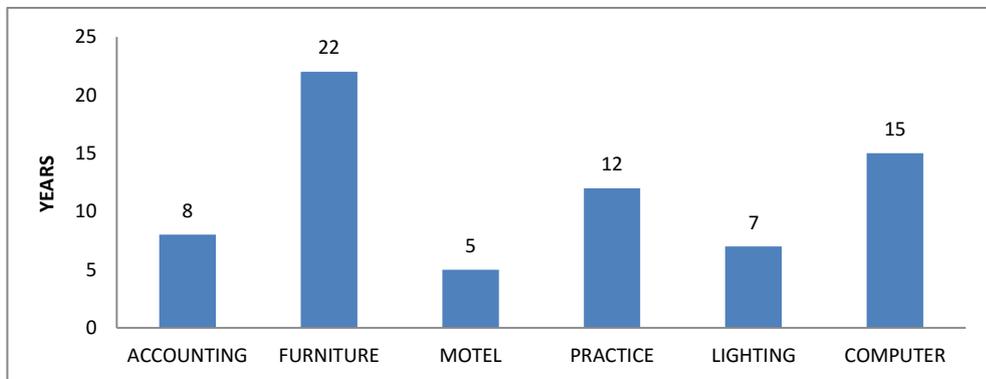
On further analysing the financial aspects, another bar chart (see Figure 4.3) shows the total value of assets of the SMEs. The highest turnover in COMPUTER could be linked to their high amount of total assets (RM6.3 million), but the relationship could also be interpreted the other way around. During the interview, COMPUTER's owner revealed that buildings have newly been acquired as a future investment, which is possibly due to the extra profit from their successful operations. Meanwhile MOTEL, with the second highest in total assets, could only manage to yield the second lowest annual turnover, thus recording the lowest ROA (return on assets). The most efficient performance according to the ROA criterion was achieved by ACCOUNTING with the value of 8.7 times.

Table 4.2: Demographic and background of individual respondents

	Hierarchy level	Length of interview (Minute)	Gender	Current tenure (Year)	Previous experience (Year)	No. of previous organizations
1	Lower level staff	47	Female	4	1	1
2	Lower level staff	42	Female	1	4	3
3	Supervisor	42	Female	8	0	0
4	Owner/manager	52	Male	8	2	1
5	Supervisor	45	Male	8	6	2
6	Owner/manager	72	Male	22	10	1
7	Lower level staff	24	Male	10	-	1
8	Supervisor	86	Female	18	0	0
9	Owner/manager	106	Male	5	30	-
10	Lower level staff	50	Male	1	1	1
11	Lower level staff	44	Female	1	3	2
12	Lower level staff	129	Male	1	4	4
13	Owner/manager	49	Male	12	2	1
14	Lower level staff	49	Female	3	18	2
15	Lower level staff	57	Male	11	4	1
16	Supervisor	60	Male	5	3	3
17	Lower level staff	67	Male	5	-	3
18	Owner/manager	68	Male	7	9	2
19	Supervisor	48	Female	2	2	2
20	Lower level staff	37	Female	1	2	3
21	Lower level staff	31	Male	3	1	1
22	Owner/manager	100	Female	15	0	0
23	Supervisor	53	Male	8	3	3
24	Supervisor	40	Male	3	1	1
25	Lower level staff	48	Female	2	7	2
26	Lower level staff	50	Female	3	1	1

Meanwhile, demographics data, related to 26 individual respondents, are listed in Table 4.2. Each respondent was interviewed face-to-face for approximately 1-2 hours to gather as much relevant information as possible related to ERB and PMS. The background information of all respondents was divided into six columns which, to some extent, was thought to be relevant with core information gathered related to the theme of the study (ERB and PMS). Information shown in Table 4.2 could simply be portrayed using several subsequent pie and bar charts to make it easier to be grasped.

Figure 4.4: Number of years in operation



Firstly, in terms of the age of the (see Figure 4.4), the organizations ranged from 5 to 22 years in operation, thus none of them were considered to be at a very early stage of operation. The age of a business could be relevant as a study on growth and development of small business by Mount et al. (1993) states that each of the five phases of a small business life cycle has its own characteristic and demands for a specific blend of entrepreneurial and management activities. Although there is no specific number of years to specify when it reaches any particular stage it goes from young to mature accordingly throughout the age of business. The shift from owner-operator to owner manager, then to functional management is one of the indicators to link the age of a business to an SME's business life cycle (Mount et al. 1993) and this will be discussed by individual case analysis

in the next chapter. Garengo et al. (2007) also use the same five-stages of an SME's life cycle to show the relationship between business maturity level and PMS development.

Figure 4.5: Respondents' work experience

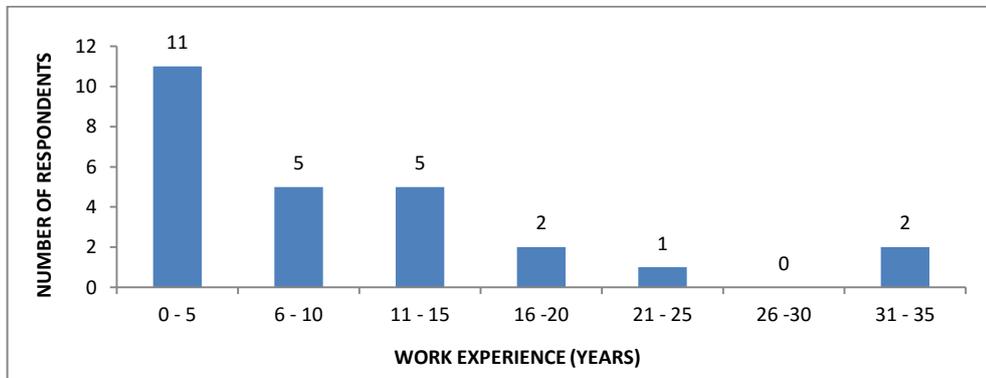


Figure 4.5 shows the work experience of respondents in total, with the existing as well as previous organizations. Work experience up to five years represents 42% (11 respondents) of the total respondents, another 46% (12 respondents) have experience between six to 20 years, and only 12% (five respondents) have experience of more than 20 years. Based on a learning-curve basis, work experience tenure could affect an employee's skills and perception, thus it could also happen in this study (on PMS and ERB). However, a study by Reagans et al., (2005) shows that experience and learning rate is not a straight forward relationship but depends on several other factors such as amount and type of working experience.

Figure 4.6: Respondents' gender composition

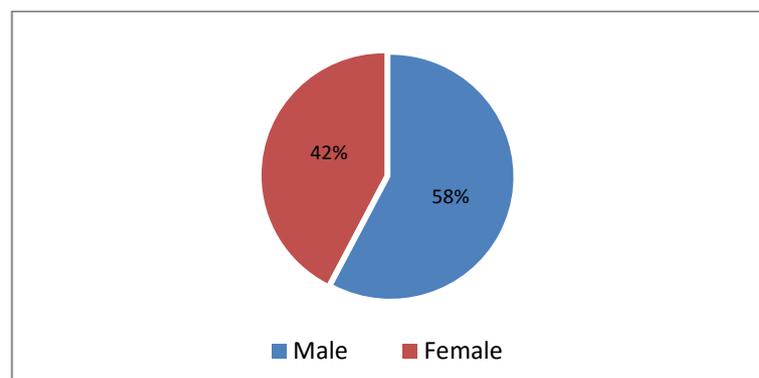
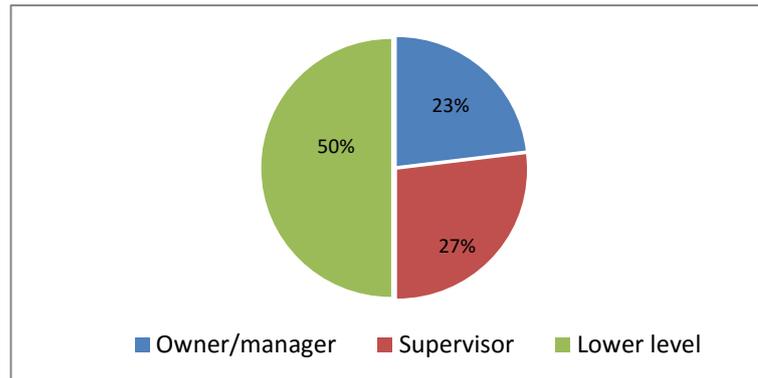


Figure 4.7: Respondents' hierarchy level composition



Compositions of respondents are seen in the pie charts (see Figure 4.6 and 4.7) according to their gender and organizational hierarchy levels. The male proportion is 58% (15 respondents) compared to 42% of female respondents. There was a study specifically reviewing the performance of women entrepreneurs in Malaysia (Ming-Yen and Siong-Choy, 2007) and it indicated that women entrepreneurs possess different characteristics, and thus lead to different strengths and/or weaknesses while managing businesses compared to men. It is supported by Idris (2008) in her study on how Malaysian women entrepreneurs lead their employees towards building an innovative organizational culture, and it demonstrates that female leadership styles do not neatly fit into existing typologies of modern leaders. The gender factor was not left behind in this study as one female owner/manager seems to play significant roles in her business which is worthy of comparison with the five other male owner/managers.

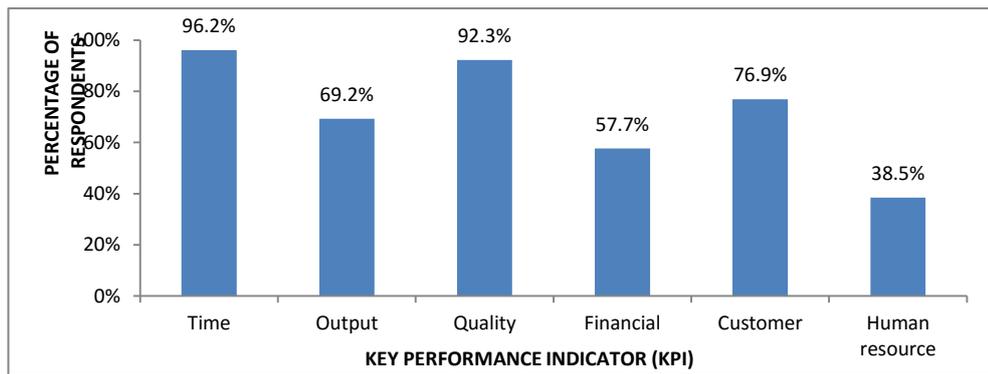
This study planned to interview respondents from at least two different levels of hierarchy, which is management/supervisor (assessor) and lower level employee (assessee). This had been undertaken previously by Ukko et al. (2007) when they studied the impact of performance measurement on leadership where the perception from both management and employees was taken into consideration. They suggested that the management should consider the employee perspective more during the development, implementation, and

use of performance measurement and justified to study the perception of both managers and employees as they differ from each other. Figure 4.7, however, divides respondents in this study into three levels of hierarchy where most belong to lower level hierarchy groups, recorded as 50% (13 respondents). The rest are almost equally divided between owner/manager and supervisor at 23% (six respondents) and 27% (seven respondents) respectively. All managers interviewed were also the owner or at least had some percentage of shares in that company which is quite common practice in SMEs. Owner/managers were the main assessors in all of these SMEs; some of the supervisors do not play that role quite so much but had been promoted to supervisor posts due to being long serving with the organization.

4.2.1.2 ERB and PMS data

Moving from respondent background information, data related to PMS and ERB could be analysed from various points of view and could be connected with other variables in many ways. Various methods and approaches of analysing could be employed to see relationships and connection between all those variables. The list of figures starts with current KPI practiced or employed in their respective organizations (see Figure 4.8), then their rated working environment (see Figure 4.9); perception on the importance of behaviour element (see Figure 4.10); the practice and contribution level of ERB (see Figure 4.11 and 4.12); approach of measuring ERB (see Figure 4.13); and, finally, the environment to be improved to promote ERB practices (see Figure 4.14). Initially, the description of all PMS and ERB related evidence are presented, before the discussions go further into the relationships and connections with respondents' background, through bivariate analysis.

Figure 4.8: Current KPI

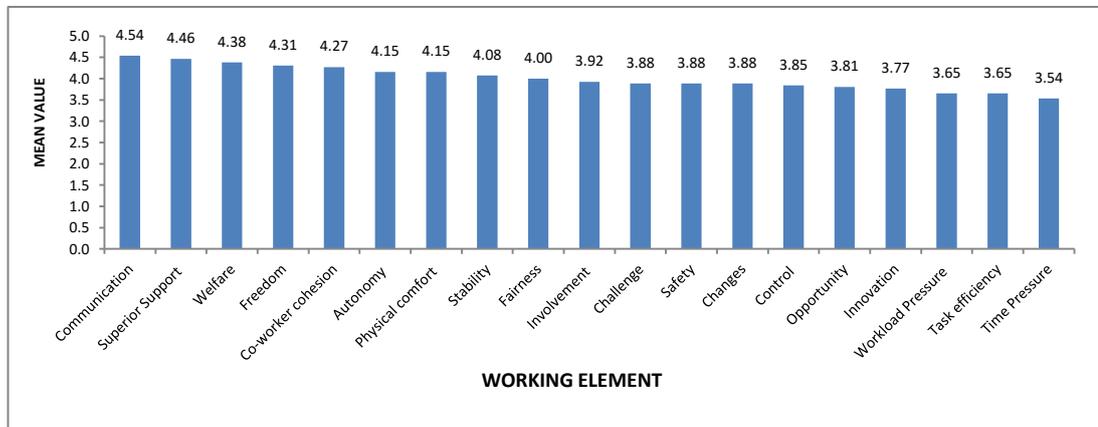


Six key performance indicators (KPI) listed in the questionnaire were explored while interviewing respondents on how their performance was measured (or how they measured if they are the manager or supervisor). Answers from 26 respondents (see Figure 4.8) shows that time and quality of work were the two criteria mostly being used to measure performance as both recorded as high as 15 and 14 respondents (96.2% and 92.3%) respectively. The human resources criterion seemed the least being used to measure employee performance which only rated at 38.5% (10 respondents). This result is quite interesting to be explored as ERB could be considered much related with human resources related criteria. The obvious low rating of human resources KPIs among respondents in this study invite more explanation probably through case studies as the source of the main evidence.

Different types of positions could also need to be addressed while analysing deeper into KPI evidence. However, an early explanation to be drawn here is that different respondents have different focuses while answering the question. Some of the respondents seemed to focus their answers on the measurement of their own job or task, but some commented relating to the whole PMS in the organization. As an example, referring to the financial criterion, several respondents were reluctant to comment; or, they may simply be 'in the dark' regarding the way the superior measures their colleagues. Thus, the same factor

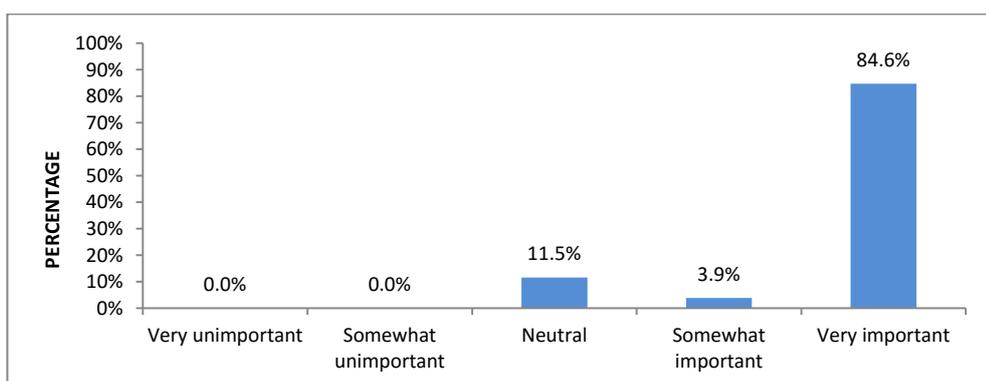
might be related to the human resources criterion as the respondents did not really know what KPI had been imposed on their colleagues.

Figure 4.9: Working environment



In terms of the more general environment in the organization, Figure 4.9 shows the mean values of all 19 elements of the working environment indicated on the 5-point Likert scale. Communication was rated as the highest element with the mean value of 4.54 which represents between ‘good and excellent’ working conditions. Conversely, work pressure related to time was rated as the lowest at a mean value of 3.54 which represents ‘average and good’ working conditions. Overall, all the respondents seem satisfied with their working conditions by rating the entire working element above ‘average’. Had each answer of the work element been rated below ‘average’ the working condition could be further analysed to find the reason and justification of the lower than average rating.

Figure 4.10: Importance of behaviour element

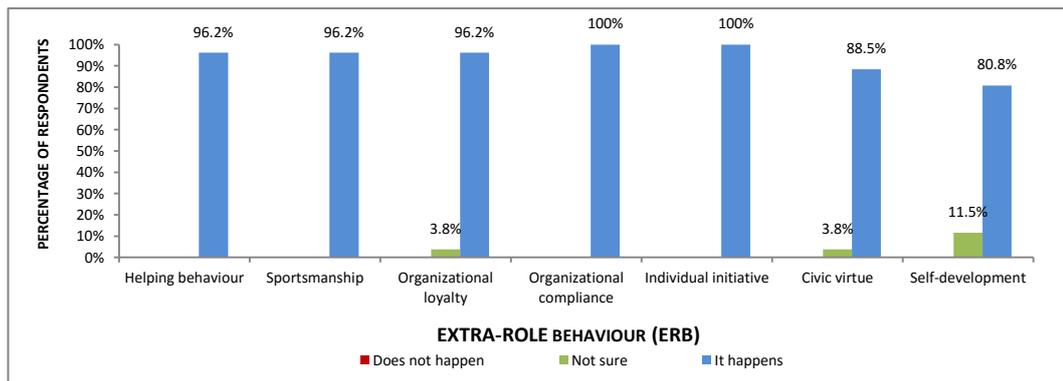


When the respondents were asked the importance the management placed or emphasized on employee behaviour while working (see Figure 4.10), 84.6% (22 respondents) perceived it as very important and only 11.5% (three respondents) rated it as neutral. None of the respondents seem to deny the importance of employee behaviour as emphasized by the management while working as nobody rated it as unimportant. This is not a surprising result as several studies (e.g., Birnberg, 2011; Crook et al., 2011) report the importance and emerging of behavioural elements in today's work settings.

Responses from owner/managers seem more valid, compared to responses from employees, on the question of what the former have done or emphasized regarding the behavioural element. The latter simply gave answers based on their perception of what has been done by their owner/manager. Furthermore, this is only a general view regarding the importance of the behavioural element while carrying out day-to-day tasks. However, it is a good sign for all SMEs involved in this study if, in the future, they plan to include the behaviour of employees as part of their KPIs. This argument is reflected in a study by de Waal (2003) as he states that the positive attitude of managers as well as their good understanding towards performance measures was critical to the implementation and use of a PMS.

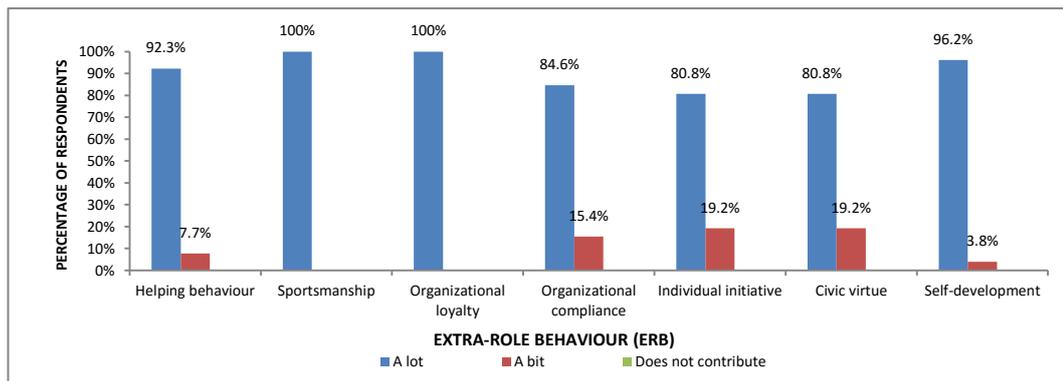
This study has argued that if owner/managers emphasize employee behaviour, they might, as well, have a high tendency of having a better understanding of that attribute and show a positive attitude on that measure (if they plan to measure it in future). Relationships between managers' positive actions and performance measures are also highlighted in another study by Ukko et al. (2008) as he emphasizes the role of the manager as a leader in the organization when measuring employees' activities. He clarifies further that managers concerned with employees' behaviour, as reported in this study, could be considered as one of many positive roles played by managers in an organization.

Figure 4.11: Practices of ERB



A sheet listing seven items to measure ERB (Podsakoff et al., 2000) was given to the respondents after they were asked to think and name tasks or actions they wished to do (to improve effectiveness and efficiency of organization) but were not required to do (not in the job description or contract) . The earlier question wished to elicit some understanding what ERB is all about before they were asked to recognize the list of ERB items. Figure 4.11 shows two items of ERB were recognised by all respondents (100%) and another three items by 25 respondents (96.2%). ‘Self-development’ was the lowest among the seven items but is still recognized by 21 respondents (80.8%) and ‘civic virtue’ by 23 respondents (88.5%). Five respondents seemed unsure regarding some practices of ERB in their respective organization and, at the same time, six respondents simply did not respond to some of the listed items. The practices of some individual ERBs could be considered not really obvious to others (their colleagues) in the organization due to its own characteristic such as ‘self-development’, and thus were recorded as slightly lower than others and not even rated at all by some of the respondents. However 100% of the respondents did admit to practicing all of the listed ERB items to some extent while working at their respective organization.

Figure 4.12: ERB contribution



Three levels of contribution were attached to the same sheet which listed seven ERB items to see how much respondents perceived extra-role behaviours could improve the effectiveness and efficiency of their organizations. Contribute ‘a lot’, ‘a bit’ or ‘did not contribute’ were the options available to them which were coded with values of 2, 1 and 0 respectively. The results (see Figure 4.12) show sportsmanship and organizational loyalty recorded maximum values (100%) as every respondent believed these two behavioural practices contribute a lot to the improvement of the organization. Some respondents chose to differ with the majority responding with ‘a bit’ of a contribution to a few types of behaviours; however, none denied the contribution as it was documented with zero ‘no contribution’ responses.

In terms of the impact of behavioural awareness, the above findings (practices of ERB and ERB contributions) could suggest that the level of awareness among employees towards employees’ behavioural aspects in their organizations is high. It could also be argued that if they did recognize what has been emphasized by their top management they should also be aware of these important attributes and the contributions of the elements while working in their organization. Awareness, as well as acceptance of the importance and contribution of ERB practices among members of an organization, could be a good step to trigger the behavioural elements to be included as part of PMS. In designing PMS,

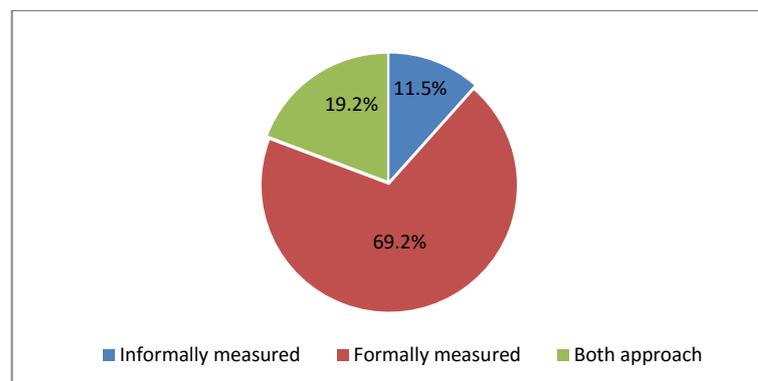
employee awareness and acceptance could be critical points to be taken into consideration as highlighted in previous performance measurement/management studies by Ferreira and Otley (2009). Their extended framework analysis for performance management systems noted that any key success factor (KSF), which can eventually be used as a key performance measure in measuring performance, needs to be perceived as an important or critical factor for the success of an organization.

At the same time, respondents' awareness regarding what has been emphasized and is concerned with their day-to-day actions, could also be seen as another key factor which influences the success and effectiveness of PMS implementation in organizations. Awareness and acceptance could lead to employees' involvement/participation and commitment where the importance to PMS and overall performance has been raised many times in the literature (e.g., de Waal, 2003; Ukko et al., 2007; Tung et al., 2011). Research specifically carried out in the Malaysian context has raised the importance of employee understanding and of being a learning organization when the results of the study show that an organization with a high level of learning and knowledge is more likely to influence its PMS (Ong and Teh, 2008).

The employees' acceptance of or coming to an agreement on performance measures or PMS will lead to a higher rate of successful implementation and use of PMS (Ukko et al., 2007). In the same study, it was stated that good interaction between management and employees while operating with a performance measurement system (PMS), leads to higher performance. Thus, the good perception and high awareness of employees as reported in this study could be a sign of interaction between managers and employees. Ukko et al. (2007) further adds that it is critical for employees to understand why something is measured (or is not measured) on them as well as on their colleagues in their organization. Awareness and perception of employees of the importance of behaviour (as it

is greatly emphasized by the owner or top management of their organization) was highly connected with their tendency to have a formal approach of measuring behavioural elements in future, as revealed in this study. This evidence argued it as a very good sign to the organizations involved in this study, which seems they accept or at least have positive attitudes towards including behavioural measures (ERB) as part of the formal approach of measuring performance in future.

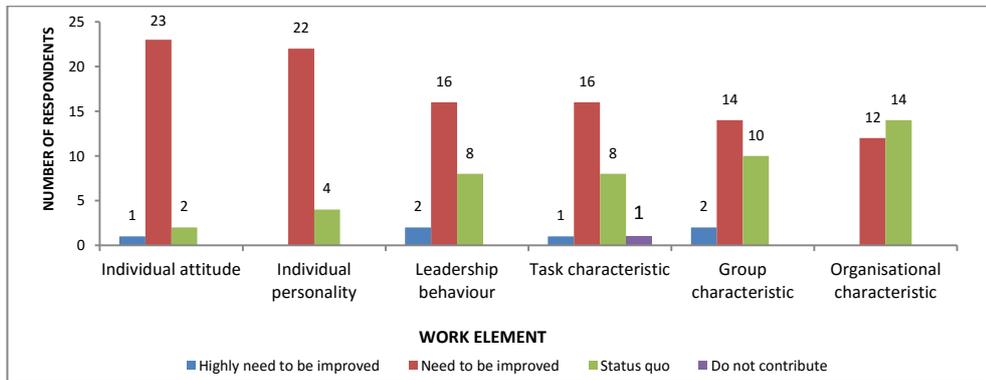
Figure 4.13: Approach of measuring ERB



In relation to previous figures which show the importance of behaviour, practices of ERB and its contribution to the betterment of the organization, respondents were asked about the future approach to measure this type of behaviour. In Figure 4.13, surprisingly, almost 70% of the respondents emphasize a positive hope to formally measure ERB in their organization, while 11.5% chose simply to be informally measured and 19.2% do not really mind either way. This question was probably leading the respondents to have more positive answers as we discussed a lot about ERB before this question was asked and this could be a reason why none of them opted to say it does not have to be measured at all in future. However, it could be said that respondents who responded with 'formal approach' seem determined to measure ERB in future and the rest (another 30%) probably have mixed feelings about whether to include these behaviours as part of the PMS in future. The consequences of measuring ERB were also asked about, with mixed responses from

respondents about the effects which are suggestive of some reason behind the answers. All such evidence will be analysed and explored further in the case study analysis in the next chapter.

Figure 4.14: Work element to be improved



Regardless of whether ERB needs to be measured and part of PMS in future or not, this type of behaviour has proven to effectively and efficiently increase performance of an organization. Thus, this study looks into ways of cultivating and promoting ERB in an organization by recognizing a few internal elements which need to be improved. Six antecedents of ERB found in the literature (Organ et al. 2006) covering both individual and working environment factors, were listed as possible criteria to be improved. The result (see Figure 4.14) shows that most of the responses agreed many of the items need to be improved, with a small percentage of the respondents preferring to say it highly needs to be improved. Individual elements (attitude and personality) were undisputed critical items needing to be improved in order to promote ERB, recorded at almost 85% of the respondents.

Quite a number of respondents seem satisfied with their group and organizational characteristic (39% and 54% respectively) which opted for the 'status quo' option. There is one unique answer which said that task characteristics do not contribute to promote ERB to be practiced more in organizations. Leadership behaviour displayed diverse responses with

62% asking for improvement, 7% indicating it highly needs to be improved but at the same time 31% felt that their superior is just good enough (status quo). Different SMEs have different styles and types of leadership and it could be analysed further in a single and cross case study in later chapters.

4.2.2 Differences and relationships between two variables

Categorized as 'bivariate' type of analysis, various methods could be employed to see differences and relationships between two variables in quantitative data research, thus several factors need to be considered before deciding upon any appropriate statistical test. The factors listed by Bryman and Crymer (2011) include category of data, whether is it nominal, ordinal or ratio; and relationship of comparisons group, whether it is independent or dependent groups.

Morgan et al. (2011), however, explain the category of data by grouping it into four levels or scales of measurement, rather than three groups as in traditional or SPSS. 'Nominal' refers to three or unordered categories of data; 'dichotomous' denotes two categories of either ordered or unordered data; 'ordinal' indicates three or more ordered levels of data in which the differences in magnitude between levels is not equal. Normal (or approximately normal) data represent many (at least five) ordered levels of data in which the frequency of the scores is approximately normal. Morgan et al. (2011) replace the 'normal' category from traditional terms of 'interval/ratio' and the SPSS term of 'scale'. In terms of comparison groups, several different terms are used to explain the connection between them, whether the comparisons values come from the same or different cases. Besides the 'independent – dependent' terms as mentioned above, some other terms researchers use are 'uncorrelated – correlated' and 'between subject – within subject' (Bryman and Crymer, 2011).

In this study, non-parametric tests such as Chi-square, Mann-Whitney U and Spearman Rho were employed as several data conditions in order to use parametric tests were not fulfilled. Normal distribution of variables and homogeneity of variances are among the conditions or assumptions required for parametric test but not for non-parametric test (Morgan et al., 2011), but Bryman and Crymer (2011) question these conditions and argue the results of parametric and non-parametric test (which violate the conditions) do not differ greatly. They, however, prefer to use non-parametric test for relatively small sample size which is appropriate for this study.

A cross tabulation table is used to present two variables which have a few values of categorical data; meanwhile, Chi-square test is appropriate to analyse significant relationships between two dichotomous variables based on the frequency of cases found in another variable (Morgan et al., 2011). In this study, two dichotomous variables of gender, owner/manager – employee, and assessor (management/supervisor) – assessee (employee) were used to observe the significant relationship of one variable in each of these groups on another variable. Meanwhile, The Mann-Whitney U test is appropriate to run an analysis to compare distribution of values in two independent groups (Bryman and Crymer, 2011). Two assumptions listed by Morgan et al. (2011) - (1) continuity from low to high value (ordinal) of independent variable; and (2) the data (score) are independent; which refers to the score from one respondent not being dependent on the score of others - were met by this study. Once again, three dichotomous groups of gender, owner/manager – employee and management/supervisor – employee were analysed with the Mann-Whitney U test.

Spearman Rho correlation is equivalent to Pearson correlation but more appropriate to be employed on non-parametric types of data, which occur when both variables are at least ordinal and data do not assume normal distribution (Morgan et al., 2011). Generally,

correlation can vary from -1.0 (perfect negative association) through 0.0 (no correlation) to +1.0 (perfect positive correlation). Spearman Rho also assumes an increased score on one variable should also increase another variable but not necessarily in a linear fashion.

This study performed ‘bivariate’ correlations analysis on all ordinal measured variables via SPSS and any significant relationship was checked and noted using Spearman Rho test. Data on all elements of the working environment were analysed (all responses in Appendix E) and several significant relationships between all the elements were selected to be highlighted. Several elements of working environment closely related to ERB were specifically picked to investigate their connection with other elements in the organization. Involvement, co-worker cohesion, and innovation will be explained accordingly based on the results from Spearman Rho test via SPSS.

4.2.2.1 Gender difference and effect on PMS

Table 4.3a: GENDER * KPICUST Cross tabulation

		KPICUST		Total
		No	Yes	
GENDER	Male	1	14	15
	Female	5	6	11
Total		6	20	26

Table 4.3b: Chi-Square Tests GENDER * KPICUST

	Value	df	Asymp. Sig. (2-sided)	Exact Sig. (2-sided)	Exact Sig. (1-sided)
Pearson Chi-Square	5.379 ^a	1	.020		
Continuity Correction ^b	3.415	1	.065		
Likelihood Ratio	5.585	1	.018		
Fisher's Exact Test				.054	.032
Linear-by-Linear Association	5.172	1	.023		
N of Valid Cases	26				

a. 2 cells (50.0%) have expected count less than 5. The minimum expected count is 2.54.

b. Computed only for a 2x2 table

On gender (GENDER), the two-sided (tailed) Pearson chi-square test showed there is significant difference ($p = 0.020$), which indicates males and females differ as to whether they rated customer as one of the KPIs used in their organization. However, since the violation of the minimum expected count is only 2.54 (minimum is 5), the Fisher Exact test

is argued as a more appropriate test to be used, but it still shows significant difference ($p = 0.032$) at a one-sided significance level (see Table 4.3a and Table 4.3b).

Table 4.4a: Ranks on GENDER

	GENDER	N	Mean Rank	Sum of Ranks
WORKN	Male	15	11.17	167.50
	Female	11	16.68	183.50
	Total	26		
WORKR	Male	15	16.50	247.50
	Female	11	9.41	103.50
	Total	26		

Table 4.4b: Test Statistics on GENDER

	WORKN	WORKR
Mann-Whitney U	47.500	37.500
Wilcoxon W	167.500	103.500
Z	-1.965	-2.622
Asymp. Sig. (2-tailed)	.049	.009

Meanwhile, testing under Mann-Whitney U on the gender category (GENDER) shows (see Table 4.4a and 4.4b) 11 female respondents have significantly higher mean ranks (16.68) than 16 male (11.17) respondents on the control (WORKN) element of the working environment ($p = 0.049$); meanwhile, male respondents have significantly higher mean ranks (16.50) than females (9.41) on the fairness (WORKR) element ($p = 0.009$).

Composition of gender in this study does not show much difference between them (42% male and 58% female) and several results related to gender differences were attractively reported in this study. Male and female respondents are statistically different significantly only when rating 'customer' as an element of KPI in their organization (see Table 4.3a and 4.3b) but not the other KPIs. They also had significantly different opinions only on the 'control' and 'fairness' element of the working environment at the workplace (see Table 4.4a and 4.4b). It is common to hear discussions that female employees/managers are relatively disadvantaged compared to their male counterparts but these arguments or claims were not carefully tested empirically (Kalleberg and Leicht, 1991). However, when the effect of gender on small business success and survival was properly studied by

Kalleberg and Leicht (1991), the results totally challenged the common claim as it suggested small business performance is irrespective of an entrepreneur's gender. Robb and Watson (2012) achieved the same result when they studied a five years' database of 400 new ventures firms in the US, which supports the claim that gender differences has no effect on firm performance.

Since this study showed there is an element of difference between male and female respondents' perceptions (opinion on control and fairness), it could be argued, here, that gender does not directly affect the overall performance of an organization. However, only a few decisions and preferences made by male and female managers/employees seem related to performance measures, such as customers as a KPI element, might indirectly affect the business performance. Elements of control were discussed in previous studies (e.g., Otley, 2003; Tuomela, 2005; Tessier and Otley, 2012) which poised as much related to PMS, thus different perceptions from employees on this element need to be taken into consideration throughout the process of introducing and implementing PMS.

4.2.2.2 Hierarchical effects on PMS

Three different hierarchy levels of employee were ranked by all respondents in this study; owner/manager, supervisor, and lower level employee. However, in some analysis the owner/manager and supervisor were combined into the 'assessor' category which nicely represents an equal number of respondents compared to the lower level employee known as the 'assessee' category. Different hierarchical categories of employees seem to be a great concern or factor to important decision makings in an organization.

Table 4.5a: OWNER * KPIHR Cross tabulation

		KPIHR		Total
		No	Yes	
OWNER	Employee	16	4	20
	Owner	0	6	6
Total		16	10	26

Table 4.5b: Chi-Square Tests OWNER * KPIHR

	Value	df	Asymp. Sig. (2-sided)	Exact Sig. (2-sided)	Exact Sig. (1-sided)
Pearson Chi-Square	12.480 ^a	1	.000		
Continuity Correction ^b	9.329	1	.002		
Likelihood Ratio	14.630	1	.000		
Fisher's Exact Test				.001	.001
Linear-by-Linear Association	12.000	1	.001		
N of Valid Cases	26				

a. 2 cells (50.0%) have expected count less than 5. The minimum expected count is 2.31.

b. Computed only for a 2x2 table

On the owner/manager – employee category (OWNER), a Pearson chi-square test once again showed a violation of minimum expected count (2.31) thus a Fisher Exact test was used and a significant difference ($p = 0.001$) at two-sided (tailed) significance level was shown indicating owner/manager and employee are significantly differ in rating human resources as a KPI (see Table 4.5a and Table 4.5b).

Table 4.6a: ASSESS * KPIFIN Cross tabulation

		KPIFIN		Total
		No	Yes	
ASSESS	Assessee	8	5	13
	Assessor	3	10	13
Total		11	15	26

Table 4.6b: Chi-Square Tests ASSESS * KPIFIN

	Value	df	Asymp. Sig. (2-sided)	Exact Sig. (2-sided)	Exact Sig. (1-sided)
Pearson Chi-Square	3.939 ^a	1	.047		
Continuity Correction ^b	2.521	1	.112		
Likelihood Ratio	4.057	1	.044		
Fisher's Exact Test				.111	.055
Linear-by-Linear Association	3.788	1	.052		
N of Valid Cases	26				

a. 0 cells (0.0%) have expected count less than 5. The minimum expected count is 5.50.

b. Computed only for a 2x2 table

Meanwhile on the assessor – assessee (ASSESS) category, the two-sided (tailed) Pearson chi-square test showed significant differences ($p = 0.047$ and $p = 0.016$), indicating

management/supervisor and lower level employee significantly differ on whether they rated finance (see Table 4.6a and Table 4.6b) as well as human resources (see Table 4.7a and Table 4.7b) as the KPIs used in their organization.

Table 4.7a: Ranks on OWNER

	OWNER	N	Mean Rank	Sum of Ranks
	Employee	20	15.40	308.00
WORKD	Owner	6	7.17	43.00
	Total	26		
	Employee	20	12.15	243.00
WORKG	Owner	6	18.00	108.00
	Total	26		

Table 4.7b: Test Statistics OWNER

	WORKD	WORKG
Mann-Whitney U	22.000	33.000
Wilcoxon W	43.000	243.000
Z	-2.640	-1.993
Asymp. Sig. (2-tailed)	.008	.046

Subsequently, a Mann-Whitney U test was performed on the owner/manager – employee category (OWNER), the results (see Table 4.7a and 4.7b) show six owners have significantly lower mean ranks (7.17) than 20 employees (15.40) on the co-worker cohesion (WORKD) element of the working environment ($p = 0.008$), but they have significantly higher mean ranks (18.00) than their employees (12.15) on the task efficiency (WORKG) element ($p = 0.046$).

Table 4.8a: Ranks on ASSESS

	ASSESS	N	Mean Rank	Sum of Ranks
	Assessee	13	16.46	214.00
WORKD	Assessor	13	10.54	137.00
	Total	26		
	Assessee	13	10.81	140.50
WORKQ	Assessor	13	16.19	210.50
	Total	26		

Table 4.8b: Test Statistics on ASSESS

	WORKD	WORKQ
Mann-Whitney U	46.000	49.500
Wilcoxon W	137.000	140.500
Z	-2.254	-2.439
Asymp. Sig. (2-tailed)	.024	.015

Finally, the third dichotomous category of management/supervisor – lower level employee (ASSESS) was analysed using the same test (Mann-Whitney U) and the results (see Table 4.8a and 4.8b) show another two significant differences on ‘co-worker cohesion’ (WORKD) and ‘stability’ (WORKQ). Equal numbers of respondents between assessee and assessor did not warrant an equal rating as lower level employees (assessee) have significantly higher mean ranks of 16.46 than 10.54 recorded by management/supervisors (assessor) on the co-worker cohesion (WORKD) element of the working environment ($p = 0.024$). Conversely, management/supervisors (assessor) manage to record significantly higher mean ranks (16.19) than lower level employees (10.81) on the stability (WORKQ) element.

Several previous studies (e.g. Ukko et al., 2007; Ferreira and Otley, 2009) explain how employees in different categories had different impacts on performance measurement related issues. In justifying their study on the impact of perceptions of hierarchy differences, Ukko et al. (2007) suggest management should have considered relatively more employees’ perspectives during implementation and use of performance measurement. The results of their study even supported their claim by showing considerable differences in perceptions of management and employee of the impact of PMS on leadership.

Ferreira and Otley (2009), in their study, suggest looking at PMS operation at different hierarchical levels as they perceive possible mismatches of information caused by changes being made at one level could not be conveyed well through to other levels. They also expected considerable differences between practices at different hierarchical levels and thus suggested full use of the extended framework to understand the overall effects of the PMS. It, indeed, requires questions to be asked at various hierarchical levels in gathering evidence about patterns of usage and behaviour of employees at each level.

Results in this study basically support the issue of hierarchical differences and its impact on performance measures as it reported several statistically different respondents in the owner/manager category in comparison to the employee category. Further analysis and studies undoubtedly need to be undertaken to explain the details of the differences on why the owner/manager category shows significant differences on KPI (human resources) and work environment elements (co-worker cohesion and task efficiency) with the rest of the employees (respondents). The Assessor – assessed categories also require in-depth clarification as it shows significant differences on finance as one of the KPIs used, as well as being perceived differently on co-worker cohesion and stability as part of the working environment element.

4.2.2.3 Correlations among elements of the working environment

This correlation type of test is equivalent to the Pearson correlation but more appropriate to be employed on non-parametric type of data, which is when both variables are at least ordinal and data do not assume having normal distribution (Morgan et al., 2011). Generally, correlation can vary from -1.0 (perfect negative association) through 0.0 (no correlation) to +1.0 (perfect positive correlation). Spearman Rho also assumes an increased score on one variable should also increase another variable but not necessarily in a linear fashion.

This study performed 'bivariate' correlation analysis on all ordinal measured variables via SPSS and any significant relationship was checked and noted using Spearman Rho test. Data on working environment was first analysed showing several significant relationships between all elements. Three elements of the working environment which closely related to ERB were specifically picked to be investigated regarding their connection with other elements in the organization. Involvement, co-worker cohesion, and innovation will be explained accordingly based on the results from Spearman Rho test via SPSS.

Table 4.9: Correlation of WORKA

			WORKD	WORKF	WORKN	WORKS
Spearman's rho	WORKA	Correlation Coefficient	.445*	.477*	.422*	.391*
		Sig. (2-tailed)	.023	.014	.032	.048
*Correlation is significant at the 0.05 level (2-tailed).						

There was statistically significant positive correlation (see Table 4.9) between involvement (WORKA) and co-worker cohesion (WORKD), freedom (WORKF), control (WORKN) and communication (WORKS) as shown above ($p = 0.023, 0.014, 0.032$ and 0.048). Respondents who rated higher elements of involvement in their organization also perceived higher cohesion among colleagues, a good degree of freedom and control, and having better communication. The value of correlation at the range of 0.391 to 0.47 subsequently brings r_2 to indicate a variance in involvement at 15% to 23% predicted by other, above related, elements.

Table 4.10: Correlation of WORKD

			WORKA	WORKE	WORKL
Spearman's rho	WORKD	Correlation Coefficient	.445*	.407*	.470*
		Sig. (2-tailed)	.023	.039	.015
*Correlation is significant at the 0.05 level (2-tailed).					

Co-worker cohesion (WORKD) significant connections with three other working elements were shown (see Table 4.10). The positive correlation ($p = 0.023, 0.039$ and 0.015) significantly connected co-worker cohesion with involvement (WORKA), autonomy (WORKE) and innovation (WORKL). Respondents observed high cohesion among them and seemed to believe the same amount of involvement in the organization. They also believed excellent cohesion significantly related with excellent autonomy in the organization (could be interpreted as a great amount of delegating power in making decisions) and regarded a good amount of innovation among them while working. The value of correlation at the range of 0.407 to 0.470 thus brings r_2 to indicate almost 17% to 22% of the variance in cohesion can be estimated by those three elements.

Table 4.11: Correlation of WORKL

			WORKD	WORKE	WORKH	WORKI
Spearman's rho	WORKL	Correlation Coefficient	.470*	.503**	.469*	.472*
		Sig. (2-tailed)	.015	.009	.016	.015
*Correlation is significant at the 0.05 level (2-tailed).						
**Correlation is significant at the 0.01 level (2-tailed).						

The third element in the study was innovation (WORKL) and the above result (see Table 4.11) shows three elements of working environment (excluding WORKD as explained earlier) which it connected with. Autonomy (WORKE), workload pressure (WORKH) and time pressure (WORKI) were all positively correlated ($p = 0.009, 0.016$ and 0.015) with innovation at the correlation value slightly higher (0.469 to 0.503) from the previous two elements which were explained earlier. The r^2 values of 22% to 25% represent the amount of variance on innovation which could be predicted by all the three related elements. The good amount of working innovation rated by respondents could be interpreted to have approximately the same good practices of delegating power to make decisions (good autonomy level) as well as a good amount of pressure, both in terms of workload and time.

Moving from the ERB related working environment, the Spearman Rho test was performed on BEHAV variable to observe any connection between the respondent perceptions on the importance of employee behaviour as emphasized in their organization and their preference to measure ERB in future.

Table 4.12: Correlation of BEHAV

			FORMAL	INFORMAL
Spearman's rho	BEHAV	Correlation Coefficient	.538**	-.434*
		Sig. (2-tailed)	.005	.027
*Correlation is significant at the 0.05 level (2-tailed).				
**Correlation is significant at the 0.01 level (2-tailed).				

Table 4.12 shows two significant correlations ($p = 0.005$ and 0.027) between the importance of behaviour (BEHAV) and both formal (FORMAL) and informal (INFORMAL) approach of measuring ERB but in different directions. It is positively correlated with

formal at a correlation value of 0.538 but negatively correlated with informal at the value of -0.434 which brings the predicted variance (r_2) of nearly 30% and 18% respectively. Respondents who have perceived management emphasized a high level of the importance of behaviour, the same tendency to prefer a formal approach of measuring ERB in future rather than informal approach.

Table 4.13: Correlation of WORKH and WORKI

			WORKI
Spearman's rho	WORKH	Correlation Coefficient	.519**
		Sig. (2-tailed)	.007
**Correlation is significant at the 0.01 level (2-tailed).			

Table 4.14: Correlation of WORKO and WORKR

			WORKR
Spearman's rho	WORKO	Correlation Coefficient	.393*
		Sig. (2-tailed)	.047
*Correlation is significant at the 0.05 level (2-tailed).			

Table 4.15: Correlation of WORKF and WORKN

			WORKN
Spearman's rho	WORKF	Correlation Coefficient	.199
		Sig. (2-tailed)	.330

A few other elements of the working environment were analysed to observe any connections, especially on elements which were assumed to be closely related. Three pairs of elements which were considered as connected to each other include: workload pressure (WORKH) and time pressure (WORKI), welfare (WORKO) and fairness (WORKR), as well as freedom (WORKF) and control (WORKN). Table 4.13 displays the results from a Spearman Rho test on work pressure, clearly indicating there is a significantly positive correlation ($p = 0.007$) between workload pressure and time pressure. The positive correlation value of 0.519 means respondents who were perceived to feel good about workload pressure will have the same perception on the level of time pressure at the variance (r_2) of 27%.

Table 4.14, meanwhile, exhibits an outcome of correlation test between the welfare and fairness element of the working environment. Respondents who experienced a good level

of welfare from owners or top management also perceived them as practicing fairness to their employees. This is due to a significant positive correlation ($p = 0.047$) between these elements at the value of 0.393 and thus indicates approximately 15% of the variance of one element can be predicted from another element.

The third pair which was anticipated to have the same type of connection failed to materialize. Freedom and control were assumed to be negatively correlated as the higher the level of freedom could expect the lower level of control. It could also be interpreted to have a positive correlation, at least in this study, as respondents who perceived a good level of freedom recognize the good level of control too. However, the results of the Spearman Rho (see Table 4.15) on these two elements did not show any significant connection between them ($P = 0.330$) which could be explained as the way freedom and control were asked in the questionnaire using an 'excellent to poor' rating invited respondents to have different perceptions compared to asking them to rate 'high to low' levels of both elements.

The results of three elements of the work environment which were considered as closely related or representing several elements of ERB were selected from quantitative analysis in this study. Involvement, co-worker cohesion and innovation, which were among the elements tested under Spearman Rho correlation, were observed on their connection or relationship with other elements in their organization.

Table 4.16: Correlation of ERB related elements

ERB related elements	Other working environments elements			
involvement,	co-worker cohesion	freedom	control	communication
co-worker cohesion	involvement	autonomy	innovation	
innovation	co-worker cohesion	autonomy	workload pressure	time pressure

Table 4.16 lists all three ERB related elements and several other elements of working environments which statistically correlate with each of them. Involvement and co-worker

cohesion were assumed as related to ERB elements of 'helping behaviour' and 'individual initiative' where both later terms were defined by Podsakoff et al. (2000) as voluntarily helping other colleagues as well as engaging in task related behaviour at beyond the minimum required level. A study by Cappelli and Rogovsky (1998) supports this relationship when they conclude their main finding by suggesting that employee involvement is related to citizenship (extra-role) behaviour as the results of their study show that involvement has substantial indirect effects on these types of behaviours. It is also sensible to consider that involvement is related with cohesion among employees as reported in a study by Kidwell et al. (1997) that indicates employees in more cohesive work groups are engaging in higher amounts of courtesy, which involves helping type behaviours (ERB) directed at co-workers. They further add that group cohesiveness increases emphatically which is linked with interpersonal types of citizenship (extra-role) behaviour.

Respondents who perceived higher (good) levels of involvement among their colleagues perceived the same high (good) level of cohesion, freedom, control and communication. Meanwhile, respondents who perceived good levels of cohesion also rated a good level of autonomy and innovation. Good levels of freedom and control linkage with involvement could be explained based on 'voluntary' action that represents part of those ERB elements. Looking at the possible effect on performance measurement, employee involvement specifically features as one of many key elements of a quality PMS (Kutucuoglu et al.,2001), thus its relationship with various other elements shows the importance of the working environment to the design and implementation of PMS in an organization.

Innovation, meanwhile, is supposed to be related to ERB through elements of 'self-development' and 'individual initiative' where Podsakof et al. (2000) define self-development as an employee's voluntary behaviour to improve his/her knowledge, skill and abilities. ERB through these elements visibly relates to innovation as exhibited in a few

studies (e.g. Naqshbandi and Kaur, 2011; Turnipseed and Turnipseed, 2013) and might also have an effect on the performance of SMEs (Rosenbusch et al., 2011). Naqshbandi and Kaur, (2011) make several propositions, one of which is clearly linked to innovation and extra-role behaviour when they propose that organizational citizenship (extra-role) behaviours by the employees enhance the chances of creation of open innovation. In another recent study, when specifically trying to establish a relationship between innovation climate and extra-role behaviour (by using OCB construct), Turnipseed and Turnipseed (2013) admit that innovative behaviours developed by Katz (1964) are the basis of the organizational citizenship construct even though innovation has not been part of the construct evolution. A result of their study indicates that extra-role behaviour is not positively related with the innovative climate of an organization but they display an explanation as being due to other types of extra-role behaviour elements such as obedience and loyalty.

A good value or level of autonomy, and both time and workload pressure seemed to be significantly positively related with innovation as produced by correlation analysis in this study. Thus, these three elements of the working environment (beside co-worker cohesion, as it is already related to ERB) could be assumed, at least to some extent, to have contributed to the practices of extra-role behaviour (ERB) in an organization. However, high levels of innovation (possibly viewed as part of ERB) could not be easily or directly assumed to increase the overall effectiveness of an organization as argued by Rosenbusch et al. (2011) in their meta-analysis study. In 42 samples which include more than 21,000 small and medium firms, the results from their analysis suggest that the innovation–performance relationship is dependent on several contexts such as the age of the firm, the type of innovation, and the cultural context of the firm.

4.3 Conclusions

Quantitative evidence in this study has been discussed and displayed properly in this chapter through descriptive analysis as well as discussion of the impact of the findings on ERB and PMS. Figures and tables were used to summarize and display as much information as possible in an easily viewed and understandable way of presenting the information. Several major findings such as the rating of 'above average' level on work environment, the importance of behavioural elements in organization, high practices of ERBs, as well as perceived high contributions of ERB seems to be positive information for this study in order to introduce the formal measuring of ERB in an organization.

In aiming to confirm connections between the quantitative findings of this chapter and the research objectives of this study, several research questions formulated at the very beginning of the thesis are addressed accordingly. The first research question, regarding the current practices of measuring employee performance, shows that KPIs on time and quality are the top two criteria, whereas the human resource KPI was rated as the least important criterion being used in SMEs. Looking further at all six suggested criteria to be used in measuring employee performance, 'time' and 'quality' measures are still considered to be indirectly related to employees' behaviour, compared to a few other criteria such as 'financial' and 'physical output' measures listed in the questionnaire.

Meanwhile, a considerably high percentage (84%) of respondents attached the greatest importance to behavioural elements when they were questioned on that matter in performing daily activities in their organization. This evidence associates with the requirement of the second research question which it tries to explore how aware are employees in SMEs of behavioural elements, and how greatly they value these. Another piece of evidence echoes the previous findings, as all of the respondents admitted to practicing all of the listed ERB elements, to some extent, while working at their respective

organizations. In addition to this, none of the respondents in this study denied the ERB contribution to the improvement of the organization, with the only difference in their answers being on the 'a bit' or 'a lot' levels of contribution. This acceptance of the importance and contribution of ERB concluded the responses on the awareness and values of behavioural elements, as required by the second question.

The current treatment of ERB is another issue raised by the third question of the study. Evidence from this chapter does not clearly confirm the official treatment of ERB, as it is more appropriate to compare detailed information from interviews with owner-managers of the SMEs and the official documents on employees' job descriptions and job contracts. However, it is clear from this chapter that almost 70% of the respondents would prefer ERB to be formally measured or included in PMS in their organization in future. This evidence has answered the final research questions on the plan for SMEs in managing and improving ERB practices.

Lastly the relationship of an ERB related working environment such as involvement, cohesion and innovation, with others elements, was analysed and seems to indicate good impact on the design and implementation of PMS. The overall analysis of this study will bring some key findings from this chapter together with the main evidence through case study analysis from the next chapter, to provide some good contributions and impact on ERB and PMS as the two main themes of the study.

Chapter 5: Qualitative Data Collection – Six Malaysian SMEs Case Studies

5.1 Introduction

Continuing from the preceding chapter of quantitative evidence, this chapter is constructed of six case studies according to the themes outlined in the semi-structured questionnaire to display further findings of the study. There are a few differences on how the cases are being narrated between each other but the main themes of PMS, ERB and a few other related elements are all covered. Each of the cases is operated under a different industry; accounting and management services; wood and furniture making; information technology and computers; decorative lighting and fans; accommodation and hospitality; and legal practice services. The mix and variation of industry background of the SMEs gives broader insights to the relevant issues to the study.

5.2 Case 1: Accounting and Management Services (ACCOUNTING)

5.2.1 Background of the company

The SME selected for this study belongs to an entrepreneur who had started his business eight years previously as a management consultancy firm, with only two members of staff: a clerk; and himself as manager. Based in the capital city of one of the states of Malaysia (Kuala Terengganu, Terengganu), the company currently operates as an 'accounting, and management services company' supported by 15 permanent staff occupied in several departments. The size of this company can be measured on its assets including vehicles, office equipment and furniture with an approximate value of RM60,000 (\approx £12,000) in total and also an average annual turnover of approximately RM500,000 (\approx £100,000).

The competition has been rated by the manager as intense in recent years as it operates within a highly competitive local environment of 40-50 rival companies of similar size. When it started in 2007, there were approximately 20 companies operating in the same industry. However, currently, management consultancy services comprise of nearly 30 companies and the remaining 20 companies are mixed, with accounting and auditing related services within the local area. The figures were estimated and given by the manager himself as companies normally meet during courses organized by local government agencies such as the Inland Revenue and Registrar of Company/Business. ACCOUNTING opened another two new branches in adjacent cities (within the same state) as one of several steps to ease intense local competition and to enable growth by using the advantage of sharing a expertise and experienced staff from the main branch, in addition to several permanent staff in each branch.

The 'accounting and management services' companies usually have several common competition factors of which service is undoubtedly one, factors as revealed by the manager below:

"Types of rivalry is normally based on services, (as examples) fast delivery and to meet client due date. (There are also a few others such as) focusing on new areas or ideas on licensing, tax planning and setting up a new business. Information conveyed must be meaningful to them (client)."

Fast and timely delivery is the main weapon needed by the company as this is the criterion most sought after and valued by customers. Interestingly, cost was not rated among the factors as clearly stated by the manager (respondent) in the interview; however, he highlighted focus or initiative to provide new areas of services as being important in addition to the main 'service' factor. Offering advice on activities related to new or updated government rules and regulations such as business and financial licensing, tax planning, and

extra information and ideas (pros and cons) on setting up a new, different type or form of business were among the new area of services listed by the respondent.

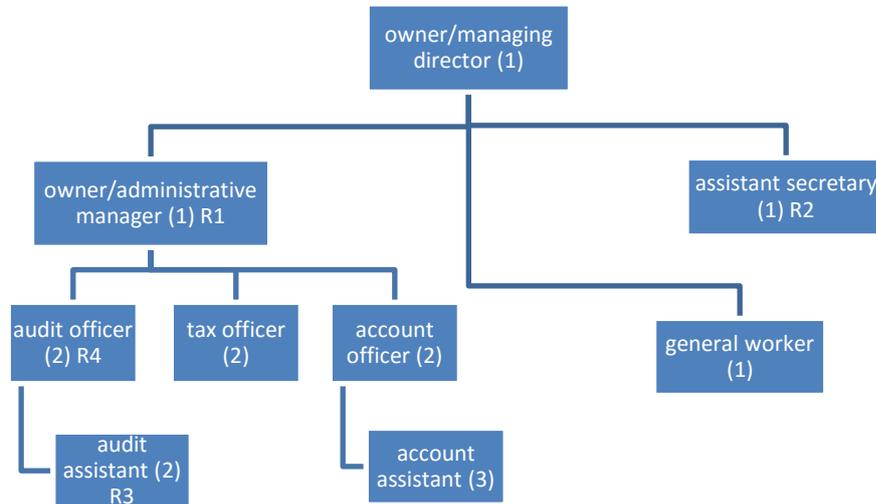
Size of company does not really matter, according to the manager, but the variety of services and meaningful information conveyed to the customers is more important (customer satisfaction). Perhaps large companies with a number of staff could offer the above stated services in a better way but several cases highlight a failure to deliver clear information (too complex) to meet customer understanding and, probably even worse, they end up confusing their client. Eventually the respondent admitted the advantage of having a large staff but stressed that it must be in parallel with effectiveness and efficiency while undertaking work to ensure it is considered as a good competing factor. This company has a confidence in their staff as they believe and rate them as an important capital or resource to the company to compete with rivals as well as for long term survival.

5.2.2 Current practices of performance measurement system (PMS)

Interviews were conducted with two junior level and two senior members of staff (manager and supervisor) of the company (see R1, R2, R3 and R4, in the organization's hierarchy depicted in Figure 5.1) while visiting the company's main office. Respondents from different hierarchy levels are believed to produce a better overview of the current PMS used within the company. As a small company, and in a common with many businesses of this size, the company had a relatively simple performance measurement system (PMS). Job specifications are generally stated in the company's profile (see Appendix C) which specifies job titles and several generic tasks. One owner/director of the company takes the title of Managing Director, also handling marketing tasks; the other owner/director focuses on internal affairs and has the title of Administrative Manager. Other senior managers within the hierarchy have the titles of Assistant Secretary, Tax Officer, Account Officer and Audit Officer and are charged with specific tasks related to their job titles accordingly. Most of

the officers have assistants but some also perform tasks interchangeably. One general worker is appointed to help the managing director with general day-to-day tasks.

Figure 5.1: Organization chart



Source: Company's profile

Generic job descriptions in the company, stated in the profile, are listed as: (1) coordinate operational tasks between employees; (2) satisfy clients by reducing their waiting period; (3) give continuous advice to clients; and (4) mobilize effort to improve the company's performance. Additionally, two job contracts which were made available to the study by ACCOUNTING consisted of details such as salary and benefits, annual leave, and procedures for breach of post or contract. Another document was attached to the contracts listing specific tasks expected to be completed by an employee holding the post. One example, for an 'audit assistant' position, stated that the employee needs to: check Compliance and Substantive Procedure of audit; observe Audit Sample; check Audit File and Permanent File; and undertake any audit related tasks. Comparing tasks listed in the company's profile and specific roles for specific positions it could be suggested that the ideas to measure extra-role behaviour (ERB) in addition to in-role behaviour has been indirectly or partly imposed as a generic aspect of the job description, as stated in ACCOUNTING's profile.

Meanwhile, in terms of performance measurement criteria used in ACCOUNTING, all respondents agreed that the most common criterion or element for their PMS is 'time'. Respondents stated the time criterion in their very first sentence when asked to describe their company's current practice of measuring performance. 'Time' refers to the specific time estimated or allocated to one job or task handled or undertaken by an employee. Moreover, the quality of the task undertaken, the number of tasks completed in a specific time period and some additional financial elements (commission earned) were also used as the bases for measuring performance as revealed by them during the interviews.

The manager gave a slightly different view on measuring employees' performance. In addition to concerns regarding the 'time' factor, as stated by all other respondents, he focused on the changes or improvements of the individual employee while performing tasks in ACCOUNTING. 'Does not repeat the same errors after being advised and cautioned especially on the small items' are among the highlighted performance factors being measured. This was considered as part of the quality of the service offered by the management of ACCOUNTING as stated in the quote below.

"...after they have been notified, I expect no repetition as I assume they are taking note especially on small stuff... normally main(obvious) errors could have easily been detected and corrected and they did not repeat that mistake again."

Feedback from clients/customers is very important to the company whereby it could be detrimental to continue to repeat errors. However, to be fair to their employees, complaints from clients were also being assessed appropriately with the documents supplied. Sometimes clients were extremely over-particular even though they had not provided adequate documents on which to work. This situation could be a problem as ACCOUNTING staff or officers would find this difficult to tolerate if a specific document was required or related to specific rules and regulations imposed by the government. Such a

situation also prompts the top management to measure another element that of how employees communicate with clients by using appropriate words and tones.

Several other key elements used to measure employee performance include the initiative of an employee to obtain information from colleagues and superiors/seniors, as well as from clients, to solve work related problems. Initiative could also be related to self-improvement; for example, when an employee updates changes in rules and regulations related to services offered by ACCOUNTING such as tax, licensing, secretarial work, financial and business formation. Detailed information needed for an employee's own specific task, but nevertheless general information given to a client, could also be considered as an added value to an employee (such as being informative and giving some good general advice) and looks appealing to some prospective clients. Financial reward for successfully enticing new clients will be given to employees as a motivation factor, not only to find new clients but, more importantly, to improve themselves and to be informative in order to look more appealing to prospective clients.

Generally, all respondents were happy and satisfied with how their performance had been measured and assessed by the owners and top management.. Nevertheless, one respondent was questioned on the salary disparity amongst some of the new staff who had been there for less than a year. Some staff were thought to have received an unrealistically high increment in their salary compared to others who received lower increments even though they had been working there for many years. Another respondent highlighted the lack of monitoring from the owners or top management but, at the same time, both respondents agreed that the overall performance measurement system is good.

In terms of changes in measuring employee performance, most respondents could not recognize many differences even though some had worked in the company for quite some time. One had a valid reason not to notice any difference due to having only joined the

company within the past eight months but another respondent had been there for four years, yet did not notice any obvious improvement.

"I'm not very sure if there is any changes, measuring (employee performance) between past and present looks the same to me."

However, one respondent alerted a slight change due to the vast increment in the number of employees in the company and, surprisingly, stated that the top management now paid less attention compared to the earlier years of the company when there were relatively fewer employees. It was then added that the suggested reason for the comparatively less attention was due to the satisfaction of the owners with current achievements (more than what they have expected). The owner/manager also admitted slight changes in measuring employee performance but highlighted more behavioural elements had been added such as initiative and self-improvement, as discussed earlier.

5.2.3 Practicing and measuring extra-role behaviour (ERB)

"[Extra-role] behaviour is very important while working; it reduces stress and helps us to work as a family unit. Developing good working relationships makes our tasks much easier and more fun, and we generally reach a compromise between ourselves."

Evidence of employees' practicing ERB in this company, as gathered from questionnaires and discussed in a previous chapter, has been supported with interview data from this specific case study. Seven elements of OCB, which have been used to measure ERB in this study (Podsakoff et al., 2000), were put to respondents (see Appendix B); they were specifically asked whether they recognized or identified the behaviour that is considered beyond the specified role or task being performed in the organization. These included, for example, evidence of 'sportsmanship', lending a 'helping hand', 'organizational loyalty' or taking 'individual initiative'. Table 5.1 below summarizes several examples and explanations on ERB elements which have been practiced in ACCOUNTING as claimed by respondents.

Table 5.1: ERB practices

ELEMENTS	EXAMPLES OF PRACTICES
Helping behaviour	<ul style="list-style-type: none"> • It happens usually during peak periods. • One respondent helped to monitor other colleagues' works as her superior was too busy to do close monitoring and she had experience doing that in a previous organization. • Someone voluntarily suggested and implemented some improvements to the existing filing and work system, based on experience with a previous organization and the superior agreed to the changes.
Sportsmanship	<ul style="list-style-type: none"> • One respondent admitted that she normally does not mind doing extra for the company. • Sometimes in the company, staff change tasks given among them due to fatigue with the same problems and it works to reduce stress as claimed by one respondent. • Tolerance is quite common as conflict is a normal occurrence while working in an office as everybody has their own problems, exposed by one senior (long serving) respondent.
Organizational loyalty	<ul style="list-style-type: none"> • One respondent claimed she once quit and then returned to work for the company; she was accepted back as she had never criticised the company. • Promote the good name of the company to outsiders without being noticed by the owner as claimed by one respondent. • Manager acknowledged staff turnover is better than the industry average, most staff stay for more than four years before looking for another challenge (another company in the same industry has two years on average).
Organizational compliance	<ul style="list-style-type: none"> • Most employees follow the organization's rules and regulations but there are a few times it did not happen. • A few times staff have reminded each other in a family type condition. • Manager admitted that rules enforcements are quite low.
Individual initiative	<ul style="list-style-type: none"> • Try very best to find any information that she does not know related to her job. • Try to suggest a few things although there is probability superior does not like or agree with what she will say. • Respondent acknowledged she and other colleagues take some initiative to satisfy clients such as visiting their office to obtain more information or help them with new ideas. • Manager admitted there is an improvement introduced which is adopted by other organizations (confirming the above item).
Civic virtue	<ul style="list-style-type: none"> • Most of the staff come to work on weekends during critical periods such as tax submission periods. • Staff are normally involved with programmes or courses organized by the company. • One respondent admitted she not only works for money but more than that (for self-satisfaction). • Most staff are willing to be involved and be part of the committee for an event such as family day or company retreat. • Respondent admitted sometimes making sacrifices for the sake of the company such as coming to work on weekends.
Self-development	<ul style="list-style-type: none"> • One respondent admitted she always learns to improve herself and dares to say there are some tricky tasks or problems she manages to solve but not by others. • One respondent exposed a few staff willing to learn more including herself but eventually have an intention to have their own company. • Acknowledged through her observation and discussion with colleagues, they are willing to improve personal skills for the betterment of the company.

Sources: Interview transcripts and observation notes

Every respondent admitted they perform each element of this extra-role behaviour, at least to some extent, in their company; and, further, they acknowledged their colleagues do likewise. Some clearly state that not everybody performed such behaviour but it did, indeed, happen or exist. For example, one respondent explained:

“I'm loyal to this company, even though I resigned before... loyalty is important; because I already know how to do my job, and I didn't discredit the company, I got my job back here.”

Sometimes, in order to complete one task, employees said that they needed to take individual initiative to solve the problem they faced while doing the task. For example, they might have to ask for some assistance from senior colleagues within the company or sometimes they would have to meet personally with the client in order to clarify the problem they faced to complete the task. It also includes updating themselves with the latest developments on changes in rules and regulations related to tax, licensing, secretarial work, financial and business formation. The individual or self-initiative, which is listed as part of the ERB measures in this study, has clearly been practiced by some of the staff in this company (supported with evidence from observations in later sections); nevertheless, they have no idea whether the owner or supervisors measured and or took this into consideration when giving them an annual salary increment or bonus. One explained their motivation as follows:

“I am motivated to do more work because I have an ambition to have my own company in future, and at the same time to get more allowances and bonuses, hoping this extra-role behaviour will be appreciated by the owner.”

During the course of several meetings, the owner raised his concerns regarding the issues of appearance while dealing with customers. Appearance seems to be very important, not only in dealing with customers, but also in ensuring potential customers feel happy to have future dealings with the company. The owner, however, chose not to publically discuss this issue on specific employees, but raised his concern to everybody in general.

“There was once an issue of staff appearance, but he did not discuss this in public. Instead, he discussed it in person with the individual concerned. In addition, he mentioned dress-code, in a generic fashion, during the meeting, stating that during working hours staff needed to dress neatly.”

In terms of the organizational compliance in this company, during observations very few rules and regulations were imposed upon or implemented by the staff. There was a 'punch card' or clock-in/out system, with which to record staff attendance, but it had rarely been raised or used to penalize, even though some staff occasionally did arrive late to the office. Time as the main factor to be measured, as discussed in a previous section, seems to refer more towards time taken in performing tasks rather than number of hours' attendance in the office. Another attendance-related issue was raised by one of the respondents, who said that a penalty (sum of money) has been imposed regarding the rule of taking annual leave. All staff need to apply for leave three days before the date with a penalty being imposed for each day less than the minimum three days' notice but, again, the enforcement and penalty rarely ensue.

The relationship with clients is another critical issue for staff when undertaking their role. A lack of documents from the client is the most common problem faced by an employee and thus they need to have good communications skills to explain to clients or realize their mistakes, and make them comfortable with admitting the fact and subsequently providing more relevant documents. The feedback from clients seems to be very valuable to the owner; he even evaluates staff from the complaints or compliments of the clients towards his staff's attitude and behaviour.

Respondents gave insights into the fact that the behavioural element considered to be most important in this organization was 'communication'. It was raised any times in conversation as they realized the very importance of this element to their organizational success. Probably, the nature of this company, which is in the service sector, reflects the weight of importance of this element. Service-based organizations have to ensure their employees have good communications skills, especially in building good relationships with clients. In addition, communication between colleagues was not to be forgotten.

Respondents raised this issue and they were especially concerned that a bad communication system within the company could possibly affect teamwork and, subsequently, the effectiveness and efficiency of the work system within in the organization.

There are a few reasons that might explain why ERB is being practiced in this company, such as making sure that the 'family' type of working environment might be preserved, as currently practiced. The flexibility of the working system is improved by practicing ERB, such as at the peak season for this type of business, which is normally during December and June. During this period, non-critical tasks take on a lesser importance, so the staff who would usually be involved in these non-critical tasks will, instead, divert attention to supporting and taking on some of the more critical tasks from their colleagues. This could not happen if the organization lacked 'helping' behaviour, 'civic virtue' and/or sportsmanship, as suggested in the ERB literature.

The respondents' gestures during the interviews showed that they did not seem very sure as to whether their ERB had been assessed or measured, and that they had chosen to say it had not been done that way. Although all seven ERB elements (see Appendix B) were found to be practiced to some extent in the organization, and respondents also highlighted the importance of this type of behaviour, the existence of ERB in the PMS was not really obvious to respondents. One senior member of staff admitted that top management do assess employees' behaviour to a degree, but probably not in any formal sense. That is, it was not embodied in the written contract or in updated versions of job descriptions.

"The manager does assess this behaviour, I only assess the task, and at our meetings he suggests that every member of staff should reflect upon their conduct, with an aim of improving the working environment, e.g., by not chatting excessively and behaving ourselves while working."

A few types of ERB were identified by respondents such as their physical appearance, the relationship between staff and with clients, the extent of rules compliance, and self-initiative, as measured by top management, and some of these were even said to be indirectly rewarded, in a financial sense.

“The owner does assess the job beyond the contractual tasks [such as] work ethics. There are staff who perform as expected... some are hardworking, and some are quite lazy. If the customer is not satisfied, he will talk with the owner and the owner will address it during a meeting, in a transparent manner, [in an effort to] overcome the weaknesses.”

A respondent who represents the top management of ACCOUNTING clearly stated that the company had made some improvement in measuring employees' performance and it is much related to ERB. As discussed in previous sections, employees' initiatives could be the important key to what have been explained. Employees' initiative to take note of small errors to avoid repeating the same mistakes, initiative to look for solutions from colleagues in solving work related problems, initiative to discuss and deal with the client in a proper and wise manner, and also initiative for self-improvement in order to be more informative and make it easier to perform their current task or add some value to attract prospect customers.

All such actions or behaviours have probably not been categorized or even recognized as ERB by the top management even though such extra-role behaviours are, indeed, monitored and measured. These findings conclude that ERB exists and is practiced by the employees, and top management monitor and measure it somehow; however, this leads us to another issue of whether it has been done through formal or informal or both methods of measuring employee performance.

5.2.4 Working environment related to ERB

In addition to obtaining information from interviews/questionnaires from the chosen respondents, observation within the company during a visit of three days brought some insights to the company's working environment. Generally it was seen that the working environment seemed very good with all staff comfortable to work happily together in a team, in a comparatively spacious office area as compared to other office areas in the same industry. Table 5.2 lists several items to be considered as good indicators to explain a good working environment, taken from observation notes and photographs taken within the office.

Table 5.2: Observation of good working environment

ITEMS	EXPLANATIONS
Cleanliness and tidiness	<ul style="list-style-type: none"> • Several clear notices regarding cleanliness. • Shoes/sandals and motorcycle helmets arranged accordingly. • Overall clean and tidy office working area including pantry and visitors/client discussion room. • All files and customer records presented and kept coded tidily.
Signage/notices	<ul style="list-style-type: none"> • Notice of next 'staff and family' trip to an island. • Large white board showing job allocation, flows and current status of most employees (element of transparency) including problems faced with jobs. • Large signage at the main entrance showing the list of the (client companies, alerting all employees to customer value , as well as being a good marketing strategy to prospective clients.
Layout	<ul style="list-style-type: none"> • Spacious office compared to rivals (within the same industry) as they rent two adjacent standard office unit/lots. • Good division of space, allocating two pleasant areas for client meetings and discussions and also comfortable/spacious layout for staff. • Pantry filled for staff to have a break while working and spacious praying room. • Security camera (main entry) for staff security.
Staff activity	<ul style="list-style-type: none"> • Pleasant, warm welcome from several front line staff (positioned at entrance), though not specifically receptionists. • Employees have a friendly appearance and have welcoming smiles for visitors/customers. • A calm and quiet surroundings during working hours as everybody concentrates on their own task; however, interactions taking place sometimes. • Friendly atmosphere (interaction) during breaks and lunch times.

Source: Observation notes and photographs

Information displayed in the table above could be interpreted as showing a conducive and pleasant working environment among employees in the company. Several items/elements could be considered as closely related to ERB such as: evidence of employees following

rules and regulations on cleanliness and tidiness (ERB's organizational compliance); a warm welcome from the staff although not specifically part of their main task (e.g. receptionist) with friendly smiles to visitors (ERB's individual initiative); and an evidence of the top management promoting togetherness with a family trip event to increase togetherness beyond individual staff which includes family members (to promote ERB's civic virtue). Prominent signage charting the job process, job status and any related problems arise from jobs could also be seen, indicating an effort by top management to remind everybody at the office not only to focus to his/her job but promote awareness of other colleagues' tasks as well.

This evidence seems to be consistent and parallel with quantitative evidence largely discussed in the quantitative evidence chapter (Chapter 4) regarding employees' satisfaction with the company's working environment. An excerpt from the quantitative database showing ratings by ACCOUNTING's respondents is displayed in Table 5.3. They rated all 19 elements of the working environment 41% as good (value = 4), 35% as excellence (value = 5) and only 24% as average (value = 3) conditions. The excellence and good working environment represented a total of 76% of the rating with no elements rated as fair and poor by any of the respondents.

Several elements were chosen which closely related to ERB such as for involvement, co-worker cohesion, innovation, and communication; the scores are quite impressive, either rated as good or excellent. Several other elements, discussed in Chapter 4, such as freedom, autonomy, control, time and work pressure have significantly positive connections with these four ERB related elements. Thus, the working environment could be considered connected to ERB directly with the closely related elements and, simultaneously, indirectly by promoting a good conducive workplace for employees to enact more ERBs while working.

Table 5.3: ACCOUNTING working environment

	AVERAGE RATE
Freedom	4.8
Physical comfort	4.8
Communication	4.8
Challenge	4.3
Superior support	4.3
Co-worker cohesion	4.3
Autonomy	4.3
Changes	4.3
Stability	4.3
Involvement	4.0
Workload pressure	4.0
Time pressure	4.0
Safety	4.0
Control	4.0
Welfare	4.0
Fairness	4.0
Innovation	3.8
Opportunity	3.5
Task efficiency	3.3

Source: Extracted from questionnaire database

5.2.5 Potential approach and restrictions of ERB as part of PMS

In the interviews, respondents were asked specifically what restrictions they might see as to why extra-role behaviour is not embedded in the performance measurement practices in their organization. All respondents agreed and identified the time constraint as being the top reason. The owner is very busy and sometimes hardly seen at the office, as explained by one of the respondents. A senior member of staff in charge if the owner was absent from the office also agreed that time was an issue, and he elucidated that the practice of assessing behaviour could be a time consuming task for both the owner and himself. He added that behavioural assessment could also be a sensitive issue, if formally examined, and could backfire on the company if not handled very well. Thus, he felt that the

organization needed to have ample time to plan, and to execute the plan, in order to avoid any backlash in current operations.

At the same time, another respondent said it might not be too important for the owner to monitor extra-role behaviour, even though he admitted the importance of the behaviour itself in an earlier part of the interview. Regarding this statement, he was asked whether the owner was lacking in the necessary skills to undertake such monitoring and evaluation of an employee's behaviour to which he answered assuredly that the owner had that capability. Thus, presumably, he did not see that formal monitoring and measurement could improve the behavioural practices of the employees in this organization.

The current practices in this organization regarding the employees' behaviour were handled by the owner on a case-by-case basis. Normally, he would conduct a face-to-face meeting with the individual concerned. He would then proceed to meet with all staff if the problem seemed to affect several employees. Thereby, the relevant parties could raise their opinions and suggestions for solving the problem. One employee's reflections on the firm's management of behavioural issues are given below:

"The reason he doesn't measure behaviour is that he worries he could dishearten or humiliate the staff, or even give them low morale. He doesn't mention personal behaviour during our meetings as he doesn't want to humiliate his staff, and sometimes he prefers to discuss things with staff personally. The owner is really busy, with very limited time. If he has something important to say, or he is not satisfied with work or staff, then he will call a meeting, and everybody will be allowed to voice their problems or dissatisfaction, and to give reasons for not completing the task appropriately."

5.2.6 Future plans for ERB

Even though respondents admitted that the current formal measurement of extra role behaviour seemed not to exist within their organization, most had a positive view that this

could be implemented in future. The reason given was that they think it will benefit the staff and that organization, especially 'on communication skills, appearance, and individual initiative', when dealing with clients. They knew the client would always give an assessment of them, thus as a proactive measure the owner needed to monitor, assess and reward all good behaviour, so that it would always be practiced by everybody in the organization:

"In future, this [extra-role] behaviour should be evaluated. Sometimes the job is not necessarily organized in the best way, but good communication with clients will make them happy, and this should also be measured and rewarded, but by an informal approach."

"In my previous company there was only one or two long-serving staff. If the environment were good, I bet there would be many more loyal and long-serving employees working there. So behaviour should be evaluated, for long-term survival. High staff turnover must be related to inappropriate staff behaviour, if the monitoring system in the company is good."

Apart from formally measuring ERB, respondents also suggested several solutions for improving and cultivating such behaviour in the organization. Hiring more positive-minded staff to work with the organization was one of them. Skills and expertise, as required by the job description, were not the only factor that needed to be assessed when hiring people. One respondent admitted that sometimes it is hard to assess the candidate during interviews, but this could be the challenge to the owner and the top management if they wished to improve the organization's performance.

For existing staff, the company needs to train and motivate employees to have such a positive mind-set, while working; such expertise and skills are surely needed, as they form the basis for every type of job, although the way a job is delivered sometimes needs to be improved to create a more positive way of thinking. All of this extra-role behaviour could be the outcome of positive thinking in delivering tasks and thus it needs to be cultivated by organizing training, motivational courses or sometimes perhaps a family retreat. A previous

retreat had been organized, which included employees' family members. The respondent realized this event not only reduced stress and increased work motivation it also improved the communication level between staff after they all returned from the retreat. Good communication is thought to be key in encouraging all ERB (such as 'helping behaviour' and 'sportsmanship') in the organization; these two particular examples being relevant to the relationship among colleagues.

There was also a proposal for having better rules and regulations, generally, in the organization. At the same time, this might include rules on extra-role behaviour (being assessed formally) but in a more relaxed and flexible manner, compared to in-role behaviour. This was supported by another respondent, concerned about monitoring practices in the organization.

"In the long-term, all staff has to improve their performance and sometimes they can swap tasks. The owner has to remind them to do their job honestly, not only because they are taking a salary. For example, if the owner pays us with a small salary, we have a tendency to perform the task in a perfunctory manner; whereas if we do the task properly there will be a reward for us, so long as we act with integrity. The company needs to motivate the staff so that they will understand this, and learn to think positively and follow the owner's instructions."

5.2.7 Summary on the implication of the case for PMS

As the literature suggests, ERB is an important component in the success of organizational performance (e.g. Koys, 2001; MacKenzie et al., 1998; Nielsen et al., 2009; Podsakoff et al., 2009), and it is further supported by the evidence from this case. The importance of extra-role behaviour (ERB) in organizations, specifically SMEs, is confirmed by this study with all respondents exposed to abundant practices of ERB in ACCOUNTING, as well as acknowledging its contribution to the effectiveness and efficiency of their organization. All seven types of ERB suggested by this study (Podsakoff et al., 2000), were found to exist in

practice within this organization and respondents also noticed other colleagues exhibiting similar behaviour. Three important elements assumed to be related to ERB: innovation (creativity), teamwork and communication, could be highlighted from the case with a view to contribute to the discussion on performance measurement systems (PMS) or measuring practices in an organization. All the elements have been displayed and discussed in this case, which are believed to contribute to the betterment of the company through a 'happy family' working environment.

Innovation has been studied to find association with business performance, specifically in SMEs by Rosenbusch et al. (2011). Meanwhile, Epstein (2004) includes 'innovation' among five specific management control actions which he believes could drive an organization to be a successful and distinguished organization among competitors. However, he has highlighted a critical issue regarding innovation in practice which is the difficulty of managers to balance between innovation and control in an organization. This balancing issue could prompt the necessity for an organization to develop and use an improved PMS to stabilize these two elements possibly through Simon's different lever of controls framework (Cuganesan and Donovan, 2011; Tuomela, 2005). Another possible solution to manage innovation and control issue is by adopting PMS as an 'enabling' process rather than as a control device through 'coercive' formalization (Wouters and Wilderom, 2008).

Meanwhile, the 'teamwork' element, which is regarded as one of the factors to excel in a business organization, proved to be widely practiced in ACCOUNTING. Discussed together with 'communication', these two elements seem to be highly interrelated as the manager stressed that effective communication could improve teamwork among staff in the organization. Communication could be viewed from two perspectives either as a specific skill or expertise such as used while dealing and continuously advising clients, or the condition of how information flows within an organization. Both views seem very important

to ACCOUNTING with the former view being critical for such a service based business, and the latter view as part of the element to promote and improve teamwork, sustaining 'family type' togetherness thereby, eventually, increasing efficiency and effectiveness of the organization.

Development of PMS by taking into consideration these two latter elements could be understood as a 'coordination effort' rather than 'design effort' as suggested by Lohman et al. (2004) while studying the Nike Company as their single case study. Meanwhile, guided by a practice theory, Ahrens and Chapman (2007), in their restaurant case study, emphasize how employees need to engage and coordinate with each other as PMS or Management Control System (MCS) in general could form and be formed by shared norms and understandings among employees.

Finally, evidence from the case study, especially regarding ERB or its related elements, could be viewed to a certain extent, as bringing some effects on PMS and the organization as a whole. The management of ACCOUNTING stated that they believe their staff to be important to the organization and also view this valuable asset as a survival tool in the long term. This acknowledgement could be seen as a positive aspect in the possibility of an improved PMS whereby embedded ERB elements could be developed in the organization.

5.3 Case 2: Furniture Maker (FURNITURE)

5.3.1 Background of the company

This furniture maker company has proudly been rated as the biggest company in the local area by the owner/manager, in terms of the number of employees. While most other similar local businesses normally have seven to eight employees they, instead, hired 35 permanent employees, mostly working at the workshop either as skilled or semi-skilled

carpenters. A large number of employees is seen by the owner as the main, strong tool to compete with their local rivals. He believes most furniture or joinery customers value fast delivery as a key factor when looking for this type of product or service in addition to a few other factors such as quality, design and cost. Cheaper price is an important factor in most customers' minds when purchasing any products, but this industry also needs to match the pricing factor with fast and quality delivery. It is important to offer a competitive price even though sometimes customers are willing to pay more as long as they are satisfied with the design and happy with delivery time as promised by FURNITURE.

The owner started the business in 1991 as a wooden window and door frame maker but since then has grown and diversified operations. Currently they produce, install and fix a variety of furniture and other types of wood related products such as house/kitchen/office cabinets, wooden swings, fences, gates as well as pergolas. FURNITURE also offers installation services on some projects or events such as building and setting up stage for small performances.

Currently, the owner is fairly satisfied and happy running his diverse business operations with a comparatively large number of employees when compared to most rivals. However, he cannot hide his concern regarding the consequences of handling a considerably large scale operation as, during the interview, he cited that the business needs to maintain a minimum of RM50,000 (≈£10,000) in sales or turnover every month to support the overhead which mostly goes to the employees' salaries. After almost 23 years, FURNITURE has successfully grown and expanded its operations from solely making and selling wooden frames to currently being involved with a variety of wood products and services.

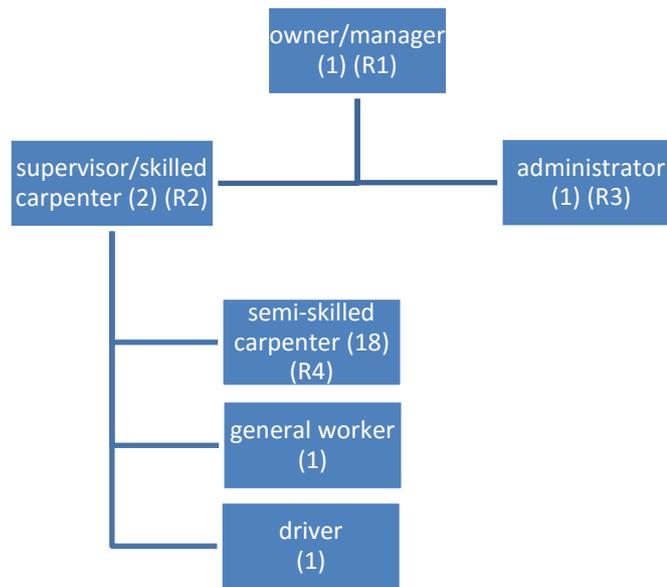
In terms of the company's financial performance, as stated in the previous paragraph, sales or turnover with a minimum of RM50,000 (≈£10,000) a month have successfully been achieved, at least until the present time. Performance below the borderline amount could

be an alert for the owner to immediately improve in the next few months if the amount of overhead expenses did not decrease as time passes. The best ever sales achieved thus far was RM200,000 (≈£40,000) and, on average, sales have consistently been recorded within or slightly below that range, so it could be considered as a good if not excellent performance.

A considerable amount of assets are possessed by this company, mostly comprising machinery and vehicles, with RM200,000 (≈£40,000) and RM180, 000 (≈£36,000) respectively for 10 main machines, and seven vehicles (three cars, two vans and two x one tonne-lorries). The value of inventories (raw materials) are estimated at RM50,000 (≈£10,000) and the same amount is estimated for the value of the workshop and office building. Three pieces of land valued at RM 200,000 (≈£40,000), considered as a future investment to the business, are also recorded among the company assets.

The company has quite a simple structure (Figure 5.2) with one owner/manager who usually manages or is in charge of the overall business operation such as planning, budgeting, marketing, issuing quotations to customers as well as managing employees. One trusted employee manages day-to-day administrative tasks including billing, procurement and other related financial affairs. This employee has been given an amount of shares in the company but has little if any decision making authority. The second level in the company hierarchy, consisting of two supervisors, each qualified either as a skilled-worker and/or long serving employee, have been appointed to oversee the lower level subordinates who are considered as semi-skilled workers in the workshop. Representing the highest portion of the overall number of employees, the third tier in the company hierarchy structure consists of several other positions such as drivers and general workers.

Figure 5.2: Organization chart



Source: Owner's interview

Employees from different levels of the hierarchy in FURNITURE were chosen to be interviewed (see R1, R2, R3 and R4, in the organization's hierarchy depicted in Figure 5.2) as it is believed to give a better meaning to some valuable information related to the company's working environment, performance measurement system, awareness and perception of employees regarding extra-role behaviour, as well as the future plans for extra-role measures. The tenure of the chosen respondents within the company, ranging from eight to 22 years, could also be seen as a good factor in giving better information about this company.

5.3.2 Current practices of performance measurement system (PMS)

In terms of the current key performance indicators (KPI) in assessing employees, we ascertained from the questionnaire several KPIs which could be used in the current performance measurement. Among six listed KPIs, only three including time, output and quality were agreed by all respondents as current KPIs in this company. Human related

factors were listed as one of the company's current performance indicators by the owner/manager but no-one else was aware of such a factor. Supervisors in this company were described (implicitly) by the owner as not acting as the assessors of subordinates below their hierarchy level but only as the medium of communication between the owner and lower level employees. This was supported by evidence from the interviews where the existence of other two KPIs, financial and customer, were not known by the supervisor but had been included in the employees' assessment by the owner and his trusted administrative officer (administrator).

The owner listed several performance measures such as time attendance, output within a stipulated period (productivity), work quality, commission on gaining new projects, employee-customer relationships, as well as trustworthy or integrity. These are, in the main, the same performance measures listed by the other three respondents which are time, quality and productivity; however, only one (administrator) was aware that financial and behavioural measures were also assessed by the owner. The respondent from the lower level of the hierarchy seemed unconcerned regarding what he was being assessed on and said that the question should be asked to the owner instead of to him. At the same time he looked slightly uncomfortable (from researcher personal assessment) with this interview topic.

"If assessment on me, you should ask the owner, what kind of assessment you are going to ask me? I just do anything that the owner asks me to do."

In the past 20 or more years in measuring employee performance, a few noticeable changes have been highlighted by respondents and, generally, they have admitted it is better than before. More incentives (commission), more meetings with staff, more details and more precision are among the answers from respondents. This company does not have any record of dismissing employees even after 22 years in business and having a

comparatively large number of employees. This was consistently acknowledged by the owner, supervisor and administrator who had all worked in the company since its foundation. The supervisor has seen slight improvement, which is somewhat tighter (better in his opinion) in terms of the owner’s measurement and assessment of his employees. He further explained that previously it was too lenient; the administrator also added that the owner, until now, still practises loose assessment and appears reluctant to dismiss or even punish problematic (in her view) employees in FURNITURE. Incidentally, this improvement has resulted in the current PMS in FURNITURE being rated as satisfactory, in general, by most of the respondents.

5.3.3 Working environment

One part of the questionnaire given during the interview session was purposely structured to obtain information on the working environment of the company. All 19 elements representing this aspect were listed in a 5-point Likert scale, ranging from poor (1) to excellence (5), in order to gather employees’ awareness and satisfaction of their workplace. Table 5.4 shows communication as the highest average value with 4.8, portraying the element as almost excellent. More than half the working elements in the company were rated as nearly good to excellence with values of 3.8 and above. All other ERB related working elements, in addition to communication, were rated as nearly good; these include innovation, co-worker cohesion, and involvement which all average the same value of 3.8.

Table 5.4: FURNITURE working environment

	AVERAGE RATE
Communication	4.8
Superior support	4.5
Freedom	4.5
Welfare	4.3
Opportunity	4.3
Stability	4.3

Fairness	4.3
Involvement	3.8
Co-worker cohesion	3.8
Innovation	3.8
Changes	3.8
Challenge	3.5
Autonomy	3.5
Task efficiency	3.5
Workload pressure	3.5
Time pressure	3.5
Physical comfort	3.5
Control	3.5
Safety	2.8

Source: Extracted from questionnaire database

Meanwhile, safety is the only element which was rated below average in FURNITURE, at an average mean value of 2.8. However, a notice was observed on the office board clearly stating the employees' safety and health policy:

"It becomes our policy to provide a safe and healthy environment for employees while performing duties. Our commitment is to prevent any injury or illness related to the duties."

The notice explained, further, the contribution of all employees in cooperation with the company to achieve safety and health objectives, such as to follow all safety rules and regulations, to use all machines and tools with the right and safety procedures, and to report any danger or possible danger that can cause accidents. Ironically, this notice was not found in the workshop where only a few dirty, old, simple warning notices like 'safety first', 'no smoking' and 'flammable alert' were observed. Generally, from observation (see Table 5.5), the workshop conditions needed to be much improved in terms of safety, cleanliness and lay-out, compared to very good and conducive office conditions where customers could also be entertained.

Table 5.5: Observation of working environment

ITEMS	EXAMPLES OF PRACTICES
Cleanliness and tidiness	<ul style="list-style-type: none"> • Clean and tidy office area including table and chairs set for customers. • Several catalogues for furniture related products displayed tidily and several real models such as taps and cabinet handles. • Messy workshop consisting of raw materials, tools and wood wastes; but still a considerable place and safe to work in.
Signage/notices	<ul style="list-style-type: none"> • Several signs and reminders such as 'safety first', 'no smoking', 'no entry'; however not updated (old and dirty). • Objectives of the organization, employees' responsibilities, basic safety and health policy statements officially displayed but not strategically or suitably placed. • Several ethics notices voluntarily posted by employees such as basic religious information and reminders. • Notices of family day trips (previous years).
Layout	<ul style="list-style-type: none"> • Considered as one of the biggest wood and furniture workshops in the area, in terms of hiring permanent staff. • Three separate workshops; however, two (besides main workshop) only have two and three employees for each workshop. • Four separate sections within the main workshops, generally divided by plotting section, cutting/surfacing section, assembly section and painting/finishing section.
Staff activity	<ul style="list-style-type: none"> • Appearance of happy working together within and across sections in workshops and sharing some food together. • Some staff wearing masks (even not that proper) especially at the cutting and surfacing section. • Weekly religious lecture scheduled for all staff at the praying area given by a teacher hired by the owner. • Weekly advances on salary being sought by most employees (as the payment normally paid monthly). • 'Punch card' to record employee attendance. • Employees appear friendly generally (although not everybody) and appear to happily entertain visitors (researcher) and industrial training students. • They seem manage to do task across sections especially do installation of furniture/cabinet at customer's place. • Some staff happy to undertake extra work voluntarily (out of office hours without getting paid) such as measuring customer's kitchen/rooms.
Words of staff	<ul style="list-style-type: none"> • Some staff indicated that the owner is too lenient towards his own staff and sometimes he needs to be more firm and assertive while giving orders. • Supervisors indicated a case which was quite hard to handle when two senior (long service) staff did not work well together. • There is a joke on one/some other staff which could be thought as factions within staff.

Source: Observation notes and photos

The most positive element recorded in the questionnaire is 'communication' when everybody gave an excellent rating, apart from the supervisor who opted to rate it as good. This supports the observation notes as all employees in several different departments or sections such as cutting, joining and spraying appeared to be working together happily. Several other elements could be seen as almost excellent such as welfare, fairness, stability and superior support. It was somewhat surprising to discover in the findings that the owner rated 9 of 19 (47%) items as only fair compared to only one being rated by the administrative officer. This result could indicate that the owner is far from satisfied with the

working environment in FURNITURE and he needs to find a way to improve and offer a better place for his employees to work and, eventually, bring improvement to the overall performance of FURNITURE.

5.3.4 Awareness of behavioural factors and perception on ERB elements

'Very important' is the only answer given by everybody when they were asked about the importance of the behavioural element in FURNITURE. The supervisor acknowledged that the owner assessed and gave a bonus to an employee based on the behavioural element, especially if he seemed to practice good religious (spiritual) values. The owner chose to emphasize 'trustworthy' when answering a question related to employee behaviour, and he also raised this term at the very beginning of the previous KPI section. Trustworthiness is rated by him as the best element to measure employees; however, thus far he did not find any of his employees possessed or practiced this behaviour to his personal (high) standard. He admitted several employees behave in such a very good way in terms of skills and capability but, still, a lack of being trustworthy denied their chances to gain better rewards, such as the chance to be given authority to manage a newly formed company or subsidiary. Religious value is another issue the owner highlighted and wished to be practiced by all employees in his company, clearly highlighting this to most employees at a very early stage during job interviews. In explaining the importance of the behaviour element, the administrator indicated another concern related to the company image portrayed to outsiders, stressing that those employees practising good behaviour not only give a good image to themselves but also to the company as a whole and, eventually, could also attract potential customers.

Involvement and co-worker cohesion elements in the previous working environment section were rated 'good' by all three respondents but only rated 'fair' by the owner. These elements indicate that the extra-role behaviours were practiced to some extent in the

company. Respondents were asked about the practices of extra-role behaviour and whether they noticed those behaviours were also being practiced by other employees. All respondents admitted that they did and noticed the existence of all these extra-role behaviours in the company except for a few elements. As an example, the carpenter said he practiced 'civic virtue' and 'self-development' but refused to comment about the other employees as these two elements possibly related to internal/self-related behaviour.

Parallel with the 'very important' rating given by all respondents on the behavioural aspect in FURNITURE, all respondents gave many examples of 'why' and 'how' the importance element could contribute to the betterment of their organization. Loyalty, according to the supervisor, will bring both benefits to the company as well as to the employee himself. Having worked with the same company for such a long period implicitly portrays this employee as having patience and being easy to work alongside. Good working conditions such as good level of cohesion and involvement among employees could bring happiness while undertaking either individual or team in-role tasks and could also increase motivation to come to work. This seems very relevant to the supervisor as the nature of his job as a supervisor involves group tasks, especially while installing furniture at a client's premises. Several teams from different departments or lines of products need to be facilitated and coordinated simultaneously and each person depends on others to enable the process to run smoothly and as scheduled. This is most critical at client's premises (house or office), thus extra supervision is also required to ensure they behave beyond the in-role task (installing furniture), such as making inappropriate noises, lack of cleanliness or wearing an unsuitable outfit.

The owner, meanwhile, is once again quite concerned with the previous trend of lack of trustworthiness, explaining his worry over several cases that had occurred previously in FURNITURE. More than once he caught an employee deliberately cheating by working in

the workshop using the company machines and tools on a private task (outside income). The situation was worsened by the fact that it did not happen during recess hours, weekends or holidays but during official working hours. There were also several cases of theft and lack of responsibility while using and handling company tools and materials. All these incidents, according to his view, could be avoided if the employees took full responsibility and practiced good behaviour and, thus, it would surely bring betterment to the company by reducing costs and increasing the company's profits. Cleanliness is another factor that could determine the image of the company to the client or customers. Although there is no official task description in writing that employees need to clean the furniture, cabinets or any finished products before they are brought and installed at the customer's premises, the installation team need to implicitly embrace such a responsibility thereby reducing the chance of stains or damage to a customer's wall or floor and avoiding any complaints. Most of the time, the owner needs to be present to ensure employees undertake the cleaning task after finishing the job and sometimes he even has to do it himself.

5.3.5 Measuring extra-role behaviour ERB

As reported earlier in the study, the behavioural element in FURNITURE is acknowledged as part of an employee's performance measures. The owner and administrator in FURNITURE clearly state that behaviour is assessed and measured when discussing KPIs for employees in an earlier section.

"We did measure their behaviour, the way they work and behave especially at customer's place while doing installation work we also had some complaint before from customer and we take a note for that issue."

However, whether employees actually realize this has been measured and how this has been implemented (either formally or informally), could be another interesting issue to

further explore. The good or bad consequences of measuring ERB, from both management and employees' perspectives could also be grasped with more discussions related to the above issue either by this or some other future studies. One or two respondents involved in this case study could not well represent the rest of the carpenters in this organization; however, it does give an indication of some insight as early grounds to make further judgment. Several employees' work contracts were submitted to this study by FURNITRE and could be a key to determine the formality of measuring ERB in this organization. A general reminder (notice) for all employees regarding *do and don't* was also attached but it was unclear whether this was attached as part of the contract or as a separate document.

Some personal information on employees was submitted as well as some job details (e.g., job position and salary, including annual increments), work benefits (e.g., medical/personal leave and medical benefits), as well as notice periods for both parties to end the contract, although no specific tasks or roles were included in the contract. However, some information in the 'reminder' notice (see Table 5.6) could be taken as official or formal in guiding all employees to behave while doing their work in general (not specific to a particular position).

Table 5.6: General reminder

1	Time and attendance for all staff (8.00 am – 5.00 pm, Saturday – Thursday).
2	Ensure the cleanliness of workplace surrounding before returning home on a daily basis.
3	Ensure the cleanliness of FURNITURE 'prayer area' (avoid parking motorcycles in front of the entrance, and all prayer mats need to be at their original place).
4	Shall be responsible for all the equipment/machines used.
5	Ensure all vehicles (belonging to FURNITURE) are locked (all side windows are raised up) and keys are returned to their original place after office hours.
6	Ensure the cleanliness of all our products (to be installed) and customer's house / site project while undertaking installation and fixing.
7	All products need to be maintained and improved in terms of quality of work and avoiding waste.
8	Management needs to be informed at all times of any cases of personal absenteeism during office hours.
9	Ensure all sizes and measurements for door/window frames and furniture are measured correctly to avoid waste of raw materials.

10	Working overtime (OT) must be initially approved or directed by the management and for a specific approved project only.
11	Extra care for delivery of an away project. A project in Perak (150 miles away from the workshop): white board /solid surface (RM845 = ≈£170) could easily be damaged – be careful).
12	Any job or project must only be booked or ordered through office/management.
13	Ensure all of us are trustworthy, honest and responsible employees.

Source: Translated document from FURNITURE

All 13 items listed in the table above could be seen as general rules and regulations for all FURNITURE employees and everybody must be aware at all times. Several items have been discussed earlier and this shows an element of consistency from that given by the respondents in the interviews and that stated in the document. Cleanliness, responsibility, trustworthiness and honesty are all basics internal elements needing to be embedded in the mind of every FURNITURE employee as wished by the owner. These terms actually rule most other actions such as coming to work at the stipulated time or informing the office of any absenteeism during working hours, avoidance of incurring cost through raw material wastage by putting extra care into measuring a product to be built, improving the quality of work and final products as well as being responsible while using company equipment and vehicles.

Several statements from respondents highlight that behavioural elements, which might be related to ERB (which has been proven as being practiced) are measured by the owner.

“He (the owner) does assess our behaviour, and it is very important to the company. I guess there is bonus on how we behave, reward personally, especially if we have Islamic (religious) values.”

Another respondent was not very sure regarding this measurement but still underlined several aspects being assessed that might not be related to his in-role task or beyond his job scope.

“I am not very sure but maybe he (the owner) did see how I behave, interact with colleagues, talk (with colleagues and customers) and what I am wearing (while working).”

Meanwhile, the owner gave a mixed assessment of both in-role and extra-role when measuring employee performance in his statement.

“Every employee has been measured differently and separately. Previously a driver shows a tendency to improve in himself and try to learn how to build furniture, and eventually we promoted him to be a semi-skilled carpenter due to both reasons, his ability (skills) to build furniture and his internal character of improving himself. We always give stimulus (motivation) to improve.”

The owner undertakes all assessments and is fully responsible for all rewards and bonuses. His two supervisors thus far act as intermediaries, conveying and obtaining information to/from all other employees. Neither are involved officially or directly in undertaking assessment or measuring how other employees work or behave, they simply undertake some coordinating tasks. The administrator as acknowledged by the owner, is sometimes asked in terms of obtaining advice or a second opinion but the final decision measuring purposes remain in the owner's hands.

“We never formally inform them in written to measure their behaviour, but we clearly said in meetings, everybody will be both measured by skills and trustworthiness, anybody who does not get a good standard (in both criteria) will get a lower mark for assessment.”

Overall (some) extra-role behaviours (ERB) could be argued as being formally measured and assessed by the owner but how this affects his determination regarding reward in terms of bonuses or annual pay could remain unanswered. He clearly stated that he wished to give (reward) a chance to selected employees to take full responsibility or be in-charge of a new department for business (subsidiary or related to existing business) but still failed to realize that due to his own trustworthy standard.

In terms of consequences of measuring something beyond an employee's job scope or in-role task, respondents note some concerns; however, at the same time they certainly believe that some good effects could be brought to the organization. One respondent mentioned the effect on him rather than on others as he believed different people will perceive this quite differently:

"If (we) measure (ERB) then it will bring good effect. I am not sure about the bad effect as it depends on individuals; I said that as I believe this could also bring something good to me (beside to the organization)."

It is difficult for an organization to see the effect measuring of ERB as it will not be easily or obviously seen in the short term or even, possibly, in the long term. Individual or personal 'mind set' change or effect from this type of measurement is the best stake the management could expect at the early stage of the measurement, even though the employee might not display the effect (physically in action) to others. Another respondent also mentioned something similar although more generally, rather than as an aspect relating only to himself as stated in an earlier quote (respondent).

"This measurement is good for the organization, (customer) sometimes look beyond work, (they) look on individual and this (could) make people (employees) improve themselves."

Meanwhile, the owner is very determined in his statement and believes that measurement of ERB only brings good effect to the company. This strong statement could also be treated as clear evidence that FURNITURE did measure ERB and this has been done by the owner himself. However, it left other issues as to whether this type of measurement might or might not be known (formal or informal way) by the employee themselves.

"So far I didn't see any bad effect (from implementing this measurement) as I did assess it, measure it and this certainly (make them being) different obviously (improvement)."

The owner, in clarifying the issue, admitted that he never listed the measurement of ERB or other types of behaviour in any of his employees' job contracts. However, in recent years, an award for the 'best employee' was included in the company's yearly family day outing. Normally, everybody is given a present and the winner (best employee) receives a special gift. The owner was unsure whether to call this a formal or informal way of measuring employees as in meetings he sometimes says that all employees need to behave in the same expected way.

5.3.6 Future plan on PMS and ERB

This case could be viewed as having implemented ERB measurements as it relies on evidence gathered, especially from the owner. Respondents from lower levels of the hierarchy in this organization might have represented other colleagues who are not really aware of this extra-role measurement and, thus, in future the owner might have to decide either to make it more formal or possibly stay the same. Since the owner insisted this type of measurement brought some improvement to the organization, it could be better if all employees become aware that they are measured or assessed on this criterion. The respondent from a lower hierarchy level, while possibly not fully representing all colleagues, seems reluctant to be formally measured on ERB although he was positive that ERB could be measured in addition to in-role assessment. He, incidentally, acknowledged that if any employee practices very bad behaviour while working, then the owner should warn and take action against the employee to rectify the problem.

The positive response from a supervisor could be an insight to the owner regarding this approach in future. He seemed to admit that it is acceptable if the owner measures behaviour (ERB) in a formal way (in written) and employees realize that or could possibly remind themselves (as stated in the contract) to behave in such a good way at all times in the workshop. He even suggested that incentives could be given or considered in order to

improve employees' behaviour. Impressed with measurements undertaken by a previous organization where he worked, he narrated there was an extra allowance for work attendance (perceived as good behaviour to him) which is not being implemented in FURNITURE. The administrator echoed this view by fully supporting a formal approach of measuring ERB in this company.

"I think, in future, we need to formally inform (all employees), because we do not only wish (to have) an employee who could perform his role efficiently but do not possess an extra element, the way he speak, trustworthy, discipline as those are all good for himself(not only for company)."

The owner did not rule out measuring ERB in future by clearly stating all these extra-role behaviours in the job contract, so that employees could know and understand them with no doubt and also could not complain concerning what has been imposed on them. He had some concerns that most of his employees seemed to take for granted that everybody will be given the same annual increment and bonus. He apparently denied the above employees' perceptions by admitted that he did assess employees on their behaviour but always needed to bear in mind that FURNITURE never practices unfair treatment towards employees.

Promoting more practices of extra-role behaviour in an organization seems parallel with the owner's plan to formally measure ERB in FURNITURE. A few actions or a plan of actions was suggested by all respondents, which need to be considered to promote ERB practices. The owner preferred to have a programme involved with a motivator (expertise) to advise all employees as he thought most of his advice was usually being ignored as employees are disinterested. He also admitted that he loves to see employees voluntarily follow his rules and regulations, as well as advice, with an open heart rather than fear, so that they will display more love and passion towards the company. He added that all warnings and reminder notices or labels also need to be revamped and improved, such as adding some

good behaviour reminders so that employees feel able to practice such behaviour at all times while working.

Giving some incentives on good behaviour practices and having some improvement in terms of workshop lay-out or arrangements so that employees could have better interactions and togetherness are suggestions from respondents working at the workshop. The administrator also suggested several plans of action, generally, for the whole organization such as: improve hiring practices by adding some behaviour assessment criteria during job interviews; improve leadership styles especially in managing employees; improve task arrangement to ensure they work better together as a big team. Lastly, she wished for future staff who possess proper certification (diploma or degree) to be hired in order to encourage different types of behaviour or actions, (maybe) from someone who has gone through the proper education process (graduation from university or college), since all current staff were recruited based on skills and experience rather than appropriate certification.

5.3.7 Summary of the implication of the case for PMS

Happily opting to operate with a substantially larger number of staff than the average size of other local area competitors appears to be a good motivation factor for FURNITURE to perform better in business. Although fairly satisfied with the size of his current workforce, the owner-manager raised some concerns and wished to have a better measurement system in order to possess honest and trustworthy employees which will, together, develop the company to the next level.

Currently providing a good working environment as valued by respondents (although the owner only rated this as fair) despite maintaining a relatively large number of employees, could be considered as an achievement to the owner compared with other smaller sized

(number of employees) local competitors. Determined to improve employees' performance the ERB element, as widely practiced in FURNITURE was planned by the owner to play an active role in improving performance measurement practices or system in the company through religious and spiritual elements. Trustworthiness, as part of the spiritual element (Daniel, 2010) is clearly acknowledged by the owner as part of the criteria for rewarding employees, and thus should be properly managed and formally embedded (currently informally and only verbal) in the company's PMS through a framework of workplace spirituality (Jurkiewicz and Giacalone, 2004). In a more recent study, Rego and Cunha (2008) further link up spirituality with organizational commitment, as their findings suggest that employees feel more attached and loyal to their organization when they experience workplace spirituality. PMS, as a tool to improve the performance of an organization, should not be left behind in considering this spirituality element as it has been proven to do so, as exposed in the literature.

Fairness is one of the concerns if the owner formally measures ERB in the organization, and the owner admitted he always tries his best to practice fairness while measuring employee performance. It is, indeed, proven in the literature that perceived fairness could enhance employees' performance (Lau and Martin-Sardesai, 2012) but how to convince all his employees (creating a perception of fairness) is a major challenge to the owner. A management control system (MCS) which embraces PMS in managing employees, has been shown as a platform for employees to positively perceive fairness regarding a reward system (gain sharing) and eventually increasing the value of trust towards their manager as exposed by Kennedy et al. (2009). Conversely, the element of trust between subordinates and manager might also play a significant role to improve fairness as shown in a study by Hartmann and Slapnicar (2009) and they reveal that a formal measurement system does have an effect in this relationship.

For the future, motivation and a religious based programme from experts is planned as one of the many other courses to manage his workforce. The owner also prefers to see love rather than fear from his employees toward rules and regulations in FURNITURE and PMS, once again, could be used as a tool to realize this aspiration. Two forms of formalization could be adopted as suggested by Wouters and Wilderom (2008) and 'enabling PMS' is certainly suited with FURNITURE's rather 'coercive' formalization based on the owner's wishes towards his employees.

5.4 Case 3: Computer Sales and Services (COMPUTER)

5.4.1 Background of the company

During the 1990, information technology and the computer industry were undeniably starting to be commercialized to the open world or public. Rather than being used only by governments and large corporates as before, the internet with the 'world wide web' networking at that time invaded public life and changed how people work and make decisions. The owners of COMPUTER were not left behind during that time as they started by forming an IT and computer based business in 1998. Originally, starting as an internet café which allowed customers to surf the internet as well as play computer games online at their premises, it successfully grew both in terms of the number of employees as well as in financial measures over 15 years of operation. Currently, COMPUTER has 34 permanent full time employees and also recorded between RM5 million to RM9 million (≈£ 1 million to ≈£1.8 million) turnover in one accounting year.

Table 5.7: Services offered

1	Personal computer and related peripheral sales and services
2	Small to large multiuser system sales and services
3	Workstation and related peripheral sales and services

4	Software product sales and services
5	Networking product sales and services
6	Leasing computer and peripheral
7	Teaching and consultancy

Source: Company's profile

Most of the revenue comes from selling and supplying IT and computer related products, as well as from its installation and maintenance services (see Table 5.7). The owner revealed that only 40% of the revenue comes from walk-in (retailing) sales at the store and the remaining 60% is from contract/project dealing either with government related agencies (40%) or corporates (20%). The percentage of income from different types of customer was acknowledged as one of the factors needing to be considered while doing business as all of them need to be catered for or dealt with quite differently.

Generally regarded as quite effective in generating revenue, COMPUTER has also positioned itself strongly in terms of the value of assets. The owner revealed the biggest portion in COMPUTER's balance sheet assets category was represented by the value of building or premises. They have three stores or business units including the main store where the interviews took place, and another two business units bought for future expansion (still under construction) which are valued at approximately RM5.4 million (≈£1.8 million). The net values of eight company vehicles, used by employees in either delivering products or undertaking maintenance jobs at client's premises, were estimated at RM400,00 (≈£80,000). A minimum value of RM500,000 of inventories must be maintained in the business to ensure the operations remain smooth and effective in order to meet clients' needs.

The IT and computer industry normally attracts many people to set up quite different sizes of businesses thus enabling all players in the industry to practice intense competition. Most relatively small companies in this industry do not hold or buy many products (in store); they

simply order from national distributors according to customer needs because technology products fast become obsolete. This is one of the reasons why many people are easily attracted to become involved in this type of business, and currently COMPUTER has 45 local competitors but the owner believes only 10 are really active in doing business. She further clarified currently there is only one true competitor to her business and the rival has more than 25 years of experience in his industry.

The discussion regarding competition discovered a few key factors which were revealed and explained in-depth by the owner. Price is surely the first issue, but she looked at this factor quite differently as she relates to customer perceptions. COMPUTER's main rival was once known as the leader in the local area in terms of pricing of computer related products. Currently, the owner believes that COMPUTER has the lowest price compared with all other companies; nevertheless, she argued that most customers still believe that the main rivals give a good price and deals which she relates as being due to customer loyalty and perception. Eventually, she believes, 'absolute price' is not really a factor in competition but how to make and change customers' belief that they have a better price is more important. moreover, she acknowledged that rivals maintain a good amount of stock in stores which could make customers believe the company will offer cheaper prices (due to bulk buying) as well as being able to obtain the product instantly (relatively fast).

Intense and effective promotions were listed as the second key element in the discussion, by using or manipulating customer information, collected when first dealing with them, such as telephone/fax number, email and address. She is currently responsible for this important task (promotion) as previously appointed members staff did not perform to the standard she expected. She also acknowledged at this moment in the discussion, without being asked directly about the matter, that generally staff's main problem is lack of initiative.

“I'm handling this task (promotion) myself, before this I appointed staff to handle but it's not working (up to the standard), one of the problems with staff (in this company) is lack of initiative, need to be guided and told all the time (to do something more effectively).”

Several other factors to compete were listed such as capital, being an authorized dealers or commercial partners with producers (for corporate or government agency customers), large and pleasant showrooms or displays (for retail customers) and, finally, employee factors. A large number of employees have brought a competitive edge to COMPUTER compared to competitors in giving fast delivery for repairs or maintenance. This has been proven as they only need a few hours to settle a standard computer problem and a next day return of more complicated problems. It appears all customers' computers or IT related problems could be served or attended to immediately due to having many technical staff (18 staff recorded in company profile).

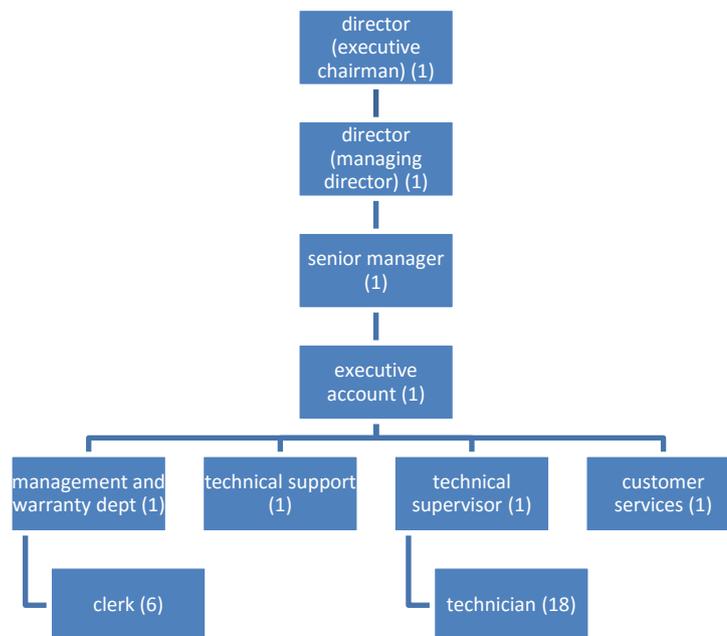
The second issue whereby employees are a competitive factor is very relevant to this study as the owner raised a question on what has been valued by customers when visiting or dealing with her employees. She felt somewhat puzzled when explaining this issue, commenting that all COMPUTER's employees, especially those who work at the front level (dealing with customers) have been told and trained to greet, smile, talk/ask and deal pleasantly with customers. However, while undertaking her own investigation, she admitted other rivals who usually do less (where all staff seem busy and some of the companies even ask customers to be self-serviced) than themselves seem to attract the same number of retail customers.

“I, sometimes do not understand what was valued by customers, (after visiting some of rival businesses) I was not being greeted or even entertained as everybody seems very busy. I guess customers love to be at a more crowded place, rather than a spacious place like what we have here and they may think a crowded place is where to get a cheaper price [as she chuckles].”

However, she remains adamant to maintain the good service currently offered by her company and believes that customers need to be educated and exposed to more information regarding the price and cost of the products rather than sticking to the previous record or history of the company. Thus far she appeared satisfied with the company's achievements, especially in the last five years and keeps in mind plans to expand the business (having bought 'in progress' business lots) in future.

The organizational structure of COMPUTER (see Figure 5.3) clearly shows several different tasks and hierarchy levels among the expansive staff. The owner finds it challenging to manage all the employees as she is fully in charge of employees' affairs in the office as well as undertaking promotions and other company administration roles such as monitoring operations and financial affairs in general. Fortunately, another owner is in charge of everything related to the technical aspect including handling projects and contracts with corporate and government agencies.

Figure 5.3: Organization chart



Source: Chart/document from COMPUTER

Most employees in COMPUTER are technicians (18 from the list given) showing that technical people are very critical in this technology based business. Most of the 23 listed projects/contracts acquired by COMPUTER clearly show technical based works need to be done either as installation or maintenance works rather than simply selling or supplying end products. Clerks and other administrative staff are normally much involved with the earlier stated 40% portion of revenues from retail and thus could also not be treated easily or taken for granted. However, the technical department was occasionally required to help in selling and promoting the company's products, especially during some large events such as computer or technology exhibitions or fairs. This element shows a good element of cooperation and involvement of employees in this organization as well as their willingness to help and enable this organization to run smoothly and effectively.

5.4.2 ERB as part of current performance measurement practices

The owner (executive chairman) was more than willing to share everything about her business when discussion starts to move from the company's background into core themes of the study on performance measurement. When generally asked about current practices of measuring employee performance in her organization, a very concise and proper explanation was given, which included staff attitudes and behavioural elements. Staff attendance was the first aspect discussed, which attached a further discipline element rather than looking at core or in-role elements such as quality of work or output (number of tasks completed or products sold). She explained how attendance time sheets are used to predict employee behaviour, such as a bad record, including absenteeism and lateness problems, which is representative of behaviour towards employees' own work (in-role) performance. Surprisingly, this was acknowledged as one of the factors or bases used for bonuses and annual salary increments.

Work quality was explained as a second criterion in her answer. Initiative was added to the list, with an explanation that most of COMPUTER's employees critically need to be pushed and told what to do in order to achieve something (lack of initiative) as they have tendency to procrastinate. Responsibility was also involved in the explanation of the above initiative criterion. Trustworthiness is the main attitude she expects from all employees and relationships with customers capped her full list of performance measurement criteria for COMPUTER. Several other factors were added by other respondents, including commitment as the first in the list of one respondent ahead of attendance, public relations, involvement, teamwork and willingness to work extra hours. A respondent from the sales department echoed the owner's opinion, stressing public or customer relations as well as sales targets. Another respondent undertaking administrative work preferred to state on time management (attendance), quality of work and sales (output).

However, employees from three different departments were assessed accordingly in order to evaluate different roles. Technical people were regarded in terms of output and productivity (number of services/repairs or maintenance work delivered) as well as skills. The management department needed to be concerned with tidiness in filing and records systems, work ethics, and corporate public relations (as part of dealing with corporate customers). The customer service department, which is in charge only of retail work, should possessed very good public relations (PR) skills as a front line to the office/store, rating this as a compulsory element for all employees who work in this department. Once again, discipline was stressed which should be applied to all employees across all departments in COMPUTER and this also implied that the owner has a very strict and proper assessment criteria in measuring employee performance.

There was not a great deal of difference in measuring the performance system in this organization, as explained by the owner, even though only 20% of the current employees

were senior (long serving) staff. However, one of the supervisors who had worked for COMPUTER for the past eight years noticed some changes while the company upgraded the operation from a sole proprietorship to a private limited company. Various improvements were included such as proper employee assessment or measurement, time management as well as appearance to come to work. At the same time the respondent (supervisor) still rated the owner as having a high tolerance and willingness to discuss any wrongdoing.

The owner always applied a strict and proper system in COMPUTER especially regarding discipline and time management.

“I always ask my staff to have much concern with punctuality (time management) especially when dealing with customers. If an appointment at 3pm, make sure to leave (the office) before 3pm, and I always warn them on this issue. I am very strict so that it could be a good lesson to others, (our policy) three verbal warnings and three written before we terminate our employee.”

Admitting that managing people is the most difficult part of doing business, she is adamant and aware of both positive and negative consequences of being strict with the employees. The business was rated as larger than any one person (employees), and the difficulties and turbulences faced while building up the business since Day One should not be sacrificed to please some quarters in the organization. The owner feels that she has always worked hard and also needs to work harder than anybody else in the organization, to lead by example to all employees, and not to mind doing toilet cleaning for that reason.

Consistency is one of the elements needing to be improved (not up to the owner's personal standards) by most of the employees including the senior (long serving) staff. Every employee is given a chance to defend himself face-to-face every year when being assessed for bonuses and annual salary increments and most could not justify more bonuses due to problems such as punctuality, procrastination, reluctance to multi-task; most of the problems were related to the issue of consistency. The annual face-to-face meeting could

give a good chance for each employee to revise what they have been doing for the past whole year, the highs and lows while also promoting transparency in COMPUTER's performance measuring system.

Even though with limited information or exposure to academic terms of extra-role behaviour, especially before the interview, the owner has implicitly managed to raise and appraise some measuring practices of ERB in her organization. Initiative was clearly defined as one factor for giving bonuses and annual increments to well performing employees.

"There are a few staff who did not ask for salary increment but really deserved for that, and we did increase their salary, such as those who take initiative, do not wait for any (specific) instruction. They show us a very good reason to get an increment from what they have done, hardworking, highly tolerant (sportsmanship), willing to work late (beyond office hours), have good responsibility and we could clearly see all those behaviours (and assess) even though they asked for nothing (any benefit) on that.

"Sometimes we are so busy and forget about our kids at school and there is self-initiative from some employees who call to remind us (when we are not in the office) and even willing to take our kids from school and they are normally a few people who didn't ask for any rewards out of that (including asking for more salary increment)."

The owner also claims to have indirectly influenced some of their staff to resign if they could not demonstrate good cooperation or lacked involvement with colleagues but thus far nobody has ever voluntarily resigned for that reason. This evidence shows another element of ERB being measured in the organization. Terminating staff is considered rare; nevertheless it has happened on occasion due to an extreme condition such as being caught wrongdoing. Specifically asked on whether COMPUTER does measure employees based on any extra elements (besides skills, output and quality as suggested in the questionnaire) the owner easily listed all of the criteria which have been used such as attitude, initiative, hardworking, tolerance, work attendance, discipline, willing and happy

to accept a new (diversion) role, and multi-tasking. She admitted wishing to assess and measure employees on anything that she could, but needing to be practical and focus on something more relevant due to work and time constraints. No gender bias was applied and appearance of staff was another element being stressed, starting from when an employee joined this organization. All staff need to wear specific clothes (company's crest printed on a T-shirt) on Sunday and Thursday but are quite free on the other three days. There was one case where an employee needed to return home and change clothes as the owner tried to show her determination in disciplining her staff. There is also a specific company jacket for technicians who undertake outside services.

Since ERB has formally been measured in this organization as according to the owner, Table 5.8 specifically lists an explanation and discussion on ERB practices as extracted from the interview and observation during the visits.

Table 5.8: ERB practices

ELEMENTS	EXAMPLES OF PRACTICES
Helping behaviour	<ul style="list-style-type: none"> • It happens but usually not many on a voluntarily basis (after being told to do so). • Few do this on their own initiative. • The owner needs to spend more time to monitor to make sure this behaviour happens as it is important. • The owner asks for a report on this element from supervisors or managers if she is working outstation for few days and gives warnings appropriately. • CCTV installed to monitor resulting in this behaviour improving recently. • Example: management and technicians helping the customer services department especially during busy periods.
Sportsmanship	<ul style="list-style-type: none"> • Several staff willing to work extra hours, and ask for nothing in return. • Willing and happy to undertake multi-tasking even though it is a total diversion from the core in-role task. • Tried to resolve some disputes among staff without involving superior or owner. • Voluntarily an intermediary between lower staff and the owner on some personal matters (trying to solve colleagues' problems).
Organizational loyalty	<ul style="list-style-type: none"> • Most employees are long serving staff and appear to love to work here (only 10% of employees resigned/terminated). • Several ex-employees still have good rapport with COMPUTER by promoting and gaining contracts for their current employer. • Several resigned returned and we have considered especially if they resign to undertake further study. • Doing extra (beyond) than stipulated work so that client will rate company with a better valuation.
Organizational compliance	<ul style="list-style-type: none"> • Most employees follow organization's rules and regulations and know they have to do that (strict enforcement).
Individual initiative	<ul style="list-style-type: none"> • Only half the employees perform individual initiatives. • Do not wait for an order from superior to do something extra or unrelated to their task. • Hardworking or fast to react to something; highly tolerant and showing responsibility whenever necessary (when nobody seems willing to do so).

	<ul style="list-style-type: none"> • Technical people often voluntarily advise the owner and are willing to accept that on certain decisions. • Example: Stay late or work out of office hours without asking for any extra pay. • An employee monitors work that could bring a problem back to him (even though he is not a supervisor). • The owner has been rated as all-rounder by one of the respondents as she is willing to learn everything in the organization.
Civic virtue	<ul style="list-style-type: none"> • Only 5-6 people (15%) seem to sacrifice their personal interest for COMPUTER. • Showing a family type relationship rather than superior-subordinate. • Some are willing help or be involved, such as in the owner's personal events but only when they feel they will gain something or extra benefit. • Everybody across departments is involved with PC Fairs regardless of their permanent roles in the organization.
Self-development	<ul style="list-style-type: none"> • Approximately 15% of the overall staff undertaken self-development. • Most employees need to be pressured initially to improve themselves – one employee resigned as unwilling to improve. • Example: updating new information on computer and technology, taking new course related to the task or an extra task, willing to learn from colleagues, learn something beyond his current task (sales people learn about technical or technical people learn about selling and billing).

Sources: Interview transcripts and observation notes

Further information from observations and photographs taken during the visit to the store/office explains and are related to COMPUTER's conducive working environment as well as other types of evidence (besides interviews) showing ERB practices. This element is an important factor to improve and promote more practices of ERB in the organization despite what has successfully been done and measured thus far. Table 5.9 lists most of the information gathered and, once again, proves that ERB has been widely practiced in this organization, although not by all employees.

Table 5.9: Observation of working environment

ITEMS	EXPLANATIONS
Signage/notices	<ul style="list-style-type: none"> • All staff urged to display 'I love COMPUTER' car sticker. • All male staff expected to wear company's white 'T-shirt' displaying the COMPUTER logo on first and last day of the week. • Technicians expected to wear company's jacket when working outside. • Many certificates and MOUs with several companies and government agencies displayed at the store 'main area' as a way to impress customers and indicating the success of the organization. • Islamic recital (Al-Quran) background music (low volume) for the purpose (type) of meditation or work relief.
Operation	<ul style="list-style-type: none"> • Husband and wife owners of the company who work together; company started as a small 'cyber café' (a place to surf internet). • Three main departments which include, front liner/customers, administrative and technical department.
Layout	<ul style="list-style-type: none"> • Electronic code security to enter the owners' room. • Large two-floors building space (rented) with ground floor used as a shop (sales and administrative department) and first floor used as a store and technical department. • Very clean office area as well as small pantry for snacks and drinks. • Cameras (CCTV) in several places for staff security as well as monitoring purposes.

Staff activity	<ul style="list-style-type: none"> • The owner is quite busy as a few appointments were cancelled before it is successfully took place to discuss the data collection process in his organization. • Annual holiday trips for staff (overseas if sales are good during the year). • Owner has been appointed as Chairman of the local ICT based SMEs group. • Sports activity with the owner who tries to involve staff with his circle of friends. • Occasionally, staffs pick up owners' children from school during working hours which shows a family type of relationship between staff and owners' family.
Words of staff	<ul style="list-style-type: none"> • Owner repeated that only 5% (but clarified it as around 5-6 employees, which is 15%) of his staff are truly committed to the company. • Owners more than willing to see some staff resign but do not have the heart to fire them. • Owners need to insist and order staff to help others while they are busy with customers. This statement was supported by a customer who highlighted the same problem. • They (the owners) hired a few family members which makes other staff slightly suspicious regarding fair treatment in the organization. • Staff urged to call the owners 'brother and sister' to reduce the gap between them. • One respondent mentioned the owner is willing to let his personal car be used for business operation.

Source: Observation notes and photographs

A few obvious ERB practices can be observed in the above table such as compliance with the company's rules and regulations, willingness to help the owner's family/personal affairs, high commitment from employees (although only 15%), and helping colleagues while they are busy (although most need to be encouraged to do so). The relationships between staff and management, especially the owners, are obviously very good, as proven by the gap reducing policy of calling owners 'brother and sister' instead of commonly (in Malaysia) official superior-subordinates types of salutation.

Quantitative evidence which has been discussed in a previous chapter appears parallel with information displayed and explained in this chapter. On average all respondents rated all working environment elements above average (value=3) except for both work and time pressures (slightly below average). Support from superiors (management and owners) appears very good (almost excellent), and most of the ratings are around 'good' (value=4) including ERB types of element such as communication, co-worker cohesion and involvement, with only innovation ranked between good and average (see Table 5.10).

Table 5.10: COMPUTER working environment

	AVERAGE RATE
Superior support	4.6
Communication	4.4
Co-worker cohesion	4.2
Safety	4.2
Changes	4.2
Welfare	4.2
Physical comfort	4.0
Involvement	3.8
Autonomy	3.8
Task efficiency	3.8
Control	3.8
Opportunity	3.8
Stability	3.8
Freedom	3.6
Innovation	3.6
Fairness	3.6
Challenge	3.4
Workload pressure	2.8
Time pressure	2.8

Source: Quantitative evidence

Even though the owner clearly noted that ERBs have formally been included in the employees' performance measurement system in COMPUTER, the employees' work contract does not specify anything related to the measurement criteria, either in-role or extra-role behaviour. Items in the contract only related to information regarding general characteristics of the job such the post, salary and benefits, procedures to break the contract by both parties, and employee's consent to accept the job. There is no written evidence showing a formal method of measuring the extra-role apart from the owner's consent as well as explanations from other respondents.

"Boss (owner) certainly looks at employee's behaviour, commitment and I think this is very important. She (owner) clearly informs all staff in meetings and briefings, thus there is no reason for staff to say they do not know (ERB measurement)."

5.4.3 Effects of measuring ERB

In terms of the effect of measuring ERBs, a convincing answer was given by the owner that there are several positive or good effects from this measuring practice. Employees are more willing to perform more roles (both in-role and extra-role) with an idea to being noticed and rewarded for what they have done; and this could create problematic issues related to formally measuring ERB. Some researchers clearly believe that extra-role behaviour should not involve any kind of reward (Organ, 1988); nevertheless, some are less rigid and prefer to accept an element of reward in this type of behaviour (Podsakoff et al., 2009). In this case, it appears a wider definition of ERB is in use referred to as 'role not specified in the contract' of an employee. The owner did not see or perceive any negative effect from measuring ERB thus far but, at the same time, she remarked that it might due to her unawareness or that it had yet to be found or happen.

"in our meeting (with employee) we (with the other owner) clearly said salary (and bonus) will be increased not only based on your work (in-role) but if you're hardworking, willing to help, willing to do other types of role, trustworthy, do all those things when we are not around, work extra hours, everything seems to be included (as a basis for) for salary increment."

ERBs have also been acknowledged as giving more strength and were considered important elements by the management of COMPUTER in order to compete and survive in business. At the same time, the owner is fully aware that good things never come easily as she acknowledged that managing people is the hardest part of doing business. She explained further about restrictions to measuring ERBs more effectively. With regard to harsh treatment towards her staff, such as raising her voice when giving instructions and asking staff to change clothes, she was extremely worried that employees would be too frightened and unable to work in such an effective way. Thus, she always gives good reasons or

justifications for what has been imposed (rules and regulations) and the basis used for measuring performance.

One respondent reluctantly explained a negative effect resulting from current practices of measuring ERB, hinting that the owner or superior sometimes could not see the overall behaviour of an employee, and was only concerned with a few wrongdoings (bad or not so good behaviour) despite the fact that they may have done other, good things, throughout the day. This evidence matches the concerns of the owner that she possibly misses or does not have a great amount of time to measure every single action from all employees. However, all respondents agree with the positive effect of measuring ERB and stated a few examples such as improving personal attitudes and behaviours to be a better employee as well as a better person generally.

The owner admitted her management and leadership skills were not the very best; she opted to please all employees by giving quite lavish benefits and set herself a personal target to give a comfortable standard of living to all staff. She believes that when people are satisfied with basic or normal life needs and have stability they will do less harm to the company such as stealing or taking inappropriate advantage (misuse of the company's assets). Some benefits were listed as interest free loans to buy cars, an advance on salary, and competitive (regarded as the highest by the owner) monthly income compared to similar employees of other companies in the same industry.

5.4.4 Future plan on PMS and ERB

The answers from all five respondents regarding measuring ERB in this organization are consistent. All rated behaviour as 'very important' (the highest in a 5-point Likert scale) and, at the same time, when asked about the future plan regarding this issue, once again everybody undisputedly preferred it to be formally measured by the management. The

owner explained that it is compulsory to formally measure all employees' behaviour in order to improve the practice of extra-role behaviours. While assessing an element of risk in implementing this, she considered it a risk as she needs to avoid giving rewards to people who are undeserving. She tries to value all roles that could bring benefits to the organization, regardless of in-role or extra-role, as such a practice is better than mistakenly giving rewards to an employee who pretends to be good by cheating or bolstering in-role activity.

Another respondent suggested a plan whereby management need to pay more attention to newly joined staff in order to adopt the good involvement practices and culture of COMPUTER. This would allow them to feel more comfortable and instantly contribute to the betterment of the organization. Rewards and benefits are certainly something that will always be pursued to be improved; however, the respondent believed COMPUTER has done well thus far in this respect. However, as an employee he wished for a better reward and benefit plan, and admitted that rewards could motivate most employees to feel more happy and eager to work hard for an organization.

Training was also suggested by another respondent including customer and public relations as well as office management to ensure everything will be served faster and more effectively. He also reminded all staff, including himself, regarding the need to have self-awareness and high commitment on the importance of learning and training as this cannot be achieved overnight, and thus the elements (awareness and commitment) should be measured by the management of COMPUTER. Other answers to improve ERB include improving teamwork among employees, improving hiring practices which are concerned more with behavioural and attitude elements, and appreciation of staff personally such as giving birthday presents.

At the same time, the culture of undertaking extra-role activities needs to be cultivated in COMPUTER and the owner suggested several actions such as reminding staff, especially during meetings, to practice all types of good behaviour as it will be rewarded, the need to be firm and consistent in giving instructions and enforcing actions, as well as giving advice of being good to the company by insisting this is the best place that everybody happily works together compared to other competitors. COMPUTER challenges its employees to find a better place to work or information of what others could offer in comparison with how they currently benefit from this company. During meetings management also welcome suggestions or ideas to improve any areas which could enable the organization to perform better in future.

“Sometimes we didn’t see our mistakes or weaknesses, thus during meetings we always ask for suggestions and new ideas, maybe all of you (employees) have better ideas than what we have, always be transparent to raise anything to us, same goes if anybody faces any type of problem, do not speak behind our back.”

Another good argument has been given by the owner on the importance of practicing ERB, that of the dream of having loyal employees in her organization.

“if an employee is very good and skilful, he might end up working with another company in future if they get better options and lack of loyalty with us, if he is not involved or doesn’t work well with colleagues, in the long term, he will also leave us, that is why we need to build up a good rapport and (family and friend type) relationship with staff, solve their problem (if any) as his personal affairs will affect his work performance.”

There is also a proper plan for ERB in this organization laid down by the owner, which is to avoid hypocrisy or acting in doing work by firstly applying good religious values towards all staff, which may be considered easier as all employees are Muslim. Secondly, employees are encouraged to speak out and the owners offer space or a platform to discuss any type of problem with management. Employees are challenged to bring good actions or ideas to the organization; if betterment or increase in effectiveness in delivering services to

customers is thereby promoted a reward will be given. The owner felt that sending employees on courses or seminars is not very effective as she had a few experiences where employees cheated by copying reports and did not actually attend the course. The same is true of motivational courses as these only bring short term benefits and the employee will return to their previous attitude or behaviour. Frequent or periodic meetings, briefings and discussions are the best way to improve or at least to maintain employees' good performance as, except for a few people who are very good, most employees easily forget instructions or are reluctant to use their own initiative.

5.4.5 Summary on the implication of the case for PMS

The owner of COMPUTER claimed that after 15 years in operation and being strongly supported by 34 full time employees, only one out of 45 IT and computer based companies in the local area could be considered as their true business competitor for the time being. Customer's loyalty and perception towards their rival who has operated in the industry for more than 25 years is the biggest challenge for COMPUTER to entice customers to shift or at least to gain experience in dealing with them.

Employees are acknowledged by the owner as one of the factors to compete within IT and the computer industry due to the nature of a service based business involved with installation, maintenance, repair, and after sales services, and this argument is supported by Brignall and Ballantine's (1996) study which notes the influence of employees on successful service performance. However, currently the owner does not seem particularly impressed with the overall performance of the workforce and highlighted lack of employee initiative or, in other words, the need to constantly guide and closely monitor staff to perform effectively, as the main factor. This evidence highlights that COMPUTER should ensure PMS is improved to tackle the initiative problems among employees; as an example,

to focus on a number of initiative actions rather than useful initiative action taken by employees as the measurement criteria (Tuomela, 2005).

Low initiative has proved that COMPUTER does include ERB (self-initiative) as part of their measuring system on employees. A few other ERB elements, such as cooperation (teamwork), involvement, and commitment are clearly listed by respondents as factors for the determination of rewards and bonuses in COMPUTER. However, despite the owner admitting that she has formally measured extra-roles, no ERB information appears in employee work contracts supplied from the company.

The owner added that discipline (work attendance, punctuality, rules compliance) has been used as a predictor of employees' behaviour. Besides being too strict with her employees, she is aware of the consequences of using the approach and admits managing people is the hardest task in business. Nevertheless, she applies a very transparent system which allows all employees to give explanations in face-to-face meetings as to why they should receive a better salary increment and bonuses for the past year. At the same time, the strength in managing the workforce in this company could be seen from the high rating of superior support and welfare in their working environment valuation. In order to balance a strict rules and measurement system imposed by the top management, COMPUTER opted to give fairly high rewards and benefits and ensure all their employees live in stable conditions and also to avoid practising adverse culture towards the company such as misusing company assets or theft. One of many key elements in enabling a control system (PMS) to work is employee satisfaction and this could be closely linked to the organization's reward system (Brignall and Ballantine, 1996), or at least being part of the organization's performance metric (Lohman et al.,2004).

COMPUTER has experienced some benefits from imposing ERB as part of the performance measurement system (PMS) such as willingness of employees to perform more roles in

order to be noticed and duly rewarded, and improving employee personal attitudes to be a better employee as well as a better person generally. Meanwhile, keeping a good justification on whatever criteria are imposed on employees is a key factor to avoid negative consequences from measuring practices. One possible negative effect of measuring and rewarding ERB has been raised by an employee as he worried that the owner or top management failed to monitor all behaviours of all employees and this could result in unfair treatment. This is consistent with the owner's statement that she required a great amount of time to measure all employees' behaviour in her organization.

5.5 Case 4: Decorative Lighting Enterprise (LIGHTING)

5.5.1 Background of the company

Experience of a highly disciplined working environment within a Japanese manufacturing company has been fully utilized by the owner of LIGHTING who started his business in 1997. His individual expertise is totally unrelated to his first business of selling groceries in a small retail store at his hometown, but his new and current business of selling and installing decorative lighting and fans could be considered indirectly related as being an assistant manager of a production/maintenance line previously. Managing his own staff, a comparatively smaller number people (nine employees) with a large number of subordinates in his previous company, did not suggest much easier work needed to be done. He rather valued the knowledge or understanding of managing people as the most precious and important experience he has ever had, even more than the in-role skill or expertise that he possessed, especially when operating his own business.

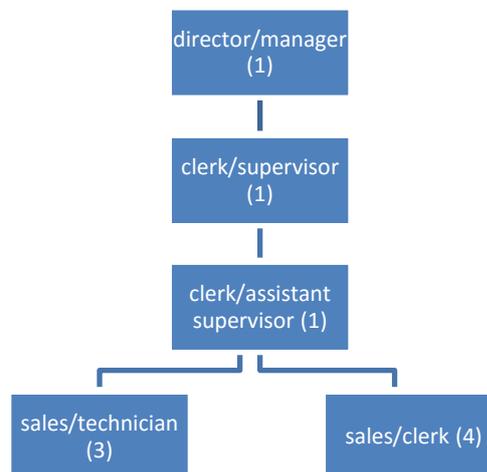
Currently short of a few employees in his store, which the owner admitted should be operated by 12 instead of nine people, he was implementing an immediate plan to add new employees to ensure or sustain a smooth operation and working environment in the

organization. According to the owner, although the decorative lighting retail based business normally relies more on corporate customers (including government linked units/companies) through projects and contract bidding, LIGHTING thus far successfully ran or operated with a 70% 30% split of retail and corporate customers respectively. The size of LIGHTING could be estimated or measured by an average record of RM1.2 million (GBP 25,000) annual turnover. In terms of the assets, several main assets were valued accordingly at this company such as: vehicles at RM30,000 net value; inventory at RM550,000 and start-up interior design (which he considered to be under the asset category) at RM60,000 with approximately 10% - 20% depreciation value. The size of the decorative lighting industry was argued by him as one of the many factors that could offer an advantage or at least play a role in competition, and thus LIGHTING strives to be as big as their local competitors if not bigger than all of their competitors.

The owner practically acknowledged only one direct competitor to his current business operation, from eight other decorative lighting stores in the local area. He conceded that price and cost is the main criteria valued and considered by most customers in this industry; he, however, prefers to use a different approach to compete by not discrediting the importance of the earlier stated criterion. Design of the products or, in other words, selection of lights and fans available in the store is the main competing factor to the owner. He values customers' 'taste' as very important and it is a challenge to him as well as to his employees in LIGHTING to know, explore, meet and satisfy customers' preferences. Dealing with customers in the best possible way is a critical element in order to achieve customer satisfaction which was previously ranked as the top criterion by the owner. In relation to this, he also acknowledged that employees are very important by influencing the organization and its route to being an effective and successful organization eventually.

Explaining the roles that he plays in LIGHTING, the owner happily listed the highest position of company director and manager down to the lowest role as a technician and sales person. He perceived to devote all his time to the company and undertook unlimited roles, including delivering products to customers and carrying out repairs at clients' or customers' premises. However, the organization chart (Figure 5.4) shows his post as Director/Manager with one supervisor who is normally stationed at the main shop in a city centre area. He spends most of his working hours outside or at the other unit (same company) situated in the city outskirts which also functions as a store (stocks of lights and fans) on the first floor.

Figure 5.4: Organization chart



Source: Owner's explanation

5.5.2 Current practices of performance measurement system (PMS)

There are a mix of answers from all five respondents in this case study regarding the criteria being used to measure performance of an employee in this organization. Attendance to work has been firmly ranked as the top criterion by the owner before eventually assessing other factors in measuring his employees' performance. Ironically he ranked sales (output) as the last element to be measured and explained that he did not really advocate individual sales but preferred to look at overall or group sales and thus rewarded all his employees

with the same sales bonus or commission. Incremental performance in terms of effort or hard work of an employee, as well as quality of work, has been rated as one of the measurement criteria by another lower level respondent in LIGHTING. Sales performance could be monitored quite easily as information from every sales transaction needs to be recorded into the company's database and frequently assessed by the owner/manager.

The supervisor gave the same answer as the owner in terms of the attendance as the main criterion; she also acknowledged that often she was asked by the owner to discuss an employee's job scope, responsibility and individual performance based on what had been set up earlier. Employee behaviours and attitude are among the topics discussed as revealed by the supervisor.

"How to entice and attract customers, teamwork among all staff, especially in handling customers which includes taking a needed product from the store (as commission based on overall sales), the owner asked me to monitor this behaviour and he also monitored it himself."

Another respondent who had only joined the company in the past two months once again acknowledged the importance of attendance. She explained the probation period required her to arrive on time to work and that her salary would be deducted if she was late by even one minute; this is not applied to other employees who are already confirmed in their position. However, she is extremely happy with the overall sales commission policy because as a new member of staff she still needs to learn a lot in order to gain more sales in due course. Quality of dealing with customers, general public relations, tolerance and teamwork among colleagues are other criteria disclosed by the newly hired member of staff. Comparatively the same answers were given by another technician respondent, but he subtly said slightly different words when explaining customer relationship as one of the measured criteria.

“(the owner measured on how) to deal with customers, the way we give opinions and ideas to customers to choose a lamp or fan (that suits their needs).”

A lot of changes have been highlighted, by employees as well as the owner, all of whom acknowledged the betterment from the policies or actions that have been imposed in terms of measuring practices in LIGHTING. Among the main relevant points exposed by the owner is the segregation of tasks or duties between employees, compared to previous ‘all-rounders’ duty practices. Every employee has been given a document (see Appendix C) listing both his general and specific tasks called a job scope. Three different positions carry one set of general tasks but three different sets of specific tasks for sales/clerk, sales/technician and supervisor (see Table 5.11).

Table 5.11: Job scope for LIGHTING

GENERAL TASKS		
Doing 5S works (Japanese workplace organization)		
Checking all new stocks/products arrival		
Packing customer’s products		
Testing bulbs		
Doing store’s product layout		
Checking stock every three months (March, June, September and December)		
Engaging customers		
SPECIFIC TASKS		
Sales/clerk	Sales/technician	Supervisor
Bulb rack tidiness	Install light and fan	Monitor stock reorder level
Credit card data entry	Repair light and fan	Monitor stock taking implemented at stipulated time
Promotional decorating	In charge on ‘down light’ and ‘penda floor light’	Handle purchase orders
Type customer’s pack list	Air-conditioning service	Prepare accounts statements
Enter sales information into database	Rearrange store display every three months	Manage ‘overtime’, EPF, SOCSO for staff.
Stock (SIMTONE and TNC) tidiness once a week	Rack C,D,E,F,G and L tidiness	Manage utilities bills
Enter invoice data on new arrival stock into database	Installation and repair at customer’s premises	Tag price for all products
Rack A,B,H,I and J tidiness	In charge of problem stock (fans)	Handle filing system
Call customer		Monitor problem stock (fans)
Install light in store		Enter problem stock data (other products)
		Monitor monthly attendance
		Prepare quotations and invoice
		Enter sales information into database

Source: LIGHTING job scope documents

Other improvements have taken place in the organization such as the introduction of electronic attendance records (punch card machine) replacing manual job sheets; installation of closed circuit camera (CCTV) for security and monitoring (not the main reason) purposes; introduction of several specific tasks related to allowances; and a better rate or calculation method for sales commission. Most respondents noticed the current measuring practice was comparatively firmer or tighter than the previous less appropriate measuring system in the organization.

The advantages and disadvantages of LIGHTING's current performance measurement practice revealed by respondents during the interviews might have been influenced by referring to some parts of previous practices as some changes outlined and imposed by the owner and supervisor could be quite new. Lack of staff, as grumbled about by one respondent, seemed consistent with a humble acknowledgement by the owner, at the very early part of the interview. The respondent recognized this issue in general but he specifically referred to the store (stock) department by suggesting one employee be appointed to take full charge of the department to enable better stock management. He also acknowledged this problem sometimes brought about some demotivation to work especially in a busy period when a lot of stock arrives and needs to be checked and managed properly. However, he still viewed the overall measurement system as good and thus felt happy and eager to contribute to the organization.

The owner, thus far, had been satisfied with what he had implemented but, at the same time, he rated the measurement system as far less than perfect. He outlined a plan or idea which he had been considering for quite some whereby a quality standard could be implemented in his organization. Acknowledging being influenced by his experience of working under a high quality standard previously, a work or operations manual/book should be properly outlined or formed and distributed to all employees.

“I really wish to have a manual/book for operation, such as procedures for receiving and distributing products, I have plan for that and since we have two stores and keep hiring more employees, it seems to be more effective and requires less monitoring of operations as the manual could be referred to.”

Managing problematic employees is another concern on his current measurement system. Verbal advice, verbal warnings, show cause letter, followed by three warning letters are the steps taken by LIGHTING before terminating any of their permanent staff. Currently, there are two members of staff who have been given a warning letter but he perceived that as part and parcel of managing employees. The owner viewed it as a positive warning and a learning process to him in managing people while in a comparatively new and small business operation. He perceives a higher risk and bigger impact from problematic staff if the situation is not handled properly as the business grows and expands in the future.

Another respondent echoed what was stated by the owner, praising the way staff problems have been handled in the organization through discussion and face-to-face meetings if required. The respondent also was pleased with an individual performance measurement practices such as individual work attendance, and rewards with an individual bonuses and allowances. Disadvantages of the current practice were highlighted such as the owners being too busy, which leads to late responses on some problems; and the gap between staff and owner, which bring an element of nervousness from employees when raising issues.

5.5.3 The behavioural dimension and ERB practices

Many behavioural elements have been revealed and discussed by all respondents either as being practiced by themselves or their colleagues. Firstly, respondents in this case study unanimously acknowledged the importance of the behavioural element, as four out of five rated it as ‘very important’ and another rated it as ‘important’ in the 5-point Likert scale questionnaire. Throughout the interviews, while discussing and revealing an individual

element of ERB practiced in the organization, they also agreed specifically that particular behaviour is very important to the organization.

Table 5.12: LIGHTING working environment

	AVERAGE RATE
Co-worker cohesion	4.6
Welfare	4.6
Challenge	4.4
Superior support	4.4
Autonomy	4.4
Fairness	4.4
Communication	4.2
Freedom	4.0
Control	4.0
Task efficiency	3.8
Workload pressure	3.8
Physical comfort	3.8
Innovation	3.8
Opportunity	3.8
Stability	3.8
Involvement	3.6
Time pressure	3.4
Safety	3.4
Changes	3.4

Source: Quantitative evidence

The working environment in an organization could be a good factor, either to promote or to encourage the practices of good behaviour among all employees, which eventually helps to increase the organization’s effectiveness. Table 5.12 summarises the working environment in LIGHTING with all elements being ranked with the highest average value at the top. Based on a 5-point Likert scale of ‘bad to excellent’ average values of five respondents in the organization, all elements were rated above ‘fair’ (value>3), and half were rated between ‘good’ and ‘excellent’ (value=4 and 5). A few key elements related directly to ERB, as the core issue in this study, such as co-worker cohesion (average value of 4.6) and

communication (average value of 4.0) seemed to be good, although innovation and involvement were slightly below good (average values of 3.8 and 3.6 respectively).

While spending a few days at both LIGHTING's stores, another type of evidence from real situation observations was gathered through note taking and photographs. Table 5.13 summarises several main items with relevant explanations regarding the observed working environment in LIGHTING.

Table 5.13: Observation of working environment

ITEMS	EXAMPLES OF PRACTICES
Signage/notices	<ul style="list-style-type: none"> • Slightly untidy signage and notices; or not easily seen due to much decorative stuff (the nature of the business of decorating light). • Small white board and few notices show how daily operations are organized. • Work schedule and cleaning task schedule displayed and obviously shows cleanliness is a collective task/responsibility for all staff.
Operation	<ul style="list-style-type: none"> • Two stores/shops (same company) which are located approximately 10km from each other and the city outskirts unit also serves as a store for inventory/stock. • Currently operated with 70% and 30% split of retail and corporate customers respectively. • A long working hours (12 hours) except for one day which is 10 hours and six working days a week.
Layout	<ul style="list-style-type: none"> • Room to pray and a pantry for drinks and meal breaks. • 'Shoes off' type shop; staff shoes were tidily kept in the designated rack. • All files tidily kept in a specific room and small amount of stock (at the back of the city store); also well organized. • Both stores appear slightly 'packed' with all the decorating lights and fans but customers seem to feel comfortable (including researcher perspective).
Staff activity	<ul style="list-style-type: none"> • 'Electronic punch-card' to record employee attendance. • Technicians prepare lights/fans at the store which occasionally disturbs customers viewing products or able to shop comfortably. • No specific person in charge for administrative tasks; supervisor appears to cover this aspect while also attending to her main task of sales. • No specific person in charge in store/stock department.
Words of staff	<ul style="list-style-type: none"> • Owner queries why capable staff who do a good job and gain his trust leave his company (working with the government agencies) while having an informal chat before the interviews. • Staff not really keen to physically load and unload stock, especially female staff. • Heard that they concern with the pray as they alerted time to pray to each other and willing to take turn for that. • Couldn't see any specific schedule for lunch breaks; one member of staff said lunchtime is flexible. They only have to make sure at least one member of staff is in the office during the break.

Source: Observation notes and photos

Cleanliness responsibility which all employees are expected to practice is displayed through a schedule in the store showing a good ‘togetherness’ value in the organization, regardless of employees’ rank levels. A pantry area or room for having meals and drinks during breaks is again an element that shows LIGHTING tries to promote a close relationship between all staff. No specific schedule for lunch breaks and prayer times implies a high value of tolerance (initiative and sportsmanship) between staff as they manage to take turns ensuring there is at least one member of staff available in store during lunch breaks. Reminding each other to perform religious obligations (pray) implies ‘helping behaviour’ among colleagues in LIGHTING. Specific questions on ERB were asked in this study and answers from all five LIGHTING employees is summarised in Table 5.14.

Table 5.14: ERB practices in LIGHTING

ELEMENTS	EXAMPLES OF PRACTICES
Helping behaviour	<ul style="list-style-type: none"> • It usually happens but sometimes there are cases of conflict between staff. • Owner rates this as very important as most of the time customers in this type of business could not easily be served or handled by a single member of staff. • One respondent acknowledged this behavioural practice is aplenty.
Sportsmanship	<ul style="list-style-type: none"> • One respondent rated this as the most important thing (bringing great impact); needs to be practiced and it does happen. • Owner raised the case of a few problematic moments related to this behaviour but overall it does work well.
Organizational loyalty	<ul style="list-style-type: none"> • Admitted to wanting his own business in future, one respondent nevertheless felt he was giving his best while still working with LIGHTING. • Staff average tenure is four years; this is acceptable; the owner sees some of the employees feel attached to the company. • Several staff resigned but still have a good relationship with the owner and promote LIGHTING to their current organization. • One respondent said there is a mix with a few employees who seemed not very keen to attach themselves to the organization. • One respondent could not imagine if anybody from this organization could aggravate or criticize LIGHTING to outsiders.
Organizational compliance	<ul style="list-style-type: none"> • Most employees follow organization’s rules and regulations and they know they have to do so; it was rated as 90% by the owner.
Individual initiative	<ul style="list-style-type: none"> • It does happen such as to taking turns for a break. • Individual initiative was seen by the owner as different between each member; he believes all his employees are capable of doing that. • Initiative on layout and lighting display, as well as stock tidiness leading to efficient storage spaces, are listed by one respondent. • Some staff voluntarily take over supervisor tasks while the former in absence.
Civic virtue	<ul style="list-style-type: none"> • Continue delivering to customers after normal working hours, most of the time everybody is willing to do so subject to an individual having free time (or having less important matters). • Most employees participate and are involved in the company’s retreat or trip although not 100%.
Self-development	<ul style="list-style-type: none"> • Technicians always improving skills and obtaining new information to repair new products, especially fans. • One member of staff truly exhibited this attitude but resigned. Others might do to some extent although it is not that obvious to the owner.

	<ul style="list-style-type: none"> • A new employee willing to learn more about LIGHTING operations and eager to work and learn beyond her current job scope. • There is also a technician willing to know about administrative and financial affairs with a hope to suggest more ideas or information to the betterment of an organization.
--	--

Sources: Interview transcripts and observation notes

Despite all the extra-role behaviours listed in the table above (see Table 5.14), the owner still hopes all his employees demonstrate themselves as widely informed, with knowledge of many products (lights and fans), either those sold by LIGHTING or elsewhere in order to suggest or give customers a wide range of options to choose or to think about beyond what they have ever had or seen before. The owner believes customers would love to hear free and expansive information from employees regardless of the availability of that particular product in the store. This requires an employee to have a high level of self-initiative as well as self-development behaviour or attitude in order to achieve that dreamed of type of employee. More teamwork effort, high tolerance between colleagues and increased work quality are several other ERB attributes to be practiced more and more in the organization.

All sets of evidence, from quantitative questionnaires and observations to the responses from interviews suggest that extra-role behaviours (ERB) are being practiced and should not be difficult to practice in future by all organization members in this conducive working environment.

5.5.4 Current treatment and the effect of ERB

The treatment of the extra-role behavioural element is a subsequent issue related to the discussion in the previous section. In this case study, whether ERB is formally treated by the current PMS or simply informally practiced while measuring employees' performance needs to be explored in this section. Two quotes by the owner, as the key person in measuring employees' performance will be followed by the supervisor, who is occasionally asked to contribute information or ideas while discussing measurement issues with the owner.

Subsequent evidence from another three respondents could add some consistency values to the discussion or otherwise could also rebut what has been disclosed by the two previous respondents.

Despite giving a list of job scope/description (Table 1) to all employees, the owner has clearly stated he does observe if any employee behaved or performed beyond what has been stipulated in the contract and job description. Several examples were listed in previous section (Table 4) such as taking over the supervisor's task in her absence, and looking after the store's decorative needs above expectations. Despite talking about the word 'complicated' when mentioning measuring ERB, such behaviour has not only been acknowledged and measured, it has also been rewarded, as stated in the owner's quotes below:

"I have done extra-role behaviour assessment but not in a formal way, such as measuring an employee's appearance, how he dresses and mixes (involvement), teamwork."

"Annual increment (salary) is equal for all staff, but bonus is different which depends on my extra assessment (extra role behaviour), a good staff member will get more and it is indeed different."

While stressing the importance of the behavioural element in the organization, the supervisor confidently draws a positive linkage between the company's performance with employees' behaviour. Since monitoring sales monthly, she noticed some negative effects on sales in a period when LIGHTING had a difficult moment or experienced problems with employees, although this effect was not that obvious in terms of annual or overall performance. This premise has been used by the supervisor to confirm the existence of bonuses, allowances, incentives as well as penalties related to the employee's behaviour, even though she acknowledged it was not clearly stated in the job contract nor was it documented elsewhere. Penalty for late arrival or absent without a notice could be an

example with regard to the above statement. Several warnings as well as motivation talks by the owner were also revealed by the supervisor such as to work hard and achieve sales targets in order to gain extra commission.

Both the owner and supervisor have given consistent evidence that ERBs were only treated informally while measuring an employee's performance. One respondent, however, perceived that behaviour and attitude were not related with bonus and annual increment, but rather involved advice or possibly a warning after having a discussion with the owner around issues concerning behaviour and attitude. The respondent had never experienced himself nor heard of any of his colleagues having been penalized by something such as a salary deduction, however, he did acknowledge a case of being awarded a lower amount of bonus due to taking too many leaves of absence in a year. Another newly recruited respondent admitted the practice of measuring ERB in the organization but could not confirm whether it affects salary, bonus, or promotion. The fifth respondent assumed advice or a warning that an employee received regarding his misbehaviour or inappropriate behaviour from the owner showed ERBs have been measured.

Some effects from measuring employees' ERB have been put forward by all respondents, and this could be a positive step to review and improve the organization's current informal approach. 'Courtesy' has been highlighted by one respondent and his motivation to do something extra such as ERB as he believes that all his good deeds will be rewarded in future. Measuring and rewarding ERB could possibly reduce the courtesy values but it is still good practice to influence others/colleagues to do the same extras while working. He does not see any negative effect from measuring ERB thus far, as this extra role behaviour normally did not take much effort or time which could affect his current roles. Another employee perceived measuring ERB could at least improve his behaviour if not for the

whole organization, and wished ERB to be formally measured and rewarded as a good staff member deserved something extra (reward) from the organization.

Another two respondents begged to differ with the previous two respondents as they preferred not to formalize an approach of measuring ERB. One also spelled out the 'courtesy' issue as she worried that formal measures and formal rewards could remove an honesty element from that good behaviour. She acknowledged that all her extra good actions to the company are due to the owner's kind-hearted attitude and he deserved to be complimented with such extra behaviours. Another respondent experienced a good and warm relationship among all staff in LIGHTING and did not favour any changes by giving rewards for behaviour.

The owner has concerns on the negative and positive effects of measuring ERB in his organization. He did not see much change or improvement in most of his employees' actions, either in-role or extra-role, if some element of rewards are not attached to. Thus, he believes the proper way to increase motivation for his employees to do more for the betterment of the organization is to apply some rewards regardless of a formal or informal approach of measuring those ERBs. However, the owner was also concerned with a disadvantage of rewarding ERB which is that employees compete with each other to gain more rewards and this could bring unhealthy intense or harsh competition. He also believed some employees possibly only perform or undertake ERB while he is around and not when he is absent. This resonates with several respondents regarding the possibility of decreasing or eliminating an element of honesty in their actions.

Lastly, this subsection will discuss the current treatment of ERB, listing several restrictions and problems faced by the owners while measuring ERB. He did not really believe or has high hopes regarding the CCTV (did not totally rule out using camera) but most of the time he referred to all staff, especially his supervisor, when facing issues in measuring

employees' performance. Lack of time has been revealed as the main problem measuring employees. He acknowledged that he has some experience and reasonable skills, if not that expert, in measuring and solving employees' problems, but the most effective way of giving advice and motivation probably needs to be improved and learned more. Employees have been advised, encouraged and warned many times in meetings once a week as most of them are easily distracted and forget what has been told to them. At the same time, the owner has tried to unearth the root of this problem by briefly analysing an employee's background and found that it could contribute to some extent to the employee's behaviour and attitude. Life experiences or grown-up environment, family background and circle of friends are among the factors suggested by the owner which need to be addressed when hiring employees to work with an organization.

5.5.5 Future plan for ERB and PMS

All respondents agreed that ERBs have been measured in their organization, but there are mix preferences between them in terms of choosing either a formal or informal approach in doing so. It could be assumed from the discussion in a previous subsection that LIGHTING currently uses an informal approach, but at the same time most acknowledged some element of rewards exist in that approach. The 'informal' approach, it was realized, had never been stated formally or clearly in writing on any official LIGHTING document regarding that issue.

Despite the mixed preference on the current situation, all respondents had more positive answers for future plans in their organization. Two respondents who preferred a formal approach still preferred their preference in future, however, two other respondents who had favoured the informal method opened to an option to make it formal at some point in the future. They, however, once again stressed that a formal approach was not suitable, for the reasons stated earlier, at least for now in the organization, when asked about future

plans on PMS and ERB. The owner, who perceived both positive and negative effects from formal ERB measurements, suggested an idea for the future:

“It could be good to formalize it (measuring ERBs) but there must be proper paperwork done, such as, firstly ask all employees need to assess (their behaviour and attitude) themselves, document it, so at least they are aware what they have valued or measured about themselves and known all the measurement criteria (KPIs).”

The owner seemed very positive with the idea as he believed employees should know their own behaviour better than others. He wished all his employees to think and realize why management need to measure all the extra elements, rather than only concentrating on the in-role behaviour.

There are lists of suggestions from respondents regarding the elements which need to be improved in order to cultivate and promote more practices of ERBs in the organization. Employees were asked to have less prejudice or envious feeling towards others, create a high tolerance culture among colleagues and work as a team especially during times of stress or when someone is having problems. Leadership and task allocation are the other two elements highlighted by most respondents which need to be improved including the owner himself especially on his own leadership style. A flexible work schedule was another element raised by the owner and he seemed to be very eager to implement this idea, but stated that his employees prefer to work to a more fixed time schedule (office hours) as happens currently. He was also far from satisfied with how LIGHTING has been organized or structured and wished to improve in the near future.

It is a very good thing for an organization to build a strong positive perception in all of the employees' mind-set towards what they are planning to do in future. One question has been asked on how the respondents perceived ERB, whether it could be a tool to compete or how to gain (if any) advantage to the organization. At least two respondents view a knowledgeable and good public relations employee could be the main tool to compete with

other businesses of the same industry. They both added that customers will value those extra behaviours and keep spreading the good experiences from one to another. The supervisor, however, believes that ERB could gain an advantage through the organization's stability, as well as with the low staff turnover rate. Several ERB elements such as loyalty, helping behaviour or civic virtue could be assumed to drive an organization to achieve stability as well as retain good employees to stay for a significantly long period. Another respondent sees a currently small number of staff is considered as a very good moment to build a strong and good relationship among colleagues as well as with the owner. This strong element of being together could influence other new employees to behave in the correct manner, even when LIGHTING grows to be a bigger company in future. This could also be considered as a part of ERB and will gain a significant edge towards competitors.

In order for ERB to act as a tool to compete with other business rivals, respondents were agreed after being asked about both a short and long term plan to facilitate such an idea. More meetings, religious reminders, and retreats for staff and family, were among the plans suggested to improve connection and togetherness among staff. Other respondents were more concerned about skills or in-role elements such as approving funds for administrative and technical courses and seminars; this could also promote ERB by facilitating employees to learn to be more tolerant, and help each other as well as work beyond expectations. ERB based courses and seminars were also suggested for the future plan, such as communication skills, self-confidence and motivation.

The owner has a special plan more towards himself rather than focusing on his employees. He wished to study and learn more about all his staff's attitude and behaviour, hiring more staff, the need for proper planning especially for the long term plan, and improving elements of fairness while measuring employee. He was concerned with the 'fairness' element in dealing with employees as it could be complicated, as what has been assumed

as a very good plan or strategy could be wrongly perceived or understood by employees, and could eventually cause failure of the plan as well as the company as a whole.

5.5.6 Summary on the implication of the case for PMS

Experience as an assistant manager in a Japanese manufacturing company has been fully utilised by LIGHTING's owner-manager in managing his own employees. It is proven by means of the documentation on generic and specific tasks for all positions in the company being properly prepared by the owner, as well as his strict criterion on employees' working attendance. The current PMS or measuring practices in the company show attendance as the main criterion to be measured. It seemed as if the owner try to imposed high discipline standard as well as recognized it as an easy and fair criterion to be used to measure employee performance.

Attendance, which is used as an impression to increase perception of fairness by employees, seems to be critical for more practices of ERB in an organization (Moorman, 1991; Schneider, et al., 1994) in addition to other ERB elements to be embedded in PMS. Moorman (1991) also suggests that fairness shows a manager could directly influence the practices of ERB, probably through PMS, as if it is part of the system, as Lau and Martin-Sardesai (2012) claim, fairness could be an antecedent of the choice of PMS. In addition, together with the right choice of comprehensive performance measure, perceived fairness could enhance employees' satisfaction and eventually their overall performance (Lau and Martin-Sardesai, 2012). This hints at a formula for the owner regarding how to retain good performers in LIGHTING, as well as connecting PMS with ERB as satisfaction and loyalty are closely related to each other.

It could be proven by sales commissions and bonuses, as these are based on overall performance rather than individual employees. The owner's justification seems closely

related to the ERB element which he tries to promote by encouraging teamwork, helping each other, as well as high tolerance behaviours, besides performing all stipulated tasks (in-role behaviour) in the employees' job scope. Admitting that he informally does a 'complicated' assessment on ERB such as on appearance and teamwork for the time being, the owner used ERB as a basis in awarding annual bonuses which differs between 'good' and 'less good' employees. Some respondents experienced some improvements from ERB measuring practices but, at the same time, some still have no idea whether it has been linked to any financial rewards.

Highly rated co-worker cohesion in the organization seems consistent with the flowchart of engaging customers in the company as underlined by the owner, where staff members essentially need to help each other to serve customers. This involves several steps starting from giving ideas, suggestions and information, taking a product from the store, testing, and preparing relevant documents. However, the owner has concerns and wishes to increase self-initiative or creativity (to find the best way to engage customers) and self-development (to understand as much information as possible about the products), and thus PMS could be used for this reason as it has been proven by Moulang (2013) whereby interactive PMS could increase employees' creativity.

The owner is also very determined to formally measure ERB in future and he wishes to start by preparing proper paperwork and relevant documents related to the idea such as obtaining views from employees on their own attitude and behaviour. This could be an initial step to give awareness and educate employees on the importance of those elements, and eventually suggest and impose ERB based KPIs in the future.

5.6 Case 5: Motel Holiday (MOTEL)

5.6.1 Background of the company

There is always a blessing from a bad situation that happens in life. Such a scenario could describe the situation of how MOTEL HOLIDAY (MOTEL), a small hotel - - known as a chalet by locals - was established by the first respondent in this case study. The interview began with his narration of how he became involved in the accommodation and hospitality industry from a totally different industry. Successfully managing an automotive and parts company in the local area the respondent, now acting as a manager at MOTEL, had zero knowledge of this lodging business but opted to 'jump-in' on trial and error basis. After the automotive industry experienced a bleak period following at the financial and economic crisis in Malaysia at the end of the 1990s, as a sole dealer for one of the international car makers in Malaysia's Eastern Region, he had no option but to divert to a new business. However, at that time, his objective was simply to sustain, if not increase, his current fortune that he managed to collect through his automotive business many years before.

In 2007, he invested a large amount of money to buy a piece of land with the value of RM1.5 million (\approx £300,000) and a year later, he managed to build several buildings (rooms) with an approximate cost of RM2.5 million (\approx £500,000). After five years in operation, MOTEL could afford to offer 31 rooms and one spacious hall for seminars and workshops to its customers. The operation is currently supported by 10 full time employees, who manage to generate approximately RM500,000 value of turnover per year at 60% average occupancy. The current values of both major assets have changed since it was acquired, with the land value - as claimed by the owner - rapidly increasing by 300% after five to six years and the buildings value depreciating to approximately 50% of the cost value in the same period.

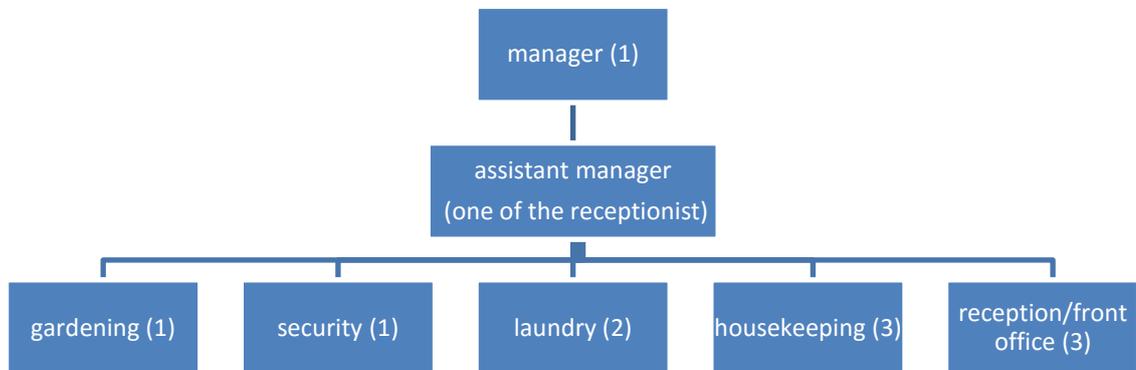
In terms of competition, lately MOTEL has experienced quite a tense condition as several new hotels and small lodgings have been built which operate within a three kilometres (two miles) radius. The owner believes that all competitors try to focus on different types of market; however, he quoted that approximately 500 different types of rooms are available in the local area. Competition has never been a huge challenge for MOTEL, at least after being involved in various businesses over the past 35 years, and he always uses it as a positive factor to improve services and effectiveness of his company. In the meantime, according to him, the main factor for competition is price, which represents approximately 30% with another 70% represented by various factors such as location, facilities, room cleanliness, services, overall appealing area (landscape) and a few other small factors. His words on competition are quoted below:

"I have to admit MOTEL have lack of promotion and advertising, but look on the positive side, people keep coming as we get 60-70 percent occupancy, then this makes me believe that they come due to the good story about our business, employees, cleanliness, beautiful landscape, good facilities, all from previous customers."

The owner also realized that his relatively smaller size operation compared to other local competitors brings an advantage, especially in terms of the feedback or reaction to fulfil customers' problems, needs or complaints, as they (MOTEL) managed to have prompt decision making. A direct contact (telephone) number to the manager (owner) in addition to the official front office number (receptionist), are given to all customers, in order to make them feel more confident and at ease rather than only allowing visitors to contact staff or the receptionist, as is the normal practice of most of businesses in this industry. He also fully utilizes CCTV technology and narrates that is also one of the reasons why MOTEL could react quicker than other competitors.

“The CCTV system assists me a lot in MOTEL’s operation, I have access from home (online) and I will immediately come to the office if there is a problem or anything that requires me to do so, even in the middle of the night.”

Figure 5.5: Organization chart



Source: Owner’s explanation

There is a simple hierarchy in MOTEL as displayed in Figure 5.5 described by the owner. He himself acts as a manager, directly overseeing all staff in his organization and occasionally assisting the front office department if there is an emergency or temporary urgent situation. The owner also mentioned one assistant manager in MOTEL’s organizational hierarchy, whose permanent role is at the front office (receptionist) but who is also given special tasks to deal with such as a quotation for a big event, large group bookings and also arranging seminars and workshops at MOTEL. The owner’s implicit meaning is that the title of assistant manager simply shows he is a slightly higher rank than the other staff in his department, but is not involved with the overall management of the business. Third tier staff is divided according to department: reception, housekeeping (in room cleaning), gardening (out of room cleaning), dhobi/laundry, and security (guard) as charted above.

Two other respondents involved with this case study are receptionists from the front office department, and another is a housekeeper. Vast experience from the owner has generously been shared in depth during the interview session, some of which is not directly related to

the themes constructed in this study, but still preciously contributing to academia generally, especially in the accounting research area.

5.6.2 Current performance measurement practices and working principles

The very first element highlighted by the owner regarding the employee performance measurement system (PMS) is the 'point system' for the hotel industry, which is totally different than other business sectors. A typical hotel is open for 24 hours, seven days a week but, at the same time, he insisted that under different related Act (Labour Act), staff are entitled to days off which can prove difficult for small lodging businesses with regard to balancing the cost of hiring more staff in order to maintain a good operations system (operating around the clock). The points system was explained as being somewhat costly as it incurs additional cost besides the minimum monthly salary; as an example, the rate for working weekends, public holidays and night shifts will be higher than the normal day rate. This needs to be applied in order to compete with larger hotels which may appear to be more attractive to work at; and could also avoid staff resigning and going to work at bigger hotels after gaining experience working for a few years in smaller establishments.

Generally, the owner described that employee performance is measured based on ability to undertake all tasks that have been specified according to the position. He explained further by stating measurement criteria such as employee attendance by looking at time sheets, communications skills or the way employees deal with customers, their ability to effectively prepare a price quotation for seminars or large group bookings, quality of room cleanliness and its readiness (room preparation), and the overall cleanliness of the MOTEL area. Mostly during the interview, the owner did not expand on in-role tasks that need to be done but preferred to bring discussion more towards general rules and working principles in MOTEL including those which related to ERB. Trustworthiness or honesty, flexibility, loyalty,

fairness, direct approach, freedom, and self-satisfaction are among the elements highlighted from many that were discussed by MOTEL's owner during the interview.

In MOTEL, staff within a department are allowed to have flexibility in making their own arrangements on how they wish to fulfil the basic requirement of their job. As an example, an arrangement on how many rooms need to be cleaned and prepared by one member of staff per day during the week/month is set by the housekeepers themselves. Another example was an arrangement for working shifts or the schedule for the front office personnel as clearly narrated by the owner:

"I am not that rigid but basic tasks need to be fulfilled, such as there must always be one staff in the front office and phone calls must be answered within three rings. It is all flexible in terms of how to achieve that requirement, as we have three shifts (three receptionists) and I believe this (flexibility) is an advantage to them. We are monitoring on how they manage to replace each other, and arrange their work schedule accordingly."

However, the owner also has a backup plan by having several stand-in staff for the front office department, including himself, as this first line (front office) service is one of the most critical parts in the lodgings business industry.

Besides flexibility, as discussed above, MOTEL's work system adopted by the owner seems to be unique as he always tries to impose a trustworthy element on all of his employees, which he claimed has proven an effective and successful element. This is based on his experience from the automotive business; he explained one situation on the benefit of having a very good and loyal staff who worked for him for more than 30 years.

"I always wish trustworthiness to be adopted by all employees; I was scolded by my own clerk before when I had sold a product lower than the right price. It shows how she cares about my business, kind of a value to protect the business. I am happy to have this (kind of) staff, I humbly apologized and admitted that she knows better than me about the price of the product."

Another example of the beneficial rewards gained by an organization with a highly trustworthy staff happened in MOTEL itself. One staff member once helped the owner to resolve a case of theft committed by a new member of staff without even asking the owner to become involved, but just depending on the evidence available to him. The owner approved his action, after having being explained and shown evidence, and was quite happy with the outcome. He believed his staff knows the best among them, as they work together most of the time, and happy to have staff who act with a high integrity and loyalty to MOTEL.

The owner also uses a very direct approach when dealing with his staff, and prefers to meet face-to-face with individual staff occasionally based on cases, either to give instructions and orders, or advice and warnings, rather than call a meeting with all of them. Meetings will normally be called if there is a big event needing to be handled where he needs to delegate and coordinate everybody with tasks required. He believes that face-to-face meeting motivate people more effectively than meeting in groups as some of the staff may be reluctant to say something personal in a group meeting.

Teamwork is one motivation element used by the owner. By suggesting that he is one of the team members who needs to work together with his employees he tried to reduce gap between the staff and the superior and rather positioned himself as an investor, as in a quote below:

“I prefer not to force my staff to do something, they need to realize that we (owner and employees) are both working to get an income to live, thus we must work as a team. I always tell them I am not your boss (superior) but an investor, so that we need to work together to generate income for us. I am not a type of stingy owner, if everybody works well, I will pay them what they deserved to get.”

The quote above could also be interpreted that the owner wished to distribute the wealth generated from MOTEL in the fairest way possible, and recognized all efforts done by his staff, probably beyond what has been stipulated in the document earlier. However, the challenge here is how this 'fairness' principle could be understood and gelled in MOTEL employees' minds; in other words how the owner needs to convince 'fairness' has been imposed on wealth distribution.

The owner believes that most of the time, employees in any organization only follow or comply with rules and regulations in front of their superior, and this has influenced MOTEL's owner to allow his employees to have a huge amount of freedom while working. However, he is aware that freedom should have limits and needs to be balanced with routines of work, as he narrated in the quote below:

"Mostly the company creates routines (by imposing rules) on their employees but I do not like the idea, I prefer to give them (employees) freedom. However, if too much freedom is given, they will forget their main routine of work (as specified in the contract), and currently I am looking a solutions to this dilemma."

Self-satisfaction is the final principle to be discussed regarding employee performance measurement practices in MOTEL. A quote below could be viewed in two ways; firstly, on the importance of satisfaction in whatever we do, and satisfaction increasing self determination to excel and eventually allow generation of wealth or income; secondly, the quote also implicitly shows that the owner is willing to use money as a motivator to make his employees feel satisfied and possibly increase their determination to work hard for an organization. This is evidenced by the owner explaining that he has paid MOTEL employees a comparatively higher salary, and even almost 100% higher compared to some small businesses.

"In this business, I put self-satisfaction ahead of financial motive, we will jump from doing one business to another in order to get

money, but if we are satisfied with what we are doing, the money will probably come eventually (since we are more determined), first people look for money, when they have some amount of money they look for satisfaction, I love to be here, feel very leisurely, do whatever is needed, I do the landscaping and I feel very satisfied, and the money (sales) keep coming as well.”

The other three respondents clearly stated measurement criteria for PMS in MOTEL, rather than vaguely discussing the working principles of the owner. One receptionist listed several criteria such as: attendance, document and record management, quality of work in terms of tidiness and balancing cash and physical evidence, appearance (uniform), communication both with colleagues and customers, as well as socialization with all people around an employee. The final two aspects seem to be directly related to ERB, especially the last criterion, and it was explained that the owner is concerned with the out of office circle of friends his employees are involved with as some of them (personal friends) could easily access MOTEL as the front office is a public place and this could affect MOTEL's image to customers.

Another receptionist, however, opted to generalize his answer by saying that his superior measures everything possible, all aspects in as much detail as possible. He narrated one example in showing the details of the assessment where he was once corrected or advised by the superior when he handed a receipt to customer by only placing it on the counter (table), rather than hand to hand. At the same time, the respondent confirmed a couple of principles exposed by the owner in terms of 'flexibility' on shift arrangements and 'trustworthiness' regarding a theft case, being imposed on MOTEL employees' work practices.

Sales figures, once again, were denied by the respondent as one of the measurement criteria which is consistent with the owner's principle of putting self-satisfaction ahead of financial motives in MOTEL's operation.

“I don’t think he (superior) considers sales while measuring employees’ performance, although in my opinion we are one of the best hotels (sales performance), and it is also normal for a business owner to wish for more sales.”

Quality of work is very important; for instance, how to deal with or handle customers, managing cash and related documents, but at the same time ‘freedom’ is always attached to the way tasks should be completed, as long as the final objectives of the task or department are achieved. The housekeeping department also required certain quality standards as stated by another respondent, such as level of cleanliness, which is occasionally checked by the superior (owner) as well as by receptionists on behalf of the owner.

Besides work attendance and appearance (uniform) as the measurement criteria for housekeepers, ‘flexibility’ was also highlighted as one of the good principles being imposed in the department. It is clearly defined by a respondent’s quote below which again echoed with the owner and previous respondents’ statement in MOTEL.

“We have been assessed on a few criteria, such as quantity of rooms cleaned, level of cleanliness, and our superior will check our work schedule/record accordingly. He asked for an explanation if there is a huge gap or difference (in terms of number of rooms cleaned) between three of us. Ideally it should be more or less the same number of rooms cleaned every day, but since we have flexibility to arrange our work schedule, it is easier for us to help each other and tolerate if one of us needs to be replaced/covered on her task.”

Uniform is compulsory for housekeepers (receptionists as well) to make it easier for customers to recognize them if they need to ask or request something for their rooms, and the owner has concerns and has even warned his staff about this. The respondents also admitted attitude and courtesy while communicating or dealing with customers has been monitored, and the same gestures also need to be adopted when interacting with colleagues in MOTEL.

After five years in operation, not many changes could obviously be seen, especially as most of the respondents' tenure was less than MOTEL's age. However, some responded with valuable information when asked about the differences between current and previous PMS in MOTEL as well as with PMS in organizations where they had worked previously. The housekeeper respondent has only been at MOTEL for six months but has equivalent experience working at big hotel for two years and acknowledged that working with MOTEL is more relaxed (less workload) and comfortable. On average, she needed to handle 20-30 rooms during full occupancy in the previous organization but currently has a maximum of 10 rooms, as MOTEL has only 31 rooms. Less details, working directly under the owner (no supervisor), and flexibility (easier to get a leave or days off) are among the list of advantages she recognized while comparing with her previous organization.

A receptionist employed for the past four years at MOTEL exposed a lot of information regarding the work system and principles enforced by the owner on him since his first day with MOTEL. He acknowledged that he was regularly advised and reprimanded during the early days, but he had expected that to be part of the learning process while working at a new place (as he has worked in a few organization before), and eventually he learned and understood a lot of things regarding MOTEL's operation. He applied for a job in MOTEL in housekeeping but was offered a front office position by the owner at that time. Initially he refused the job as he had no experience of working as a first liner (dealing with customers) in previous organizations, but accepted after being convinced by the owner; now he proudly considers he successfully performs the job with full satisfaction. Basically, he is happy working under his superior (the owner) and impressed with what has been imposed on him.

"I was very shy (to be a receptionist) but I am willing to try as he (the owner) convinced me, and after closely knowing him, I am impressed with him. He has a lot of business experience and I have learned a lot from him, he personally taught me to deal with

customers, to do simple room maintenance related to electrical appliances, air-conditioning, assessing our (my) capability, advised, warned, and I remember it until now. He knows the best way to deal with his staff, to make us (me) to learn more and more.”

Another receptionist had not really noticed many changes after being with MOTEL for a year but still managed to say that his superior brought up little details in his assessment recently. Advice and reprimands, as well as instructions have been given from time to time and he realized that he needed to improve to avoid repeating the same mistakes which could invite the owner’s wrath or disinterest in him. Meanwhile, the owner’s answer was very plain and simple regarding the possibility of improvement or change in MOTEL’s performance measurement system for the past five years, he acknowledged ‘it is still the same’ and recognized that his style is, indeed, just like before (since in his previous organizations).

5.6.3 Behavioural working environment and the practices of ERB

Two previous sections of this case highlighted competition and also employee work principles or performance measurement practices being adopted by MOTEL. A few elements from the above sections could be combined and discussed further, specifically on behavioural aspects of MOTEL’s working environment as well as how it relates to extra-role behaviour (ERB). Employee behaviour was listed as one basis to compete in the hotel industry. The importance of the human element in order to be competitive to others was acknowledged by MOTEL’s owner. Customers’ feedback is the main source of information regarding employees’ behavioural strengths or weaknesses as explained by the owner.

“Staff is also a part of the competition basis, we could identify that from feedback or words from customers, as an example, when they come to our place to get a room, they do complain about employee’s behaviours or manners compared to hotels (they previously stayed).”

A few elements or principles discussed from the perspective of employee's measurement practices could be further supported by other types of evidence gathered in this case study. The behavioural aspect of the working environment in MOTEL is very important to prove that a good and conducive working environment could help an organization to be more effective through the practices of both employees' in-role and extra-role behaviour. Many employees' behaviours or actions have been exposed by all respondents in this case study, either practiced by themselves or by their colleagues.

Table 5.15, below, extracted from quantitative evidence gathered through the questionnaire concerning the working environment in MOTEL is based on a 5-point Likert scale, ranging 1 representing 'bad', to 5 for 'excellent'. More than 70% of the working elements in MOTEL were rated between 'good' and 'excellent' (value=4 and 5) on average by all respondents. Four elements sit equally at the top of the table with an almost maximum value, which could be considered as achieving an excellent condition. These top elements are clearly consistent with previous evidence and discussion such as: autonomy which could be linked with the flexibility element in the previous section, safety as supported by the CCTV system and security guards, welfare which was obviously claimed by the owner, and communication which, once again, linked with flexibility as one of the core employee measurements in MOTEL. The owner also adopts his own communicating style by using a face-to-face approach.

Table 5.15: MOTEL working environment

	AVERAGE RATE
Autonomy	4.8
Safety	4.8
Welfare	4.8
Communication	4.8
Superior support	4.5
Freedom	4.5
Co-worker cohesion	4.3

Workload pressure	4.3
Time pressure	4.3
Physical comfort	4.3
Involvement	4.0
Challenge	4.0
Stability	4.0
Task efficiency	3.8
Innovation	3.8
Control	3.8
Fairness	3.8
Changes	3.5
Opportunity	3.3

Source: Quantitative evidence

Meanwhile, 'changes' is one of the bottom two items listed in the table' it is also parallel with evidence gathered through interviews when respondents, mostly, did not notice many changes in MOTEL. 'Opportunity' also seems to be limited in MOTEL, due to the very simple and rather flat hierarchy, with no supervisors, and everybody directly working under the owner/manager. There is an assistant manager in the hierarchy, but his role is essentially the same as other third tier staff in the hierarchy with the addition of handling an extra task compared to others in the same department. Working elements related with ERB were rated as 'good' with cohesion, involvement, and innovation all recorded the value of 4, except for communication which was rated as almost excellent by respondents.

A three days two night stay at MOTEL gave a good opportunity for this study to be supplemented with another type of evidence, that is, through observation. All related information on the working environment of the organization which could contribute to the study has been noted under several different categories. Table 5.16 summarises some explanations on observations of the working environment in MOTEL during the stay.

Table 5.16: Observation of working environment

CATEGORY	ITEMS/EXPLANATIONS
Signage/notices	<ul style="list-style-type: none"> • Beautiful and clear front signage shows the name of the chalet. • Several clear basic signs at the front office such as 'welcome' and 'thank you', and acceptance of major payment cards. • Clear direction signage to show room location. • Free internet zone sign at the restaurant. • Several certificates showing the owner's and MOTEL's achievements including as a million ringgit producer.
Operation	<ul style="list-style-type: none"> • Considered as relatively small accommodation business, with 31 rooms, ranging from standard to superior and one seminar room (60-80 capacity). • All rooms furnished with television and fully air-conditioned; a private bathroom with hot and cold water facilities. • Basic facilities such as parking area (inside for cars, outside for buses), airport pick up, car rental, one hall for seminars, BBQ area, café and catering, and free wireless internet connection at restaurant area. • 60% occupancy rate on average throughout the year.
Layout	<ul style="list-style-type: none"> • Pleasant and clean front office or lobby where the interviews took place. • Pleasant and clean room with air-conditioning unit and hot shower. • Small shop selling basic travellers needs such as instant food, mineral water and bottled juice, shaver, soap etc. • Secured with CCTV (camera) for most areas of the chalet. • Beautiful landscaping and well maintained area surrounding the chalet. • Good arrangement of room keys and tidy record keeping.
Staff activity	<ul style="list-style-type: none"> • Staff appears to enjoy working as a team. • Schedule for receptionist shifts is flexibly organized between three without much interference from the owner, as they voluntarily cover for each other while having a break or in case of emergency leave, or sometimes when the other arrives late to the office. • Few staffs looks committed in doing the task given such as cleaning the surrounding area, sweeping the leaves and cleaning the room. • Staff changed bulb on the balcony immediately when asked. • Conversations between receptionist and customers went well. One customer became angry due to miscommunication, blaming the (staff) organization, and the receptionist appeared very cool and managed the situation very well.
Words of staff	<ul style="list-style-type: none"> • Several staff talking to each other in a joyful mood at the front office area. • Not many chances to talk with other staff (limited number) or hear anything from them, but two of the respondents were recorded as the longest interviews compared to all other respondents of the overall study, with 129 and 106 minutes respectively (average interview period is 60 minutes).

Source: Observation notes and photographs

Several explanations could be understood from the above table which shows a good and conducive working environment for employees to be more productive and excel in MOTEL. Under the layout category, MOTEL's overall surrounding areas as well as a few main areas such as the customer waiting area (front office), reception counter, and rooms are all clean and well maintained. This suggests that everybody takes responsibility to ensure everything is kept in a very good condition, or possibly that they are following rules and regulations imposed on them. Joyful mood among colleagues, flexibility and tolerance towards each other, high commitment to undertake allocated tasks and managing to be patient and kind

while handling problematic customer are all examples of a very impressive working condition in MOTEL, which could also relate to the practices of ERB.

As an example, the above explanation of flexibility on work shift schedule could indicate extra-role behaviour (ERB) is being practiced in this organization, which seems to allow employees to help each other, tolerate and sacrifice some personal affairs, as well as valuing the high team spirit.

In addition, to view employees' behaviours through the working environment perspective, one specific question was asked of all respondents in MOTEL on the practices of ERB, based on seven categories of behaviour adopted from a previous study. Practices or actions of the extra-role by MOTEL's employees are both from the respondents themselves as well as from all of their colleagues, as listed in Table 5.17 below:

Table 5.17: ERB practices in MOTEL

ELEMENTS	EXAMPLES OF PRACTICES
Helping behaviour	<ul style="list-style-type: none"> • Happens most of the time, such as willingness to clean extra rooms to cover/replace staff who has emergency problem (housekeeping department), and willing to wait until the next staff arrives for new shift, even when shift is finished (front office department). • Record and handle booking properly, as any mistakes occurring will totally affect other front office staff working on the next shift. • Owner always double checks all bookings and records during his visits normally in the evening and night. • Receptionists help to clean front office area, even though one staff member is specifically responsible for the task. • Receptionists help with simple maintenance such as bulb replacement, or problems with televisions or air-conditioners, when person in charge is busy.
Sportsmanship	<ul style="list-style-type: none"> • Staff within one department manages to tolerate each other to arrange work shift schedule. • Accept any fault or blame when dealing with customer even when it is not his wrong doing (done by customers or colleagues). • Has to accept blame voiced by the owner, even sometimes one feels that was not his fault. • Owner has on occasion apologize if he did something wrong to his staff. • A respondent admitted she tried to behave as good as possible to avoid conflicts among colleagues, as it could bring problems while working.
Organizational loyalty	<ul style="list-style-type: none"> • One receptionist has been rated as loyal (work for many years) by the owner as it is quite normal for front office department to have high staff turnover. • One case of an employee committing financial wrong doing being revealed/caught. • Protecting MOTEL's image by not allowing personal friends free access to the chalet without reasonable reason. • Control and choose a better personal circle of friends in order to protect MOTEL image to customers. • A respondent admitted the need to show off to customers that he (or other staff) is willing to help his colleagues and work as a team, as this is what customers want from hotel employees, which is they (customers) believe and experience a rapid response on their request.

	<ul style="list-style-type: none"> • A receptionist has a higher concern with room cleanliness and requests customers to report any dissatisfaction so that it could be improved, rather than remaining silent.
Organizational compliance	<ul style="list-style-type: none"> • Most employees follow rules and regulations, as the owner has detailed what his employees need to do and personally discusses with specific employees if any misconduct occurs. • CCTV system also helps to make sure all employees comply with MOTEL's rules.
Individual initiative	<ul style="list-style-type: none"> • Willing to prepare rooms faster than normal pace, if new customers need to check into particular rooms early or in the morning (normal check in is 12 pm). • One staff very concerned about information sharing in his department and feels everybody needs to have high commitment while working. • Suggesting improvement on how the room should be cleaned effectively such as using cleaning trolley rather than bucket/pail. • Engaged with a high level of skill in dealing with customers, such as if facing a double booking. • Creativity needed when arranging rooms, especially on extended stays by trying the very best not to move customers to a new room for the extended stay. • Customers' cars require extra caution and are well arranged by one member of staff to make sure every customer has at least one parking space.
Civic virtue	<ul style="list-style-type: none"> • On his own initiative, one respondent willingly behaved in a better manner even though he believed the owner did not measure his behavioural performance, such as the way he mixed or associated with personal friends. • A staff voluntarily offered to park a customer's car (an offshore worker) and to look after the car without any extra charge (for good image of MOTEL), although the owner has suggested his staff to take some charge as personal extra income. • One respondent believes that employee behaviour is the main icon for MOTEL where all types of behaviour will directly affect an organization as a whole.
Self-development	<ul style="list-style-type: none"> • During their early days in MOTEL, staff usually learn a lot from the owner or their senior colleagues by asking questions and observing their actions. • Staff learns beyond their main role from the owner and colleagues. • One respondent believes that learning extra aspects is good as it could improve skills and knowledge in various fields/areas. • Receptionist take work pressure, especially facing problematic and fussy customers, as a good challenge to improve patience and gain more experience, turn it into a positive experience by meeting various types of people (satisfaction).

Sources: Interviews' transcripts and observation notes

All respondents' answers, recorded in the above table, undoubtedly suggest abundant ERBs being practiced in MOTEL employees' daily activities. In all categories, at least two examples were revealed of employees' actions or intentions and beliefs to act on certain actions directly related with ERB. Self-satisfaction, freedom and flexibility as imposed by the owner and raised in earlier sections by respondents, seems to be a success factor to bring a positive labour force to the MOTEL. Helping behaviour, sportsmanship, organizational loyalty and individual initiatives, categories which recorded the most numbers of examples of ERBs, proves that MOTEL is experiencing a very good and conducive work environment thus far in their operation. One modest quote, below, could summarise the overall systems and condition of MOTEL at present:

“Teamwork is at its best right now in MOTEL, people (customers) keep coming and leaving our place, and this (good turnover) will not happen if we do not have a right working system(teamwork) between us.”

5.6.4 Current treatment of ERB

After discussing PMS and ERB practices in two earlier chapters, this section will bring another insight to ERB, which is the treatment of this widely practiced behaviour by MOTEL’s management team. However, as far as this case is concerned, the owner is probably the only member of MOTEL’s management team, as an assistant manager is not directly involved in managing this organization. Thus, he solely handles all tasks regarding assessing and measuring employee performance in MOTEL but, at the same time, he might ask any member of his staff to help on a case by case basis.

There are a few apparent words from respondents, regarding the treatment of ERB in MOTEL and it could be understood not all of them are in the same direction. The owner of MOTEL acknowledged a few elements in his previous quote, above, which includes employees as part of the competition basis for his business. Therefore, he has used all his business experience to build and form a very formidable workforce for MOTEL, and imposed several principles such as flexibility, self-satisfaction, and trustworthiness to name a few, to support the execution of in-role tasks specified according to the positions of the employees. Several quotes from the owner also highlight behavioural elements he is concerned with, which could implicitly suggest he did measure employee extra-role behaviours (ERBs), such as teamwork, honesty, willingness to learn, tolerance, patience, and determination or commitment. Another quote, below, could be used to firmly believe that the owner measured ERB, in addition to in-role behaviour.

“In this first-line (front-line) service based business, staff attitude and behaviour is very important, especially while dealing with customers, besides specific knowledge (skills) from the moment he (customer) calls to book a room, until he checks out and leaves our compound. We (MOTEL) look at everything to reward our employees, (such as) patience, while dealing with customers.”

The owner believes that he always tries not to ask his employees to do more than that specified in the letter (contract or document) but admitted once or twice in extremely rare cases he has needed to do so, and has tried to do so in the best possible way. Meanwhile, in terms of rewarding ERB, as noted in a previous section, he is willing to pay on every aspect his employees deserve, this indirectly suggests ERB has been rewarded in the MOTEL employee performance measurement system (PMS).

A receptionist respondent was indecisive when giving answers on whether his superior included the behavioural element while measuring employee performance in MOTEL, but he firmly acknowledged the importance of the element while working.

“He (owner) did not look much on personal affairs, but more towards our tasks, but he is concerned with whom I am friends with, he does not like if I am involved with mischievous or ill-behaved people, probably he is concern that it could affect my work. He did assess or apply kind of selection before hiring people to work with him.”

He once again stressed that he had never directly discussed behavioural matters or issues with the owner, and suggested that as far as he knew, his salary is purely based on his work. However, he believed as a good member of staff, he needs to behave well, follow rules and regulations, and associate with a good circle of people for the sake of company's image. At the same time he also admitted he could be motivated to behave better if he received rewards for extra behaviours performed while working, but insisted only if his main tasks are settled before he could do the extra.

Meanwhile, another receptionist respondent gave a different answer when he totally believes his superior measures everything, all aspects related to the employee's performance, and also suggested that most of the time employees do not realized this is happening. He also claimed he has a fairly close relationship with the owner or, in other words, has been trusted by the owner, compared to all his colleagues. It was based on the owner's preference to always give him more work to do than the others without giving any extra payment, but which he is nevertheless happy to do that for his superior. Therefore, based on his close relationship with the owner, the claim above which strongly suggests that MOTEL's owner does measure everything implicitly including ERB, could be recognized compared to the earlier receptionist respondent's response. A housekeeping respondent had the same belief with the later receptionist that the owner is have concerned with staff behaviours and attitude but did no reward any kind of incentives based on such elements.

Since this study failed to obtain a document listing specified tasks given to employees, it could not completely suggest current performance measurement is practiced in a formal way. Thus far, all other respondents might assume the measurement practice is implemented in such an informal way that they failed to believe it was linked to any kind of reward or incentives. The only evidence to categorize ERB measurement is formally practiced was based on the owner's words during the interviews as he rewards everything (including ERB) his employees deserve.

5.6.5 Future plan on ERB and PMS

Responses from the owner regarding ERB have been recorded in an earlier section which implies that MOTEL formally includes extra behaviour as part of the practice of measuring and rewarding employees' performance. However, since all other respondents representing MOTEL's employees believed their superior was merely concerned (one respondent said it was measured but not rewarded) with their ERBs rather than formally measuring and

rewarding those behaviours, a few suggestions were given regarding ERB treatment as well as performance practices in future.

Since one receptionist believed there good effects would ensue from the act of rewarding ERB, he suggested it could formally been done by MOTEL management in future. He added that the quality of work (in-role) would also improve, as well as increasing staff commitment and honesty from this formal practice. Another respondent from the same department also said formally measuring and rewarding ERB will bring good effects to an organization as he looked it as one whole system. If one behavioural element in the system fails to function effectively, the whole system will be affected. He added that motivation to practice more ERBs will also be increased following rewards and incentives such as receiving a bonus at the end of year if an employee behaves nicely or does not bring any problems to the organization.

However, the receptionist was also somewhat concerned regarding the backlash of the action (formally rewarded ERB), such as substantial differences in salary or bonuses from different ERBs could attract disharmony among staff as the main role is obviously the same. Personally he preferred to be rewarded on ERB but still more or less the same amount to make sure the current harmony environment was maintained in MOTEL.

A housekeeper expressed concern regarding teamwork as part of the extra-role behaviours and thus believed formally rewarding ERB will bring good effect to herself to be more tolerant and pleasant to her colleagues, with a high hope she will receive the same treatment from them. Formally measuring teamwork and staff's good attitude towards customers is very important as it was also claimed by this respondent, to make sure MOTEL will excel and manage to compete with big lodging companies.

Finally, all respondents were asked to suggest any improvements to be made in MOTEL in order to increase more practices of ERB, and then to use ERB as an effective tool to

compete, which were believed eventually to bring overall success to the organization. The owner listed several such as: (1) bring a consultant (outside expertise) to handle courses for employees, (2) expose employees with competitors' tasks and salary so they could compare with MOTEL (as he claimed MOTEL has less work but better pay), and (3) find solutions to manage or balance between employee's freedom and regulations. A few more suggestions were expressed by the three respondents in this case study such as: (4) organize a family day or party to appreciate staff once a year, (5) hire or retain honest staff as they could be a role model to others, (6) arrange staff meetings or at least get together once a month to improve or retain togetherness among colleagues, (7) send staff for related courses, and (8) increase enforcement on some important rules such as wearing MOTEL uniform (to increase sense of belonging).

5.6.6 Summary on the implication of the case for PMS

Owning and managing a hotel business after previously holding a record as a successful businessman has given MOTEL owner great satisfaction with the way he runs his current business. Firmly believing in a few working principles he successfully practised in his previous business, he is very confident the same thing should be applied to his current set of employees probably with some minor adjustments and improvement.

Several main principles he narrated during the interview session include: trustworthiness, freedom and flexibility, welfare and financial benefits, as well as self-satisfaction. The entire elements chosen seem related with ERB to some extent and, thus far, it is successfully proven to effectively increase MOTEL's performance to be a strong competitor among other lodging businesses in the local area. Observing further in terms of the connection between all these principles, it appears they are all interrelated and contribute to having a good and strong workforce in MOTEL.

The trustworthy element has been desired by the owner to be possessed by all employees as he wishes to impose freedom and flexibility rather than strict rules and regulations. If the employee perceives he is a trusted member of staff as well as important to the organization, he is probably inclined to work hard to achieve his individual performance measure and hence be more self-regulated (Burney and Widener 2007), thus it could be seen as connected to freedom and flexibility rather than strict rules and regulations. In another view, the owner loves to see easy and cheerful working conditions, which probably comes from freedom and flexibility among staff, with an intention to let them feel internally motivated to work. Based on the owner's motives, it has been found in the same study by Burney and Widener (2007), as they argue that intrinsic motivational mechanisms could help in explaining the effects of a strategic PMS on employee performance.

In terms of flexibility alone, teams in a few departments in MOTEL normally practice quite a high level of flexibility in achieving their department as well as individual objectives. This type of working condition could be viewed as an advantage to MOTEL as a whole, as it has been reported in a study by Thorne and Smith (2000) that flexible organization is always perceived to be an important element in sustaining competitive advantage. The role played by management accounting, or specifically PMS, to measure team effectiveness and a few models suggested in the study (Thorne and Smith, 2000) could be useful to be adopted by MOTEL in increasing teamwork effectiveness.

A good level of welfare and high rewards and benefit packages also seems to be one of MOTEL's strategies to gain and increase employees' satisfaction and it was believed this could be used as a great element to manage and control other affairs related to employees. According to a study on 3M by Schneider, et al. (1994), employees who believe they have been unfairly exploited by the manager (feel getting less than their effort) will probably have no or little commitment. Thus, PMS needs to be properly developed to embrace

welfare and rewards elements to ensure employees feel they are fairly treated and to ensure commitment towards the organization is always at a good level. From another perspective, different rewards systems could also influence different effects both on in-role and extra role behaviour in an organization (Yap et al., 2009) as well as potential advantages and disadvantages of formally rewarding ERB (Becton et al., 2008).

5.7 Case 6: Legal Practice Services (PRACTICE)

5.7.1 Background of the company

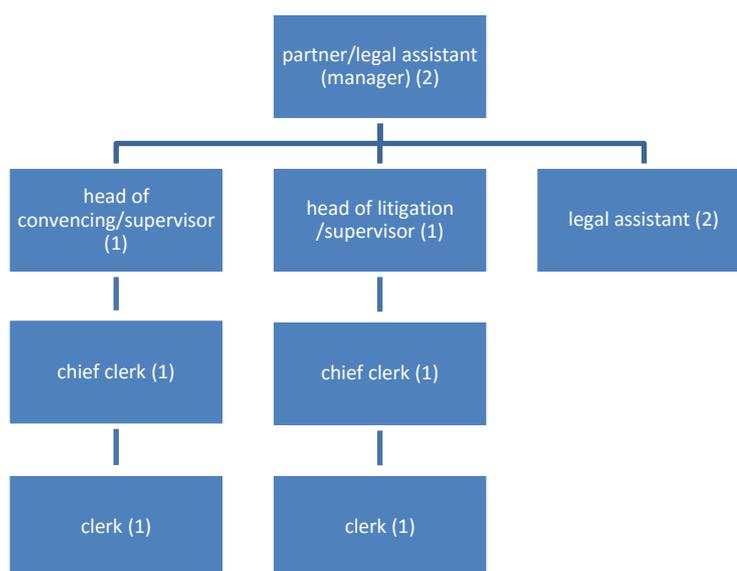
Originally this legal practice organization was initiated by a legal assistant/lawyer (owner) in January 2002, but established with the current company name, LEGAL PRACTICE SERVICES, when another two legal assistants/lawyers (partners/owners) join the business in 2004. It has three different branches and this case study focuses solely on a branch in Kuala Terengganu, fully managed by one of the partners. For the past 12 years, PRACTICE (solely refers to the branch) has hired 10 employees where the owner (partner) has full authority regarding all administrative and financial affairs for this organization (branch).

A wide variety of services are listed as being offered by PRACTICE in its website such as to provide advice in the area of banking and securities, building contracts and disputes, general real estate, conveyancing, corporate and commercial matters, joint ventures, Shariah (Islamic) law, civil and criminal litigation. All such services allow PRACTICE to reap an average turnover of RM200,000-300,000 (= ≈£40,000-60,000) per year from its operation. This legal services based company does not own huge amounts of assets, listing only an office building at an approximate value of RM500,000 (≈£100,000), and another RM20,000 (≈£4,000) value for office equipment and furniture. There is no official company vehicle as partners and lawyers all use their own personal vehicles for out of office meetings with clients.

In terms of competition locally in the city area (capital state) there are more than 50 companies who compete in the same industry and the figure increases every year, according to the owner. Mostly, newly graduated lawyers prefer to form their own legal services companies (partnership) after completing a compulsory nine-month chambering period in court. The figure could go up to 100 competitors for the whole state. In the meantime, the owner seemed not really worried with the large number of competitors as he outlined the most important criterion to compete in this industry is 'reputation'. The quality of lawyers which eventually brings a good reputation to the organization cannot be achieved by all newly formed practices. Service fee or charge to the client was acknowledged as another affecting factor but it did not rate as the main aspect or affect the competition much. He further explained that customers always look at the quality of a lawyer himself, the publicity and confidence of that particular individual (lawyer). It seems to be assumed that the reputation of the overall organization depends much on each individual lawyer serving or hired by a particular company.

This case study interviewed four members of this organization (see Figure 5.6) which include: the partner/legal assistant (lawyer/owner), litigation clerk, general clerk, and another legal assistant (lawyer/non-partner). Three respondents were interviewed at PRACTICE's premises and one in a nearby restaurant, with all conversations strictly confidential and could be overheard by any other member of staff.

Figure 5.6: Organization chart



Source: Owner's explanation

The main role of a legal assistant is to give legal advice to clients but, at the same time as being a partner (one of the owners) and also a manager who oversees and manages the overall affairs in this organization, the respondent has a wide range of tasks in PRACTICE. Marketing tasks, monitoring staff, hiring and sizing (determine the size of operation) and all general affairs regarding office administration are among the roles played by the respondent (partner) in addition to his expert role of giving legal advice to clients and legal consultation to his legal assistants/staff. Gaining two years' experience working as a legal assistant with a legal firm immediately after graduating gave him valuable and meaningful information as it is much related with PRACTICE's current operation. The partner raised an issue of managing staff as well as general office operations when explaining more about what he needs to be concerned with when operating his own legal firm. Although the setting of the previous office environment is the same, the role he needs to play now is different as a manager. He acknowledged that experience is extremely important for any legal assistant to start his own legal practice and rated seven years' experience is the best period or, in other words, a minimum period to ensure the success of the practice.

One of the growth or success measures for PRACTICE could obviously be seen through the physical office improvement as it had started as a joined office (hiring a room) with another firm, until the owner managed to invest and own a very comfortable, end lot, double-storey house (see Appendix D) as their office. A beautiful and attractive office is not a common entity for a legal practice firm as they are restricted under a special regulation whereby they are not permitted to promote and advertise their business operation to a certain level (such as the size of office's board name). PRACTICE seems to bring a different style and idea to bear; but this may serve the comfort and spaciousness more towards their own employees (family) than to clients or outsiders.

5.7.2 Current practices of performance measurement system (PMS)

The partner is fully in-charge of measuring and assessing employee performance in PRACTICE. He outlined a few performance measures which particularly related to the type of job or roles played by his staff. As an example, a legal assistant has been measured purely on how he is handling client cases in court, and sometimes how he deals with clients and his preparation with relevant documents before verbally representing a client in a court session. Office hours' attendance has only been applied to office staff such as clerks, where a punch-card machine is used to record all daily presence. Meanwhile, staff known as runners, who obtain 'road accident' cases, are been measured through quantity or output, which is currently set at a minimum of five cases per month.

Due to his expertise as a senior legal assistant, an explanation of how he assesses junior legal assistants in his firm was revealed in great detail. Several criteria are spelled out specifically for measuring legal assistants' performance, and this is very critical to any legal firm. The achievement of businesses operating in this type of industry genuinely depends on the performance of their legal assistants, thus this key player's performance needs to be treated carefully.

“It depends on how they handle cases in court, confidence level, besides the outcome of the case (case verdict), win or lose, and also client satisfaction (should be taken care of).”

Lawyers' confidence level is very important, as important as the final decision of either winning or losing the case. Meanwhile, client satisfaction mostly depends on their expectation of the case and the outcome of the case could normally be predicted. It is normally based on the available documents and information provided by clients as well as the reputation of the opponent (opposing legal assistant). The chance of a certain level of winning (e.g., gaining or reducing compensation) most represents client satisfaction level. Additionally, skills, talent and the art of questioning are among others being exposed by the partner in a quote below:

“We do compare the lawyer's (legal assistant) performance with the available documents (winning chances). Actually it is (lawyer's performance) more about personal skills and talent, not all lawyers possess this (skills and talent), not even for a lawyer graduate with academic excellence. We also look at his creativity, courage and the art of questioning and cross questioning opponents.”

The partner admitted that he normally needs to closely guide a new lawyer by sitting by his side when conducting a case in court at the beginning of their career with PRACTICE. He perceived the style of close guidance is valuable and, at the same time, acknowledged all measurement criteria he has discussed above have very much an impact on the performance of the firm.

The other legal assistant respondent gave information which could be construed as confirming that discussed by the partner but using different terms and explanations. He has never been measured on office attendance but admitted being assessed on how he dealt with a client and handled the case in court. Since working with PRACTICE for the past five years, the respondent seemed to acknowledge his superior's (partner) ability in measuring employees' capability handling a specific case by being present at only one meeting with

the client, together with him or the other lawyer in-charge. Due to natural characteristics of this business, different clients usually bring different types of cases, thus the partner needs to assess almost every case and see whether his subordinate could handle it. The respondent also opted to discuss the quality rather than quantity of cases. He claimed that his preference to undertake and solve complicated and outstanding cases was also being noticed and valued by the partner. However, he exposed that although PRACTICE did not really care much about quantity, the monetary value which could be gained or reduced by a case was also a concern of the partner. This possibly explains the level of case winning discussed earlier by the partner.

The clerk respondent, who works full time in the office preparing all case related documents, agreed that her attendance is recorded but is quite flexible. Currently the punch-card machine to record staff attendance has not been strictly enforced as was the case several years ago but, even so, she was sure that no employees arrive to work more than 15 minutes late. The number of new cases opened (acquired) in a month is one of the criteria, but the partner also assesses the quality of work and urgency. She believes that quality of work and meeting client expectations in terms of instant feedback are the two main criteria that bring more cases to the business.

Another clerk respondent doing general tasks for PRACTICE has been working for the past 11 years in this organization. Currently he concentrates more on doing out of office tasks such as delivering documents/letters, accompanying clients to any related premises (government agency, hospital, police station) and helping clients submit or fill out related reports and documents. He humbly accepted that he does not currently know much about what has been measured in his daily tasks as he rarely meets or deals with his superior (partner). However, he believed that the partner has faith and full of confidence in him, according to the quote below:

“I rarely meet him (superior), maybe he relies on my experience (15 years overall and 11 years with this organization), he seems to have faith in me that I could do my job. Once he has asked me to do something, he will never ask how I’m going to deliver the task (steps to be taken), and I really do not have much pressure with my job.”

At the same time the respondent admitted the partner is concerned with the end result of the task and he also guessed that, probably, his superior does assess the quality of his work as well but he has never mentioned it. Roles with a daily standard procedure which have less technical elements do not demand much attention from the superior and, furthermore, the respondent has a wide and many years’ in-depth experience of routine tasks.

Several changes were expected on how PRACTICE assess or measure their employees after 12 years in business. The partner again talked about the value of experience as he now feels more comfortable assessing employees as he gained more experience in recent years compared to earlier years in operation. Feedback from clients such as their level of confidence with the lawyers appointed to them bring a good point for him to reassess staff (lawyers) performance and also arrange a personal face-to-face meeting with a specific employee. One clerk, who has only worked at the firm for the past three years, could not say much about the changes but managed to say that her superiors place high trust in their employees. This statement is supported by another clerk who has worked at the firm for the past 11 years, and he also added a few other points by saying that the superior offers high flexibility and tolerance towards his subordinates.

The final element to be discussed in this section is the good and bad aspect of the current employee performance measurement system. In general, it shows that the partner is fairly satisfied with the overall PMS implementation in PRACTICE as reported in a quote below:

“As overall I feel okay with the way they have been measured, as the most important thing (this measurement system) staff could

experience self-improvement, self-development, it is very important."

Denying any disciplinary problems ever existed in the organization, the partner acknowledged his firm taking care of employees' welfare to the best possible level. He also seemed to value staff experience highly, and tried not to lose any of his staff at any level in his organization.

"Thus far there have been no disciplinary problems, some of the staff left but it was due to getting a better offer with a big organization and government agency (which we could not afford to compete with). Nobody has jumped ship to other competitors (firms in the same industry) as we have taken care of our staff welfare very well. It is still a loss to our company when they left as experience is so valuable even though he is only a lower level staff, and you won't get the same with a new employee (skills, expertise, experience)."

One respondent felt that PRACTICE needs to be more detailed especially on the quality of work and pay more attention on employees' condition (busy or hectic) accordingly, or according to the task given. However, the respondent was satisfied with the overall system and simply gave the suggestion as he believed there is always an opportunity to improve in an organization. Another respondent highlighted again that nobody has ever been terminated, to show the good aspect of employee treatment in PRACTICE. He was also impressed with the way the partner managed problems among staff, trying to settle privately and prohibited others being involved with the problem. Although PRACTICE rarely held staff meetings which only take place once a year (except for a one-off occasion such as Eid celebration or family trip), everything appears to be smoothly managed by all members of the organization.

On a different note, one respondent preferred to highlight some weaknesses about PRACTICE's measurement practice. The quote, below, gives an interpretation that being too

flexible and too kind towards staff could also be viewed as a bad or negative aspect in managing or measuring employees in an organization.

“Generally, my boss (superior) is easily to be swayed by his staff, to be influenced, and I have considered that as a soft spot and it is not good and needs to be improved. There is a case where he has been criticized by his own underperforming staff, but he still put (perceived) good faith in the staff.”

5.7.3 The behavioural dimension and Extra-Role Behaviour (ERB) practices

several instances regarding the behavioural dimension practices in this organization have been discussed in the previous section specifically related to the revelation and admission by all respondents that some extra behavioural elements have been observed, valued and measured, and treated (informal way) as part of the performance measuring system towards their employees. This section explores further to observe how employees perceive and practice more ERB while undertaking daily activities in the organization or give some ideas to promote and encourage this practice to happen.

It is believed that good behavioural practices, which eventually increase organizational effectiveness, could be encouraged through a good or conducive working environment, thus all 19 elements of the working environment were rated as in Table 5.18, below:

Table 5.18: PRACTICE working environment

	AVERAGE RATE
Freedom	4.8
Physical comfort	4.8
Involvement	4.5
Superior support	4.5
Co-worker cohesion	4.5
Welfare	4.5
Stability	4.5
Communication	4.5
Autonomy	4.3
Safety	4.3

Changes	4.3
Opportunity	4.3
Innovation	4.0
Control	4.0
Fairness	4.0
Challenge	3.8
Task efficiency	3.8
Workload pressure	3.8
Time Pressure	3.5

Source: Quantitative evidence

Freedom and physical comfort are the joint top elements rated at 4.8 on average by all respondents in PRACTICE from the maximum value of 5.0 on a 5-point Likert scale. Six other elements including several closely related to ERB such as involvement, cohesion and communication all lie between 'excellent' and 'good' in the organization. Innovation, as another ERB related element, recorded a value of 4 representing 'good' practices for creating new methods or improving the way of working in the organization. All such ERB related elements could help in improving organizational effectiveness and efficiency as all were rated highly and perceived as 'good to excellence'. Both types of pressure are rooted at the bottom of the table, but this could be as a result of confusing views about pressure in the workplace. Respondents may have understood 'fair to good' pressure to mean feeling less pressure (compared to all other elements) or maybe they thought that they had experienced a good level of pressure as the value of 3.8 is almost good (value 4.0 = good).

Another piece of evidence was gathered while visiting the PRACTICE workplace regarding the working environment as discussed earlier in this subsection. Observations were completed between interviews or while waiting for respondents to start an interview either in a partner's official room or at the common client area for other respondents. Table 5.19 lists several items (section) with several explanations on each of them.

Table 5.19: Observation of working environment

ITEMS	EXPLANATIONS
Signage/notices	<ul style="list-style-type: none"> • Several clear notices/signs such as the company’s name and greeting used in several places. • One information notice board hang at the front (outside) showing the latest cases being handled by the company which has been highlighted by the local daily. • List of services that could be offered to customers by the company.
Operation	<ul style="list-style-type: none"> • Operated as a law (legal practice) firm since 2004, currently four partners (owners) handle the main branch and three other branches (not in local area). • Most activities or operations of legal practice firm could be divided between three different premises; office, court or client place.
Layout	<ul style="list-style-type: none"> • This firm has bought one end unit of a link-house and converted the house into the main office. It could be considered as a comparatively big, spacious office for a law firm in that local area. • Several parking spaces for staff and clients and the surrounding area is impressive with the pleasant, green landscape. • Several CCTV (security camera) installed at the office for security rather than staff monitoring. • Overall cleanliness is very good as the firm employ cleaning services twice a week; additionally all staffs need to take care of their own work area on a regular basis. • Client waiting area is very comfortable and could accommodate 10 people, with sofas, reading materials, table and chairs for clients to write or form fill. There are also two sets of garden chairs and tables at the front yard. • Spacious and comfortable pantry and praying area also available for staff during breaks and when performing daily religious ritual.
Staff activity	<ul style="list-style-type: none"> • Most staff look happy at work; generally relaxed atmosphere while working. • Several staff who do not have normal working hours are very independent and flexible as long as tasks are completed as requested. • The partners (managers) seem very tolerate with their staff and organize many programmes to ensure staff feel good working at this firm, such as Eid celebrations, family days (outing), staff recognition dinners etc. • Staff seems very happy to handle a programme together; they cooperate very well, as while visiting the firm’s office they are busy preparing for Eid celebration.
Words of staff	<ul style="list-style-type: none"> • While awaiting the partner (owner) for an interview session, a member of staff asked me he could help with anything although he is not the receptionist (or the one who seems to do receptionist role) and only a lower level staff.

Source: Observation notes and photographs

Several issues are worthy of mention here especially looking at the explanation column on behavioural practices related to ERB in Table 5.19 above. There is evidence that supports previously ranked elements in Table 5.18 such as: high value of ‘physical comfort’, which could obviously be noticed and explained as spacious office area, and comfortable customer waiting area, pantry, praying room, and parking spaces, when spending a few days at the office (cf. Appendix C). The shared responsibility for cleaning activities marks a very good involvement and tolerance among all staff. Additionally, the example of personal

initiative by offering help, even though he is only at the lowest level in the organization work hierarchy impressed the researcher.

A joyful and happy mode of working was noticed either when performing in-role tasks or handling the staff social programme. Another piece of evidence showing involvement, helping behaviour, and togetherness elements occurred where staff with the management appeared to be happily organizing many activities and events for the organization. The list of events organized by the firm through their staff was impressive, as picked up from PRACTICE’s website and itemised in Table 5.20, below.

Table 5.20: Events involved or organized by PRACTICE

DATE		EXPLANATIONS
2014	Jun/July	• Three-day trip to holiday resort (Family day) - including telematch and dinner for all family.
	May	• Round table meeting for Sharia Legal Profession Act
	February	• Two-day ‘Team building’ outing to holiday cottage with a theme “TOGETHER WE GROW”.
2013	December	• Farewell party for a staff member who left the firm.
	November	• Firm’s open day and Eid celebration.
	October	• Staff appreciation night.
	September	• Farewell party for a staff member who left the firm.
	July	• Three-day trip to holiday resort (Family Day) – including telematch, and paintball sports activity.
2012	September	• Firm’s open day and Eid celebration.
	July	• Law’s and administrative seminar (including Islamic banking operation) organized for all staff.
	May/ June	• Three-day trip to holiday resort (Family day).
	May	• Ceremony held for the acceptance as a qualified legal assistant (solicitor and advocate) for one of the chambering staff.
	February	• Inter staff bowling tournament.
	January	• Farewell party of internship student and partner’s birthday party.
2011	November	• Partner’s attending farewell (retired) party of Shariah State High Court Judge. • Winning badminton tournament (inter-lawyer)
	June	• Three-day trip to holiday island resort (Family day) – including telematch.
	February	• Two staff attending seminar on technology and globalization.
2010	November	• Farewell party of internship students.
	July	• Farewell party for a staff member who left the firm. • Inter-staff bowling tournament.
	June	• Farewell party for a staff member who left the firm.
	May	• Workshop for staff training at holiday resort.
2009	June	• Two-day trip to beach resort (Family day)
	-	• Bowling and paintball tournament.
2008	May	• Two- day trip to beach resort (Family day)

Source: Company’s website

Generally, for the past seven years, PRACTICE has never forgotten to treat all their staff, including family members, to have a Family Day trip for two to three days to a holiday

cottage or resort in Malaysia. This has been explained as part of the welfare programme for all staff at a substantial cost to the firm (approximately RM30,000 = ≈£6,000 as quoted by a partner for that year). A few programmes were held during the trips which could improve togetherness among all staff such as, telematch, paintball, talent night, dinner and a few beach/pool related sports activities. Bowling and badminton tournaments are the two common events organized to increase both physical and mental health among staff. Additionally, a ‘team building’ workshop for all staff was organized by the firm and several seminars have been attended by some of the staff under the firm’s fund or allocation. Lastly, from the table it appears all staff (including internship students) leaving the organization are appreciated with a farewell party; this is consistent with the partner’s statement that a few staff have left the firm on mutual consent, most of whom gained a better position at a government agency or further their study.

After observing and asking indirect questions (working environment) on practices of ERB, this third piece evidence shows the respondents’ answers from a specific question asked directly regarding the ERB element. Table 5.21 summarises the practices of ERB according to the specific category or elements, either performed by respondents themselves or where they noticed such behaviour from other colleagues in the organization.

Table 5.21: ERB practices in PRACTICE

ELEMENTS	EXAMPLES OF PRACTICES
Helping behaviour	<ul style="list-style-type: none"> • Partner stated that this almost compulsory as most of the tasks need to be performed as a team. Teamwork is very important. E.g. answering calls is everybody’s task regardless of which phone rings on any staff desk. • One respondent feels a family type relationship while working. • Working as a team again explained as very important as one specific case/task needs to be run through by all levels of staff, from the partner to the lower levels, before it is considered completed. • Helped clerk to call client which was not part of his role in the office. • Help other people everywhere (HOPE) is considered as one of the respondents’ life principles.
Sportsmanship	<ul style="list-style-type: none"> • It happens most of the time, and when there is conflict, partner will call both parties and settle the problem as soon as possible and at the same time prohibit other colleagues to get involved. • One respondent acknowledged this behavioural practice is aplenty and indeed important. • It is important as if one staff is intolerant (problems) when the task is being processed, the whole task could have not been completed.

	<ul style="list-style-type: none"> • One respondent said that tolerance is such a basic thing in an office and could not imagine if staff have not practiced this.
Organizational loyalty	<ul style="list-style-type: none"> • It happens on average as admitted by the partner and other respondents.
Organizational compliance	<ul style="list-style-type: none"> • Most employees follow the firm's rules and regulations.
Individual initiative	<ul style="list-style-type: none"> • Respondent acknowledged that staff always think and suggest how to improve organization effectiveness. • Changes happen almost every year and have been rated high as all staff continue to give ideas and suggestions. • Mostly all social events organized were initiated by staff (approved by partner), such as all events in family day trips. • Workplace environment, such as office layout and physical filing on racks have normally been done by staff initiative. • Respondents voluntarily help others on simple computer problems.
Civic virtue	<ul style="list-style-type: none"> • It has been quoted from partner; there are some who work beyond office hours without extra pay. • Partner has been rated as having lots of civic virtue by one respondent. • One respondent admitted occasionally offering legal services for a minimum (RM100 ≈£25) fee for the poor. • Respondent rated this as one of the basic work ethics he needs to fulfil while working.
Self-development	<ul style="list-style-type: none"> • Staff willing to attend workshops and seminars but sometimes funds allocation is restricted. • Respondent rated as being a legal assistant always required him to improve and develop personal skills, creativity and information. • Partner once asked respondent to find some good reading books for lawyers and other staff.

Sources: Interviews' transcripts

Respondents' answers, listed in the above table, clearly suggest plenty of ERBs have been performed or practiced by some quarters of PRACTICE's staff if not by all. Most categories show several examples of how ERBs have been practiced or what type of activities could be characterized except for organizational loyalty and compliance. Both categories recorded all positive answers from respondents but they did not give any examples, except plainly accepting there is a sense of loyalty and compliance within their workforce. At the same time, it could be assumed that PRACTICE has comparatively less rules and regulations for their staff, and this could also relate to the evidence of partners being kind and overly tolerant.

Three pieces of evidences regarding the general behavioural aspect as well as specifically exploring extra role behaviour practices in PRACTICE consistently suggest that this organization has a very good environment for most ERB elements to be richly practiced such as helping each other, teamwork spirit, individual initiatives, high tolerance, and self-development. It could also be appreciated that the management is willing to spend and

allocate large amounts of funds to improve or at least maintain the current admirable family type of working condition by organizing extra social activities, sporting events well as academic based workshops.

5.7.4 Current treatment and the effect of measuring ERB

Besides all criteria used to measure employees' in-role performance which have been discussed in the current practices PMS section, some extra-role behaviours were also observed, valued and measured by PRACTICE when assessing employees' overall performance. This has been clearly acknowledged by some respondents and a partner's quote, below, is an example specifically explaining how he included ERB as part of his measurement practices.

"I have valued beyond the normal in-role work behaviour when considering for promotion and salary increments. I consider every extra thing, sincerity towards his job, commitment to the organization, togetherness. Sometimes I notice a few staff still working after office hours, (thus) their determination and commitment are all observed and valued."

One previous case or example has been narrated by the owner regarding the initiative and sincerity of his staff when helping to move approximately 500 clients' files to the new building (current office). A staff member had even asked a few of his friends to give assistance during the night without waiting for the partner's instruction, and the latter was impressed with the staff member's initiative and what he had done for the company. Incidentally, the partner confessed that he never directly briefed or informed his staff about ERB measurements although thoroughly measuring all those things informally.

Meanwhile, the other respondent who works all day in the office undoubtedly feels that her relationship with colleagues in the office has been observed as well as the teamwork spirit while working. Other than that, she could not offer much information regarding

whether ERBs have been valued, measured and possibly attached with reward and bonus determination. She also perceived that partners do not care much or, in other words, have such a high tolerance of personal or extra- role affairs. She gave the example that, to her knowledge thus far, none of her colleagues' appearance had ever been cautioned or advised before.

A long serving respondent gave a slightly different view compared with the answers given by the respondent above, when he admitted that the partner values all those extra little aspects which have been done while working. However, he echoed his colleague's view, that salary increment and bonuses are not directly related with extra role assessment and confidently stated seniority (period of serving) is the main basis for salary and bonus calculation. Meanwhile, both respondents agreed that partners or management never directly mentioned ERB and this seems consistent with partner's quote below:

"I do not directly tell (brief) them (about measuring ERBs), but we do measure that, and we observe thoroughly in informal ways."

A legal assistant respondent gave a neutral rating when asked about the importance of the behavioural element placed by his superior on him and his colleagues. Although he did not totally rule out the partner having assessed ERB, he preferred to feel that his superior has less concern about personal or extra aspects while working, and tries to avoid being branded as crossing staff personal borderlines. In his previous answer, this respondent actually did acknowledge communication and interactions among colleagues are part of the employee measurement system; thus it could be assumed he did not see much ERB related to individual or personal attributes (appearance, attitude, self-development) but agreed there is treatment on interactional type of behaviour.

Moving to the possible effects arising from measuring employee's ERB, mix responses were laid out by all respondents. A legal assistant personally felt that, generally, the treatment of

ERB by measuring and rewarding those behaviours could positively affect employees' performance in an organization. However, he believed that all his actions have/will not be bothered much on reward or financial valuation, but more toward self-satisfaction.

"I believe in hereafter and am not bothered whether it (extra-role behaviour) is measured or not, rewarded or not, I do for my personal self-satisfaction."

Measuring and rewarding ERB was also supposed to be a good move by an organization as clarified by another respondent. He linked the bonus and reward in relation to ERB practices through motivation, which could encourage an employee to perform that more frequently in future. He believed a better performing organization will return financial benefits which could be shared with all organization members. However, at the same time he understood this solely depends on a partner's discretion, thus he should not expect it while doing ERB, but feel happy if it is rewarded. He also highly believes that his superior could give a fair assessment and reward on ERB because failing to do so will surely bring bad effects to the organization, which the partner is the first person who try to avoid that to be happened.

The above concern has obviously been raised by the clerk, even though he considered measuring and rewarding ERB could bring both positive and negative effects to the organization. An element of jealousy as well as fairness from the treatment of ERB, were the bases for her negative perceptions as stated in her quote below:

"It seems to bring unhealthy competition to do something good (extra) to the superior and this exposes to a chance of misjudgment or being looked on as unfair, as it is due to no clear cut or specific criteria (standard) for measuring behaviour."

She was also concerned with the weightage of the behaviour, that is, a conflict between small action that could bring huge financial advantage and big action which probably has less financial effect to the organization. On a positive note, she did not deny any kind of

reward could bring a motivation element to an employee to do more in future, where rewards from ERB practices are not spared from this general rule.

A partner as the one who directly measures employee's performance clarified that bonus is determined by the overall performance (target) of the company. He then attached ERB as one of many factors assisting achieving the company's overall annual target and thus deserving to be included in the performance measurement system (PMS) of PRACTICE. He does not see any negative effects could obviously be notified by this action and acknowledged measurement of ERB brings good and positive impact to his organization, but admitted he has only managed to informally measure those behaviours at this moment.

A few restrictions to formally measuring ERB were gathered from all respondents, and most agreed that being busy with daily tasks is the main reason as partners need to be in court and do marketing for the firm. There is an answer suggesting that expertise could be an issue, as humbly admitted by the partner, he might need to improve his measurement or assessment skills on employees. It has been considered as difficult to fairly measure employee behaviour, another reason given by a respondent, as well as the owner's forgiving attitude, being too kind and highly tolerant of staff actions are a few other reasons exposed in this case study.

5.7.5 Future plan for ERB and PMS

Although currently there is a mixed opinion on the effect of measuring and rewarding ERB in future, only one respondent still believed that ERB needs only informal treatment, with the other three optimistic that a measuring system be improved to a formal system. The partner wished to see a healthy challenge among staff and perceived this could bring an improvement to the employees' behaviours themselves. This could also avoid an employee being complacent and reluctant to improve or stay at his comfortable level. The same view

was shared by the clerk who always looked to agree to anything that could possibly improve organizational performance. More details regarding performance criteria are lauded by another respondent as it could give more information to the management team to make better decisions on employees' performance levels.

In service based business operations such as PRACTICE, the human factor undeniably plays a major part in competition, especially under current intense competition. Customer assessing and demanding firm's effectiveness and efficiency, eyeing fast and good services from firm's panel of legal assistants as well as good and timely evaluation/status report to existing customers. Thus, ERB could be among the elements that could improve human capital in an organization and deserve to be treated and managed with a better system. There is also a view on 'self-satisfaction' from practicing ERB, with an analogy of the satisfaction value gained from giving donations or doing charity events, which could advantage an organization. Learning by example by senior (long serving) staff by showing ERB practices to a new staff member, could also be perceived to uphold the good working culture in an organization.

Performing extra-role behaviour has also been perceived as automatically bringing good elements to the organization based on the 'golden rule' of ethics theory; "Do unto others as you would have them do unto you" (Singer, M. G., 1963, p.293). However, respondents in this case study referred his argument to an Islamic principle which carries comparatively the same meaning with the statement. ERB which is construed as part of good deeds will return some good things into the company, such as a good image from outsiders' perspectives, and in the end increasing overall betterment of an organization. A Shariah legal assistant respondent also narrated a religious blessing will be poured on the individual as well as the organization as a whole for practising ERB as it is, again, believed to be part of good deeds of human actions.

Finally, to compete on human based factors with other businesses in the same industry, ERB needs to be strategically planned as an ample tool by PRACTICE. Short and long term plans were suggested by all respondents which, somehow, could be used as good points to ponder by the PRACTICE management team. Possibly speaking on behalf of all staff, clerks and legal assistant respondents listed the plans as follows: (1) some office tools and equipment should be improved, (2) attitude of staff especially for seniors (long serving) need to be more open and appreciate juniors' ideas and suggestions, (3) maintain all good events such as family days, workshops, and sports friendly tournaments; (4) organizing more less detailed programmes such as picnics or any other sports and social activities on weekends and public holidays, and (5) improve hiring practices with a probation period for newly recruited staff.

At the same time, there is also a plan regarding financial benefits. The idea could be interpreted as costly to PRACTICE as he wished all staff to be financially satisfied by receiving a stable or comfortable benefit. He believed that a financially satisfied workforce manage to return a lot of success to an organization in the long term, such as staying with the organization for a reasonable tenancy and also behaving in a very good manner including both in and extra role behaviours.

The partner's plans or views could be seen as more realistic as they come from himself as one of the owners of PRACTICE with an assumption he has considered almost all good and bad effects of the plan. He has quite a few ideas to be implemented in his organization in future, but overall its goes to one objective which is to sustain and increase teamwork, sense of togetherness and loyalty among all his staff. He plans to have more inter-branch programmes under the 'teamwork' keyword as quote below:

"Teamwork needs to be really strong, inter-branch linkage must be improved, besides that we must also perform as an individual unit, so that it could be easier for us to suggest other branch services to

our customers, and this could be vital and advantageous to us in servicing our customers.”

Plans for employee benefits, workshops or courses, especially related to documentation (as it always changes), as well as social activities, were explained thoroughly to feed the discussion on his company's future undertaking. A partner claimed that he has tried to improve the benefits scheme and perhaps he feels he has already converted his firm as a semi-government unit, with most of government's policies such as working hours, annual leave and public holidays have all been adopted. Since a few staff have left and joined government agencies, he has conducted his own investigation on that issue and as a result he currently tries to match government employee financial incentives, as near as possible.

The final plan for PRACTICE to take full advantage of ERB in order to compete with its rivals is evolved around 'Family Day' programmes, referring to two to three day annual trips to a holiday resort. He wished to improve this annual programme to be more meaningful instead of a total leisure or holiday trip as explained in a quote below:

“We need to improve (the activity) as it is very important, being an 'ice breaker' among staff, we need to highlight a few things with the objectives to increase staff motivation, togetherness, and make them feel appreciated. There are a lot of benefits from 'Family Day' in addition to make staff and all their family happy.”

The partner also claimed that according to the local law firm's association, PRACTICE is the only firm in the local area who managed to organize annual Family Day trips, especially at a holiday resort as it costs a lot of money. He believed by updating photographs and information regarding Family Day, as well as a lot of other social activities through the firm's blog (website), it keeps reminding all staff that PRACTICE is an outstanding organization compared to others, at least in terms of appreciating staff work effort. Eventually, this will increase staff sense of belonging, as well as loyalty towards their

organization. He has narrated more on how he feels that money spent on the programme is worth every penny.

“We have a lot of meaningful activities (in family day programme), talks/sermons, competitions, presentations, and all of that (activities) requires them to have teamwork and to be united. A lot of money is involved and that’s why we try to make it worth every penny that we spent on that. We believe teamwork didn’t come free and it needs an investment to exist.”

5.7.6 Summary on the implication of the case for PMS

Most of the income generated by a legal practice like PRACTICE comes through their legal assistant/lawyer/partner capability and reputation because eventually the business organization will be attached to the good individual qualities of their legal assistants. Thus the PRACTICE owner/partner stressed that performance measurement practices in his organization mainly focus on the individual legal assistants’ capability which is based on skills, the art of questioning, confidence level, and talent. Moulang’s (2013) study appears to be closely relevant, measuring legal assistant personnel, which involves psychological empowerment and individual creativity elements. Most of the criteria explained by the owner such as skills, determination (confidence level) and perceived impact on the outcome (court cases) have been covered by the study (Moulang, 2013) and, thus, the importance of having interactive PMS could be an option or at least worthy of consideration by PRACTICE.

At the same time as overall in the organization employees were also measured on their commitment to do in-role tasks as well as extra-roles, including self-improvement, self-development, teamwork and togetherness, as well as sincerity. Commitment from employees in general towards the organization could be enhanced through creating a climate and culture of success (Schneider, et al., 1994) and PMS could be linked with this culture of success creation by choosing the right rewards and benefits for employees.

Currently ERB measurement in PRACTICE has been informally implemented as the owner did not directly mention his thorough observation to employees.

Admitting that the annual bonus is determined by the overall performance (target) of the company, the owner believed that ERB should be included as part of the factors (PMS) to improve the organizational performance of his business. A few steps have been taken thus far to bring togetherness and teamwork, as well as satisfaction, among employees by the top management. Programmes such as organizing annual family days/retreat programmes, appreciation lunches or dinners for staff and apprentices, as well as sports events, are more towards building togetherness among colleagues and immediate family. The costly family day retreats that have been organized every year are believed to be an outstanding strategy to maintain the current positive working conditions in PRACTICE which are rarely being held by other competitors operating in the same industry.

5.8 Conclusion

As a conclusion to this case study chapter, evidence collected from all cases is matched and linked back to the research objectives of this study, through all five research questions. The current practice of measuring employee performance has clearly been asked of all respondents, and all of the owner-managers admitted that they are fully responsible and in control of decisions regarding measuring their employees' performance. Data extracted from interview transcripts shows that criteria for measuring employees in the SMEs, as well as criteria used to compete with other SMEs (competitors), are directly and closely related to human and behavioural factors such as the quality of work, fast delivery, creativity and work initiative, trustworthiness, discipline, and reputation.

Plenty of examples given by both owner-managers and employees stress the high importance of behaviour while working in their organizations. This evidence is related to

the second research question, which seeks to examine how aware are SMEs of behavioural elements, or specifically ERB, in their day-to-day working environment, and how they value these attributes. Furthermore, the wide practice of ERB, as well as the actions of employees which could be considered to be ERB or closely related to this type of behaviour, was recounted by all respondents in all cases; strengthening the evidence in answering this research question.

In terms of the current treatment of ERBs in SMEs, the answer to this third research question is quite obvious, as all six owner-managers admitted that they do acknowledge and reward ERB as one of the criteria in measuring employee performance. However, only one manager (of COMPUTER) insisted it is formally been treated in her organization, while the remaining managers perceived that their actions more towards informal treatment. Written job descriptions and job contracts taken from the SMEs confirmed the above statement that the treatment of measuring ERB is merely informal. In none of the documents does it show any written criterion for ERB in measuring employees' performance.

Evidence from the case studies could also being used to answer the fourth and fifth research questions of this study, which involve the possible implications of formally measuring ERB and future plans for managing and improving ERB practices, respectively. Most of the respondents of this study perceived positive, rather than negative, effects when they were asked about possible implications for the formal treatment of ERB. Only a few of them were still concerned about negative effects, and they also predicted possible mixed implications if this type of behaviour were to be explicitly measured and rewarded. Finally, to the very last question of this study, all six SMEs have listed copious examples relating to plans for organizing activities to increase the practices of ERB; eventually to transfer the benefits of behavioural actions to the betterment of their organizations.

After lengthy narrated cases which covered all relevant themes outlined in the questionnaire, there are discussions on the implications for PMS at the end of each case. Issues from a single case study will be further analysed to observe the connection and relationship between cases and overall findings in the subsequent chapter of cross-case analysis, before being conclude in the final chapter of the thesis.

Chapter 6: Cross-case Analysis

6.1 Introduction

This chapter takes a subsequent step from the previous chapter in the presentation of all data and information gathered from the respondents of this study. All information from individual cases has been narrated and presented in a previous chapter but more valuable information will be analysed and displayed through cross-case analysis of all the SMEs. Several issues related to ERB will be highlighted in this chapter which show some of the effects on Management Accounting as well as, specifically, to the performance measurement area.

6.2 Comparative summary of the background data from the six cases of SMEs

Detailed information on all six companies has been much discussed and displayed in the quantitative chapter (Chapter 4) of the study and the current chapter picks several of the main highlights considered as important information to be discussed further. After all the cases were analysed individually in a previous chapter, a cross-case analysis is undertaken and the following tables display the findings and further explanations to be explained accordingly.

Table 6.1 shows a summary background of the companies in order to give some basic information on the characteristics of the cases. The years of existence of the SMEs range from five to 22 and they have all passed the introductory phase of operation. Size of company in terms of number of employees shows the least as 10 employees (MOTEL and PRACTICE) rising to 35 employees (FURNITURE). In terms of the annual turnover, PRACTICE

recorded the lowest figure at RM200,000 – 300,000, meanwhile COMPUTER generated the most sales at RM 5 – 9 million.

Table 6.1: Backgrounds of the SMEs

	ACCOUNTING	FURNITURE	MOTEL	PRACTICE	LIGHTING	COMPUTER
Sector	Management services	Manufacturing of furniture	Lodging services	Legal services	Trading consumer products	IT sales and services
Years in existence	8	22	5	12	7	15
No. of employees	15	23	10	10	12	34
Annual turnover	500k	600k – 2.4 m	500k	200k – 300k	1.2 m	5m – 9 m
No. of local competitors	50	10	500 (rooms)	30 – 50	15	45

Source: Questionnaires database

Under both criteria specified by the guidelines for new SME definition in Malaysia (Guideline for New SME Definition, SME Corp. Malaysia, 2013), which effectively started on 1 January 2014, most of the SMEs involved in this study could be categorized under ‘small’ rather than ‘micro’ or ‘medium’ sized enterprises. Only PRACTICE could be considered as ‘micro’ as they have one criterion fit with the category, which is income below RM300,000, although their number of employees surpassed the minimum of five people. Conversely, COMPUTER met both criteria in the ‘medium’ sized category generating more than RM 2 million annual sales turnover, as well as hiring more than 30 employees in their organization. All the SMEs manage to compete with a large number of other businesses in their respective industry/sector thus far, and some even claim to have only one or two true rivals, ahead of the rest of the competitors in the local area.

6.3 Performance measurement system (PMS) of the six cases of SMEs

Several items related to the performance measurement system (PMS) extracted from six respondents (SMEs) are tabulated in Table 6.2. As seen, there are some consistencies in some of the items, regardless of the type of industry. As an example, decision making to measure employees' performance (criteria and any related issues) was fully determined and controlled by the owner/partner, or joint owners where some were given a portion of shares. All the owners are directly involved with the business operation and make most decisions, whilst occasionally looking for some advice from trusted people in their organizations.

Table 6.2: Performance measurement system (PMS)

	ACCOUNTING	FURNITURE	MOTEL	PRACTICE	LIGHTING	COMPUTER
Company's main competing factor	Fast services Timely	Fast delivery Quality Design	Price Facilities Employee	Reputation Service fee Quality	Taste/design Employee Price	Promotion Capital Employee
Main employees' performance criteria	Time period Work quality Initiative	Time-output Quality Trustworthy	Attendance Task ability ERB	Lawyer's skills Creativity Courage	Attendance Improvement Quality	Discipline Quality ERB
PMS decision maker	Owners- managers	Owner Administrator	Owner- manager	Owners- partners	Manager	Owner- directors
Perception on the importance of behaviour	3 Very important 1 Average	4 Very important	4 Very important	2 Very important 1 Average	4 Very important 1 Important	5 Very important

Source: Interviews' transcripts

As stated in the section above, all SMEs are managing to successfully compete within their own sector in the local area, and this study observed several main competing factors as revealed during the interviews. At least three of the SMEs clearly said or suggested that employee is one of the factors they use to compete in their respective industry. The other three implicitly suggested the same factors but indirectly use the characteristics of the human factors such as fast and timely services (ACCOUNTING), fast delivery and quality of

work (FURNITURE), and the reputation of the company, which is absolutely derived from the quality of the legal assistant (PRACTICE). However, employee or employee related factors were not suggested as the ultimate factor to compete among SMEs, it could be indicated as one of the main factors regardless of any sector, and deservedly needs much attention as it has been revealed by this study.

From a different perspective, the importance of the employee or human factor in SMEs is once again be seen through the respondents' perceptions on the importance of behavioural elements in their business organization. Based on a 5-point Likert scale, extracted from the questionnaire answered during the interview, only two of 26 respondents rated it as average and the rest opted for 'very important'.

Exploring further the PMS or employee measurement practices in the SMEs, a large portion of the answers regarding employee performance used in their organization is very much related to extra-role behaviour (ERB) elements. None of the respondents directly voiced the term ERB or 'extra-role' but most of the criteria they used to measure employee performance implied the notion, such as initiative (ACCOUNTING), trustworthy (FURNITURE), creativity (PRACTICE) or even employees' improvement in their effort and hard work (LIGHTING). The other two SMEs, MOTEL and COMPUTER clearly gave many ERB related elements (besides in-role criteria) such as trustworthy or honesty, flexibility, communication, teamwork, loyalty, personal life styles, and appearance (MOTEL), as well as several more by COMPUTER including initiative, responsibility, and commitment.

This information clearly brings weight to the extra-role behaviour to be considered equally with commonly used in-role behaviour or performance criteria, or at least not to be assumed much below the latter in measuring employee performance, especially in small and medium sized business organizations.

6.4 Extra-role behaviour (ERB) of the six cases of SMEs

Associated with the discussion on ERB in the previous section, Table 6.3 shows further information specifically on those types of behaviour as gathered by this study. Six main issues related to ERB have been picked discuss to observe the implications of these on PMS and management accounting in general. Data from the interviews with six SMEs in this study consistently portrayed widely practiced ERBs in every business organization, across different types of sectors or industries. An abundance of actions and behaviours from the employees has been narrated and exposed either from respondents' own practices or actions from their colleagues as they witnessed during the day-to-day operations of the SMEs. This evidence indicates that ERB is not an uncommon practice among employees in SMEs but that they are not clear about or even consider it worth differentiating such practice from common in-role behaviour within an organization.

Table 6.3: Extra-role behaviour (ERB)

	ACCOUNTING	FURNITURE	MOTEL	PRACTICE	LIGHTING	COMPUTER
Current practices	Widely practiced	Widely practiced	Widely practiced	Widely practiced	Widely practiced	Widely practiced
Current treatment (assessor)	Measured Rewarded	Measured Rewarded	Measured Rewarded	Measured Rewarded	Measured Rewarded	Measured Rewarded
Perception of formality	Informal	Informal	Informal	Informal	Informal	Formal (but not written)
Future treatment	1 Formal 1 Informal 2 Both	3 Formal 1 Informal	2 Formal 2 Both	2 Formal 1 Informal 1 Both	5 Formal	5 Formal
Possible effect of formal measuring	4 Positive	3 Positive 1 No answer	1 No answer 2 Positive 1 Both	3 Positive 1 Negative 1 Both	2 Positive 1 Negative 2 Both	4 Positive 1 Both
Long term advantage	4 Agree	3 Agree 1 No answer	4 Agree	4 Agree	4 Agree 1 No answer	5 Agree

Source: Interviews' transcripts

Another probably surprising aspect, besides the wide practice of ERB in the respective SMEs, is how the respondent organizations treated those behaviours as revealed by the

assessor. The above table shows the same treatment of ERB, which were measured and even rewarded to a certain extent, by all SMEs in this study. Only one or two cases of lower level employees came out with different perceptions of the current treatment of ERB in their organization, but the rest supplied consistent answers with their owner-managers. This evidence could bring an implication to the definition of ERB itself as some scholars (Van Dyne and LePine, 1998; Organ, 1988) define ERB as unrewarded action in an organization. Looking at the implication on PMS, the practices of observing, valuing, measuring and rewarding ERB, as evidenced in this study, could be a big step for an organization, especially an SME, to bring or to include this element as part of their proper system of measuring employee performance.

Thus far, all the respondents perceived that ERB has informally been measured in their respective organization, except for COMPUTER when their owner perceived it is probably formal. This was based on the verbal way employees had been informed about ERB during meetings or face-to-face conversations rather than in a proper document or contract. Information regarding ERB as part of the evaluation process is not conveyed to employees as part of a standard procedure nor is it conveyed at fixed intervals, rather it takes place as part of a specific circumstance and condition. The owner of COMPUTER, however, claimed she clearly informs her employees in almost every meeting, although it was not yet in a written statement or contract, and thus employees have no reason to say they do not know about ERB (she used a behavioural term rather than ERB) as part of the measurement criteria.

More information on ERB has been revealed from this study and it seems valuable to support the awareness of the development of a new PMS framework to include ERB as part of the system. This study received mixed responses from respondents regarding whether to formally or informally measure ERB in the future, and whether to include or not those

elements as part of their formal PMS or practices. Looking from different perspective, they all agreed at some point in future, to use ERB as part of their measurement criteria; it was simply a matter of formally or informally including it within their organization. Their future preferences could also relate to the final issue shown in Table 6.3 where several respondents (7 out of 26) perceived some negative effects from the idea of formally measuring ERB, however, most (23 out of 26) preferred to look at the positive side of the plan.

The final issue take from the interviews is whether ERB could be perceived as bringing long term advantage to the employee or as an ample strategic tool by which the organization could compete. All but two of the respondents agreed to admit ERB could bring long term advantage to an individual employee, as well as to the organization overall. Various examples and explanations were given to support their consent among which are: (1) ERB could enhance loyalty among employees thus reducing training for new employees in the long term, (2) ERB increases motivation as well as quality of in-role performance, (3) people or customers will remember any kind of extra good deeds and will spread it to others, (4) ERB will increase honesty and trust which will have a lasting effect and influence other new colleagues, (5) ERB could develop, maintain and enhance a good, happy and harmonious working culture, (6) ERB promotes love and passion towards rules and regulations rather than fear, (7) teamwork, togetherness and communication could be improved and will not be easily disappear through ERB practices, and (8) ERB is part of a religious good deed and has to continuously be practiced for a good reward in the hereafter.

6.5 Working environment relation to ERB in the six cases of SMEs

Working environment is one of the recognized factors in determining and influencing the effectiveness or successfulness of PMS in an organization (Neely et al., 2005). This study

could offer both perspectives when looking at the elements of working environment in the business organization either as the possible effect from the informal practices of measuring ERB revealed by respondents, or valuing the environment as a conducive situation which possibly suits the development of a new formal PMS framework consisting of ERB amongst the measurement criteria.

Respondents were asked specifically to rate 19 elements of their organizational working environment based on a 5-point Likert scale, from the lowest (poor) to the highest (excellent). In Table 6.4a, three elements of the working environment: involvement, co-worker cohesion, and innovation, are considered as closely related to or nearly representing ERB, and have been extracted from the quantitative database of working environment. Another eight elements have also been selected to be discussed further in terms of indirect connection with PMS as well as ERB.

Table 6.4a: ERB related elements of the working environment

	ACCOUNTING	FURNITURE	MOTEL	PRACTICE	LIGHTING	COMPUTER
Involvement	4.0	3.8	4.0	4.5	3.6	3.8
Co-worker cohesion	4.3	3.8	4.3	4.5	4.6	4.2
Innovation	3.8	3.8	3.8	4.0	3.8	3.6
Communication	4.8	4.8	4.8	4.5	4.2	4.4
Freedom	4.8	4.5	4.5	4.8	4.0	3.6
Autonomy	4.3	3.5	4.8	4.3	4.4	3.8
Control	4.0	3.5	3.8	4.0	4.0	3.8
Fairness	4.0	4.3	3.8	4.0	4.4	3.6
Welfare	4.0	4.3	4.8	4.5	4.6	4.2
Superior support	4.3	4.5	4.5	4.5	4.4	4.6
Physical comfort	4.8	3.5	4.3	4.8	3.8	4.0

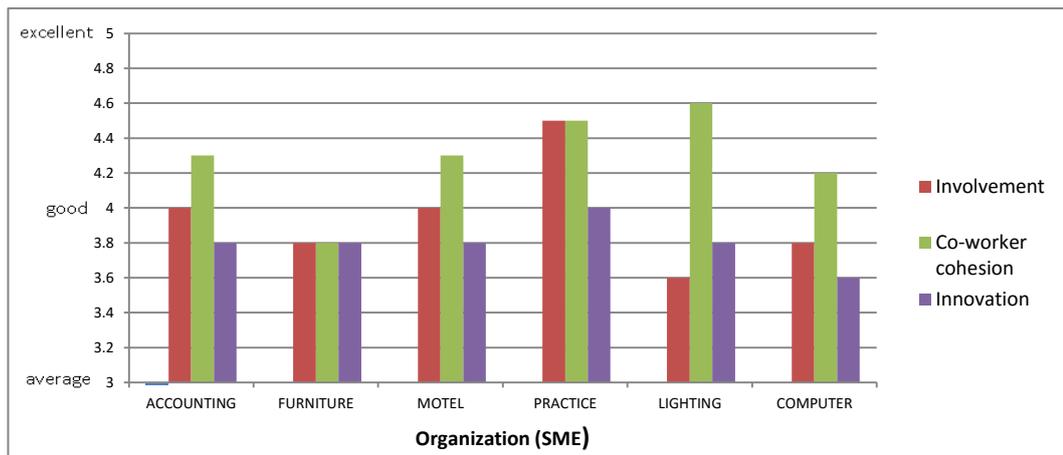
Table 6.4b: ERB related elements of the working environment

	ACCOUNTING	FURNITURE	MOTEL	PRACTICE	LIGHTING	COMPUTER
Excellent	-	-	-	-	-	-
Nearly excellent	Communication Freedom Comfort^	Communication	Communication Autonomy Welfare	Freedom Comfort^		
In between good and excellent		Freedom Support~	Freedom Support~	Communication Involvement Cohesion* Welfare Support~	Cohesion* Autonomy Fairness Welfare Support~	Communication Support~
Slightly better than good	Cohesion* Autonomy Support~	Fairness Welfare	Cohesion* Comfort^	Autonomy	Communication	Cohesion* Welfare
Good	Involvement Control Fairness Welfare		Involvement	Innovation Control Fairness	Freedom Control	Comfort^
Nearly good	Innovation	Involvement Cohesion* Innovation	Innovation Control Fairness		Innovation Comfort^	Involvement Autonomy Control
In between good and average		Autonomy Control Comfort^			Involvement	Innovation Freedom Fairness
* Co-worker cohesion ~ Superior support ^ Physical comfort						

Source for Table 6.4a and 6.4b: Quantitative database

However, since the average figure has been calculated from the answers of four or five respondents from each organization, Table 6.4b shows the rank of all the selected elements. The absolute condition within an individual organization can easily be seen, as well as the comparative condition of all six SMEs. Overall, most of the elements rated from the lowest ‘nearly good’ condition (3.8) to the ‘nearly excellent’ condition (4.8), except for a few rated as ‘in between good and average’ condition (3.5) in FURNITURE, LIGHTING and COMPUTER. Individual elements will be further discussed later in this chapter to observe the effects or implications on PMS and management accounting.

Figure 6.1: ERB related elements of the working environment



Specifically discussing elements of the working environment which closely relate to ERB, Figure 6.1 indicates the condition of these elements were good within all six organizations. This condition prompts the argument of whether the good level of ERB (these three elements) is an effect from informally measuring ERB, or the good practices of these elements have indeed influenced the owner-manager to informally measure ERB in each of the SMEs, or possibly it has happened as part of a reciprocal relationship.

Involvement is recorded high in PRACTICE and is probably due to the consistently organized expensive family days and other social events for employees. Similarly co-worker cohesion was high in PRACTICE when employees need to practice a high level of teamwork and also help each other in organizing and managing the massive annual event as well other social events. The excellent level of cohesion and involvement among employees in PRACTICE could be reflected in their daily in-role performance.

In LIGHTING, since sales commission is based on the overall rather than individual sales figures, level of cohesion among employees are recorded high 'in between good and excellent' level. Employees are motivated to help on each other increase the overall sales of the organization, to be given high commission as well as other financial bonuses. At the same time, the nature of the business also contributes to the teamwork practices as usually

customers need to be handled by more than one employee in order to complete the selling process.

Innovation level is the most consistent among four elements across the six SMEs, although the condition is not that excellent it was constantly rated as 'nearly good' by all SMEs except for PRACTICE which rated it as 'good'. Innovation could be difficult to value but the importance of this element is rather time consuming in organizational performance (Saunila and Ukko, 2012), thus organizations need to continue learning and improving ways to measure as well as improve the innovation practices or condition in an organization.

Moving to another set of elements on the working environment as displayed in Table 6.4a, the eight items seem to be interrelated to each other as well as to the practices of ERB in the organization. Once again, the relationship among all these elements probably goes beyond the boundaries of this study, but at least the condition level of the working environment is proven to be associated with the practices of ERB as well as the treatment of that type of behaviour.

Communication is the most highly rated element (nearly excellent in three SMEs) and this has reflects several studies (de Waal, 2010; de Waal, 2004) regarding the importance of communication to the effectiveness of PMS as well as organizational performance. Thus, it can be argued that SMEs, regardless of any industry, manage to have such an excellent or good condition level of communication as proven by the six SMEs in this study. Whether due to the effect of informally measuring ERB, or the good condition of communications which results in the owner informally using other extra-role elements remains to be seen.

The condition level of freedom, autonomy and control could be explained together to see the effect of these three towards the practices of ERB as well as the PMS. MOTEL revealed how their owner is practising such a high level of freedom towards their employees, which was perceived as good by the latter. At the same time MOTEL could be assumed to impose

a comparatively low level of control, but once again the employees perceived it as being 'nearly good'.

Fairness is one of the most widely discussed terms in PMS literature (Franco-Santos et al. 2012; Burney et al., 2009; Lau and Berry, 2010; Lau and Moser 2008; Lau and Martin-Sardesai, 2012) as the effect of fairness could be massive on the effectiveness of PMS in an organization. Employees' perceptions on fairness need to be managed and handled in such a way to make ensure employees feel satisfied and eventually contribute to the organizational success.

Welfare and superior support represents owner or top management actions towards their employees. 'Welfare' refers to any supporting action taken towards employees' personal affairs, whereas 'superior support' is more related to in-role performance support within an organization. In this study, superior support looks consistent across all SMEs compared to other elements as shown in Table 6.4a. Hence, it could be claimed that owner-managers in small to medium sized organizations give considerably good support to their employees regardless of industry or any other working condition of the organization.

The final element to be highlighted is physical comfort. This element represents the organization's overall physical condition which could influence the level of employee happiness while working in an organization. Employees feel happy to work in such a comfortable working area and feel less manipulated by the organization if the latter are willing to invest money to provide a better working environment. All the owner-managers in this study have high concern for this element and are willing to improve the physical conditions. As an example, in LIGHTING, an extra air-conditioning unit was added to maintain the good conditions as requested by an employee; in PRACTICE and ACCOUNTING, both owners invested a lot of money to buy a large house to be converted into a very comfortable place to work (PRACTICE) as well as renting two office units, compared to the

one unit used by most competitors the same size as ACCOUNTING. COMPUTER also provided an ample place for both sales and maintenance departments, and this good physical condition of all the SMEs is seen in photographs (Appendix D) captured while visiting the organizations.

6.6 Issues highlighted from the six cases of SMEs

Several issues can be analysed further based on the evidence given by the six SMEs. In general, the main issue will focus on the comparative issue of small versus large business setting, from both the ERB and PMS perspective followed by the way ERB has been treated by SMEs in this study either through a formal or informal approach and the effect of the approach towards the definition ERB itself. The third issue was chosen to show the factors that justify the appropriateness of ERB as one possible criterion for a new framework of PMS. Barriers and disadvantages of formally measuring ERB could be seen as another worthy issue to be highlighted to add to the existing literature. The spiritual element as the new antecedent to the practices of ERB in Malaysian SMEs, is the final issue to be discussed in this sub section.

6.6.1 PMS and ERB: Comparison between SMEs and large organizations

“Small businesses are unique entities with unique needs that require unique solutions” (Watts and Baard, 2005, p.4), and thus different attention and approaches will be required for small businesses, widely known as SMEs (including medium-sized). Since this study wishes to observe the overall working condition through employees’ perceptions of ERB and PMS in a business unit, it is easier to choose SMEs as respondents or fieldwork settings rather than large organization in order to grasp or represent the business organization as an overall unit. All SMEs in this study are categorized as small-sized business organizations

except for COMPUTER, where they meet the minimum requirement level of the medium-sized category.

Meanwhile, despite the high relevance of the ERB element with the PMS requirement in SMEs, Garengo et al., (2005) conclude that the size of the business (SMEs) can present obstacles or problems to the implementation and use of PMS. Among the characteristics discovered in their study are: lack of human resources; lack of managerial culture and capacity; limited capital resources; reactive approach and short-term orientation; tacit knowledge and little attention on the formalization of processes; and, misconception (bureaucracy problems rather than benefits) of performance measurement.

ERB, which is suggested by this study as a new performance measure to be implemented and used in SMEs, is assumed to some extent to contribute to the overall solution of the above stated PMS problem in SMEs. This argument is based on the solutions given by several studies (e.g. Garengo et al., 2005; Garengo, 2009; Groen et al., 2012) to the problems highlighted earlier, as listed below:

1. Employees involved in PMS (use and implementation) must clearly understand the short and long term advantages in order to maintain their commitment and enthusiasm (Garengo et al., 2005). This element has been proven to exist in SMEs by most of the respondents, when they agreed and explained the long-term advantages of ERB if the element is to be adopted in their organization's PMS in the future. This evidence also confirms the level of awareness and commitment among the respondents and employees when the study shows a high percentage of agreement among them. They mostly agree to use ERB as part of PMS measures, as well as being aware and admitting to the future benefits of ERB as an element in PMS.

2. The SMEs' dynamic element or their ability to change, and their flexibility must be improved in order for them to respond to the needs of internal and external environments of the business (Garengo et al., 2005). At the same time they stated that SMEs also need to be structured to a certain level to help planning purposes. Most of the SMEs in this study are believed to emphasise and promote a certain level of flexibility among their employees while performing their daily tasks, such as MOTEL, by allowing their staff to arrange their own shift schedules and housekeeping tasks. Other examples, here, show that SMEs in this study seem to value flexibility and organizational dynamism such as: in ACCOUNTING, when the employees are allowed to swap tasks especially during the hectic periods of June and December; in LIGHTING, when the cleaning tasks, lunch breaks and religious obligations (pray) are smoothly arranged among employees, and also the owner-manager has a plan to implement flexible working hours; in PRACTICE, when work attendance is no very strict as employees are allowed to come and leave at reasonable times, additionally, one long serving employee admitted that his superior exhibited high flexibility and tolerance towards him and his colleagues.

3. PMS in SMEs needs to be based on management information systems, as believed by Garengo et al., (2005), and this could bring an additional 'inexpensive' characteristic to the PMS (Garengo, 2009) to make sure the constraints of limited resources (financial and human) could be effectively and efficiently overcome. SMEs in this study did not discuss or reveal specific information related to the management information system, as this is beyond the scope of the study. However, since ERB exists in the human resources management area, this element, if successfully being developed as part of PMS in future, seems to generally support

this type of solution proposed as by Garengo et al., (2005) where PMS needs to be based or directly connected with the management information system. This, again, is supported by Garengo (2009) as he suggests that more research must be realized in future to explain the relationship between management information systems and performance measurement.

4. It is crucial for SMEs not only to attract but also to maintain or retain capable people in their organization to avoid losing the tacit knowledge within the specific experienced employees if they opt to leave (Groen et al., 2012). ERB is, indeed, managing to play a highly relevant role in retaining good people to stay in the organization such as through its organizational loyalty dimension, and also promoting knowledge sharing through its helping behaviours dimension among all colleagues. This has proven that ERB as part of the PMS could solve the tacit knowledge and difficulty of gathering and sharing information in SMEs.

Another issue between small and large organizational settings in studying PMS is related with an enabling concept. Specific discussion on enabling PMS will be discussed in detail in another subsection of this chapter. At this point, the effect of enabling PMS on SMEs as studied by Groen et al., (2012) will focus rather on the overall concept. Narrowly focusing on small professional services firms (PSFs), they argue that enabling PMS could be beneficial to this size and type of organization via helping them to increase employee understanding in a small firm's strategy application. It could also help by promoting knowledge exchange among employees as well as creating new knowledge in their organization.

PMS should be developed in SMEs to have an enabling element to facilitate employees as well as managers (Wouters and Wilderom, 2008) by offering guidance to make decisions in

line with the strategy of the organization. Involvement of employees in enabling PMS development and implementation was argued to bring a more dedicated PMS system for the organization, which could have the same impact in small firms (Groen et al. 2012). They also maintained that, in principle, a good enabling PMS needs to be brought through intensive employees' discussion and improvement of ideas before the useful performance measures of PMS can be developed. However, to some small organizations like most of the SMEs in this study, the absence of a formalized strategy has led to no explicit directions being given to employees and, thus, ERB which is embedded with strategic elements (has a long term learning effect) could be a good basis for enabling PMS (Groen et al., 2012).

Related to the sampling location in Malaysia, this study has confirmed the existence and practices of ERB in Malaysian SMEs. They were proven in previous studies to be most widely practiced in large Malaysian organization (e.g. Coyne and Ong, 2007; Khalid et al., 2009; Teh and Sun, 2012; Teh et al., 2012) and in Malaysian government sectors (e.g. Ibrahim et al., 2013; Yahaya et al., 2011). ERBs could be influenced by many factors or have many antecedents. It is practically focused by an employee in order to increase the effectiveness of an organization, but ERB mostly has not been offered any formal rewards from the top management or the owner (Podsakoff et al., 2000). An abundance of ERB performed by all employees in SMEs has been exposed in these case studies as narrated by 26 respondents in the previous chapter. It is either when they were directly asked to discuss specifically on the seven ERB elements adopted from Podsakoff et al. (2000) or indirectly recounted while speaking about other related items during the interview sessions.

The evidence of this study suggests that ERBs have been practiced widely in many organizations regardless of the size and type of industry which supports a small number of previous ERB studies in the 'small to medium sized enterprises' (SMEs) setting (e.g.

Woolderink, 2010; Uçanok, and Karabatı, 2013; Chinomona, 2012), as well as studies commonly conducted in larger organizational settings. The different contribution from this study is the way it has been observed through fieldwork semi-structured interviews, and direct observation at the original setting, compared to most previous studies which preferred to use survey instead (e.g. Woolderink, 2010; Uçanok, and Karabatı, 2013; Chinomona, 2012) .

The level of autonomy and freedom could also help to explain the different practices of ERB on small and large organizations. All SMEs in this study exhibit a good or above average level of autonomy and freedom (Table 6.4b) and this could be an indicator of widely used practices of ERB, supporting Reychav and Sharkie's (2010) claim that the contribution of autonomous employees is one of the strong indicators of ERB. Flat or simple hierarchy levels in SMEs or small businesses could be a factor to influence the high level of autonomy, compared to bigger organizations and thus, ultimately, will contribute to the wide practice of ERB. However, this argument does not mean to deny ERB practices in large business organizations, as it could also record high levels of ERB practices but, again, could also be due to the factor of decentralization and high autonomy.

All SMEs in this study are assumed to have passed the initial failure test measured by Watts and Baard (2005), when they state that in a global situation, a large proportion of small firms fail within the first three to five years of existence (all SMEs in this study are range from five to 22 years of existence). Furthermore, they also specify the reasons resulting in failure are generally due to managerial incompetence, lack of management experience, inadequate planning and poor financial control and accounts records. Watts and Baard (2005) add more to this by insisting that naturally small business owner-managers simply would not find the time to research much information regarding performance measurement. However, this could be slightly different from this study, as most of the

owner-manager respondents looked rather positively on this matter, as they are eager to know and learn how to improve the performance measurement system generally in their own organizations. Interestingly, regarding this issue, the problem is seen from all the SME owner-managers in this study, and is more or less related to another Watts and Beard (2005) argument where owner-managers have less idea of the volume and relevant data, as well as where to begin regarding performance measurement.

There is consistent evidence showing that owner-managers of small business organizations pursue more than a classic profit maximization goal while running their business (Jarvis et al, 2000). Several on a list provided in a Jarvis et al. (2000) study are: business survival and stability, altruistic goals, as well as status and pride. They try balance the most important goal of profit maximization with other obscure aims. This piece of evidence from Jarvis et al. (2000) clearly shows that performance measures in SMEs are not only about profit as a key indicator for performance, there are more other indicators to achieve survival, status and pride as a goal in running the business. Qualitative measures was claimed to be a better indicator of survival of the company due to its more sensitive and faster reaction than cash or profit, such as using the number of telephone enquiries as a performance measure rather than purely cash generation as well as profit (Jarvis et al., 2000).

This study indicates that owners focus on jobs, rather than profit, in order to ensure employees have something on which to work (FURNITURE). One contract undertaken by FURNITURE involved the installation of a performance stage; only a small profit was made on this project; however, it was agreed that the raw materials from the project could be returned to FURNITURE for future projects. In this way FURNITURE ensured their employees were kept busy. Similarly, in MOTEL the owner stressed that money is not everything but the staff and customer satisfaction is more important. In another example, an SME is using intangible measures for performance measurement the when owner

stresses on giving information to the customers, so that they have confidence in the knowledge and capability of the staff (LIGHTING). The importance of ERB in SMEs could be seen in a very recent study regarding discretionary efforts of employee by Ucanok and Karabati (2013). They clearly state extra role behaviours are valuable and emerge as a crucial and vital factor for SME success due to the flexibility factor (normally doing a whole variety of different tasks) or characteristics of employees working in small organizations.

Evidence gathered from this study also shows that owner-managers are the main or sole decision maker regarding performance measuring practices in their organization. Related to this issue, decisions made by the owner in small organizations are argued as less comprehensive compared to managers in large organizations which will ultimately affect the overall organizational performance (Smith et al., 1988). Among the methods a small company uses to overcome the drawbacks of comprehensiveness as suggested by Smith et al. (1988) is by introducing better planning techniques and information systems, and thus including ERB as part of the measurement criteria or PMS could be one of them.

In summary on the differences of small (SME) and large organizations, it is very clear specific research needs to be done and explored in the SME setting, in order to have better understanding of PMS as well as ERB in an SME setting. Several unique elements and characteristics of small business organizations do not exist in the larger setting. This study highlights the importance of ERB practices in SMEs, with the idea of providing solutions to the common problems faced by PMS specifically in the SME setting. The perceived importance of behavioural elements from most of the respondents is another large step for SMEs to introduce these new ERB elements into their formal PMS. ERB represents a large part of the overall general behavioural elements practiced in an organization, thus they should be treated accordingly by owner-managers of SMEs.

6.6.2 Measuring ERB: The issue of formal and informal measuring systems

The treatment of ERB in an organization is one of the issues to be explored and discussed in this study. Two important parts related to this issue are, firstly, whether ERB is observed and measured, or otherwise is totally ignored and, secondly, if ERB is measured, whether it has formally or informally been done by the top management of the organization. All 26 respondents were specifically asked whether ERB is part of the criteria to measure their own (employee as the respondent) performance, or to measure their subordinates' (owner-manager as the respondent) performance.

The findings reveal that each of the SMEs accept that ERB is actually part of the criteria to measure employee performance or, in other words, this type of employee extra behaviour is measured and even rewarded to a certain extent by the owner-manager or top management. Consequently, the issue of measuring ERB in this study is no longer to observe the first part of it, whether ERB has or has not been measured in an organization, but rather to move a step further to distinguish whether it has been formally or informally measured.

Widely or commonly being practiced by most of the employees, if not by everybody, in all six SMEs, it could be a very good reason for the owner-managers or the top management to use ERB as part of the criteria for measuring employees' performance. The effects of ERB have been discussed widely in the literature but advancement on the treatment of ERB could be another issue that needs to be researched and improved. Therefore, this study has taken the opportunity to look in this particular direction to contribute to the knowledge of ERB and PMS. A very basic definition of ERB is suggested by Katz (1964) as innovative and spontaneous behaviour, but it has been further extended by recent scholars such as Van Dyne and LePine (1998) and Organ (1988), as a discretionary behaviour performed beyond

the role or task specified or prescribed, not explicitly recognized by a formal reward system, and promoting the effectiveness of an organization.

Formal or informal ways of measuring of ERB could be a complicated issue as it seems to affect a very basic part of ERB, which is its conceptual definition, per se. A few researchers have discussed the transformation or changes to the basics elements of ERB, also widely referred to as organizational citizenship behaviour (OCB). As examples, Vigoda-Gadot (2007), Turnipseed and Wilson (2009) and Zhang et al. (2011) discuss the migration issues of 'discretionary' to 'compulsory' actions; meanwhile Becton et al. (2008), Korsgaard et al. (2010), and Zhang et al. (2011) look into the 'rewarded' and 'unrewarded' ERB definition. Literally, when ERB is formally measured, the behaviours will definitely be seen as having an element of being compulsory rather than purely discretionary or voluntarily, as it is required by a formal measurement system or PMS. The same goes with formal reward systems, where normally all task or actions formally prescribed in the job contract or any other extra official documents need to be directly attached with a formal reward system.

Two types of evidence were gathered from this study regarding this issue, which included the transcripts of interviews with all respondents, as well as several employees' job contracts or other job related documents. The treatment of ERB, as revealed in the interviews, has been perceived by most of the employees as rather informal, except for COMPUTER where the owner believes it has formally been implemented. However, Podsakoff et al. (2000) assert that regardless of the formal or informal means, when the manager is evaluating employee performance, this citizenship or extra-role behaviour is apparently considered as one of the factors. Therefore, with an objective to avoid or at least to reduce any unreliability and inaccuracy of informally or inconsistently measuring this type of behaviour, as concerned by Bolino et al. (2004), a proper or formal system to measure ERB should be proposed and developed. Generally all the responses on the

formality issues of measuring ERB given by the respondents are based on their written documents/contracts. None of them has ever seen any kind of ERB dimension or any other ERB related element clearly stated in their job contract (Appendix C). The respondents' verbal statement and perception is consistent with this type of hard evidence or, in other words, has been fully supported by the documents given by all SMEs (except MOTEL).

However, the COMPUTER owner stressed that, despite the absence of written documents prescribing the ERB elements, all 34 employees have no excuse to say that they do not know about this behavioural measurement policy. She honestly believes 'formally prescribed task or role' means everybody has been officially informed as well as properly or duly rewarded based on the informed criteria, regardless of the verbal or written method of conveying the information. Meanwhile, the other five SMEs admitted that they never prepared or prescribed any kind of document regarding ERB as part of the job contract or measurement criteria. Therefore, all five owner-managers also consistently perceived the actions of observing, measuring and rewarding ERB to have been done in an informal manner.

At the same time, in terms of rewarding practices which closely interrelated with formal measuring systems, during the interviews one or two respondents (employees) did not see or assumed ERB has been rewarded in their organization. However, all of them totally agreed it had been observed and monitored by the top management or the owner-manager. The employees realized or perceived this measurement and rewarding practice as 'informal', mostly based on the way the information was conveyed from the owner-manager or top management to them which is normally through either verbal narration or discussion during meetings or indirect conversations with the owner as well as their colleagues. They also predicted through observation of their superior or owner's

preferences, actions and instructions which show that the latter do place emphasis on behavioural elements while working.

Discussing the implications and suggestions towards ERB as well as the PMS research area, this study supports the migration issues brought by previous studies (Turnipseed and Wilson, 2009; Vigoda-Gadot, 2007; and Zhang, 2011) but, at the same time, prefers to specifically discuss Zhang's (2011) degree of 'voluntariness' . The level of voluntary and compulsory could be explained in a continuum rather than specifically set at the maximum level of both extremes. This is due to the differences in nature or motives behind employees' actions on the extra-role as well as a variety of types of dimension in ERB (seven different dimensions used in this study) where each does not belong to the same extreme value of the either end.

As an example, four categories or levels of voluntariness as exhibited in Zhang et al. (2011) could be used as an input in determining which elements or dimensions in ERB could firstly be introduced, or the one that should be emphasized more as part of the PMS. The basis of the voluntary continuum; stress (compulsory), self-interest (instrumental), reciprocity (responsible), and personality (altruistic), needs to be further analysed by matching it with the real practices of ERB in an organization. There are a few instances in this study, where respondents have given different motives for why they perform ERB. Listing a few examples such as in ACCOUNTING and LIGHTING, employees performed ERB for their own self-development as they wish to have a good rapport with clients with a long term plan to have their own business or company (based on self-interest), in LIGHTING and MOTEL, when employees perform ERB as a motive to pay back their owner-manager's kindness toward them (based on reciprocity), in PRACTICE and FURNITURE when employees undertook the extra-role for religious or spiritual motives (based on personality), as well as in COMPUTER and LIGHTING when some employee perform ERB due to a highly disciplined working

environment (based on stress). More details of ERB categories could give more valuable information in determining the good element for PMS criteria as it has different motives as well as effects towards individuals and organizations as a whole (Zhang et al., 2011).

This study suggests that an organization which includes ERB as part of the criteria to measure employee performance or part of PMS could prescribe the extra role elements in the job contract but, clearly, position it as a supportive task to the main in-role task of the job position. Thus, the priority of in-role tasks will not be compromised but, at the same time, all employees need to be aware that the supportive role of ERB needs to be performed and will be given due rewards for all those actions performed. Both formal and informal rewards, as claimed by Yap et al. (2009) could play different roles in influencing ERB in an organization, and could be introduced to compensate or reward ERB practices but, again, must be notified clearly that this will not be the first priority or be treated as more important than the in-role behaviour. ERB could be rewarded by a formal system but not punished if the employee does not perform it as it did not really affect the main task of the job. In a brief explanation, formally measuring ERB through PMS could be assumed as doing extra for extra benefits, which has partly been practiced through current informal methods.

The positive acceptance for future formal treatment of ERB could be another good point to justify this element into PMS. This finding supports a previous study by Becton et al. (2007) when they predicted there more organizations will formally measure and reward OCB or ERB in future. Only three out of 26 respondents of this study wished that ERB should remain informally measured in their respective organizations. Becton et al. (2007) also clearly suggest that one of the good means in which to encourage the practices of extra-role is by explicitly measuring and rewarding through a proper measurement and reward system.

In terms of the effect of formally measuring ERB, seven respondents expressed negative consequences but, at the same time, 23 respondents stated all the positive effects from these future actions. Several respondents had no answer in addition to some giving both answers. Previous studies (Allen, 2006; Becton et al., 2008; Culbertson and Mills, 2011), give their attention to both positive and negative effects of measuring and rewarding ERB and, at the same time, a few potential ways of minimizing the negative effects listed by each study of Becton et al. (2008) and Culbertson and Mills (2011). Key points to reduce the bad effects also highlighted by a few respondents of this study include: the awareness and understanding of employees regarding ERB, by owner manager of LIGHTING, when he planned to have a proper awareness test for his employees. Another example is the importance of managers' skills and ability to be good appraisers of the employees which was raised by COMPUTER, PRACTICE and LIGHTING owner-managers. Finally, and more importantly, this issue is prioritised by Podsakof (2000) in his research on ERB, which is that the definition of the term is not important, but to know the different antecedents and effects of extra-role from in-role behaviour on organizational performance is the most important aspect upon which to focus instead.

6.6.3 ERB as a new criterion (framework) for PMS

The literature review chapter of this study discussed the emergence of ideas to include a behavioural element as the next measure of the PMS framework. The development and introduction of a new performance measurement model or framework was reported as due to the influences of dynamics and the turbulent fast changing and highly complex internal and external business environments (Bititci et al., 2011; Nudurupati et al., 2011). The behavioural dimension agenda discussed in general by Bititci et al. (2011) and Nudurupati et al. (2011) gives this study a motivation to look at ERB, which is considered as an important part of the employee behaviour in an organization, to be included as part of a

future PMS framework. Most of the respondents in this study perceive that the behavioural element in general is very important to be part of PMS in their organization, with only a few perceiving it as only of average importance.

Looking specifically at ERB, it has not only been widely practiced by all SMEs in this study but has also been measured and rewarded to some extent by the owner-managers. Thus, evidenced from what has been exposed by the respondents from different hierarchies in Malaysian SMEs, this section will discuss several characteristics and natures of ERB practices which appear appropriate to propose as part of the measurement criteria in future performance measurement practices or frameworks.

6.6.3.1 Non-financial measures

Franco-Santos et al. (2012) assert the importance of having contemporary PMS, which take into consideration non-financial measures, and showed the consequences of many aspects of organizational performance. Contemporary PMS has generally been defined by Cheng et al. (2007) and Ittner et al. (2003) as a system which has a combination of financial and non-financial performance measures, and later Hall (2008) added another element to the term by linking it with strategic objectives. Franco-Santos et al. (2012) observe four types of contemporary PMS and each type of the measuring system has clearly combined financial and non-financial components.

A traditional PMS or measuring practice of an organization could be considered as a contemporary PMS if they include ERB, perhaps, as one of their non-financial measures; moreover they will possibly observe some good effects on people's behaviour, organizational capabilities, and performance as detailed by Franco-Santos et al. (2012). Measuring these extra-role behaviours of an employee could be seen as a direct monitoring and measuring of employees which, in a lab experiment study by Larson and Callahan

(1990), shows there is a significant difference in terms of the individual performance as compared to non-monitored individuals. This argument is supported by this study, where the FURNITURE owner-manager strongly insisted that after he assessed and measured his employees' extra-role behaviour, it certainly brought obvious improvements in their performance.

Seven ERB elements explored in this study comprise all elements of non-financial measures, most of which have been informally monitored and measured, and even rewarded to some extent by the respective owner-manager. Innovation and creativity of an employee, teamwork and cohesion among colleagues in an organization, communication and involvement with all activities organized, are all being practiced by employees as well as monitored, if not totally rewarded. All these practices of informal measures could be argued as a huge amount of non-financial measures that could contribute to the contemporary PMS. Echoing with the study findings, Bititci et al. (2011) clearly raise, in their discussion, the development of the performance measurement field, the aspect of a social system including social, people, team performances, as well as learning and innovation aspects.

Indeed, more aspects need to be considered for ERB based on contemporary PMS to have the same impact as the previous study, but ERB at least contributes as one of the non-financial aspects and could also be linked with the strategic objectives. More thorough research and details on ERB need to be undertaken to finally suggest that ERB is truly one of the main components of contemporary PMS.

6.6.3.2 Long term and strategic advantage

Strategic elements in PMS have been explored in the previous 'non-financial measures' subsection, when Hall (2008) includes this element as part of contemporary PMS. Now,

discussion on ERB will be viewed from the long term advantage perspective as if it has been considered for the future PMS framework. The evolution of PMS as thoroughly presented in the literature chapter was undertaken in two general ways, either differentiating PMS into traditional and contemporary performance measurement systems (Burgess et al., 2007) or viewing it in chronological order (Marchand and Raymond, 2008); nevertheless both include a strategic element as part of the discussion to show that current or future PMS should not avoid including this important element. Chronologically viewing PMS criticism could be described as how traditional financial measures were heavily criticised as a short term orientation, thus they were replaced with more balanced measures which include the non-financial elements. Once again, the balanced framework was criticised as merely focusing on operations whereas PMS should, instead, be used as a strategic tool in order to assist organizations in more efficient and effective ways (Srimai et al., 2011).

A specific question was directly addressed during the interviews with respondents on the long term advantage of ERB. A very good set of responses has been given (Table 6.3) as almost all respondents perceived the long term affect or advantage of ERB either to the individual employee as well as the whole organization. A list of examples and reasons have also been further explored which were displayed in previous sections of this cross-case analysis chapter; the keywords in explaining the long term affect include loyalty, honesty and trustworthy, harmonious working culture, love and passion, teamwork and togetherness, communication as well as a religious based factor. Several areas of strategy development which have been reviewed from 133 research papers by Singh et al. (2008) reflects the same ERB measures such as employee's motivation and flexibility, supportive culture on innovation and creativity, promoting personal autonomy, as well as employee's innovation or knowledge management.

Research on strategic PMS (SPMS) has recently been done quite extensively (Burney and Widener, 2013; Fried, 2010; Micheli and Manzoni, 2010), which specifically discusses the element of strategic embeddedness in PMS. The benefits of SPMS which have been reviewed from previous studies by Micheli and Manzoni (2010) could materialize through an appropriate measurement of performance. They even list employees' motivation, performance improvement culture, and organizational learning as areas to be benefited but, again, stress it is crucial to understand how appropriate performance practices are in order for an organization to become more sustainable in the longer term. Failure to include specific attributes in PMS will make the system merely remain operational and unable to successfully inform strategic decision (Micheli and Manzoni, 2010), and thus this study suggests ERB is suited to the specific strategic attributes in PMS.

The above statement on employee motivation, improvement culture and organizational learning seems very much related to ERB practices as it has been exposed through respondents' discussions such as on self-satisfaction (also related with the religious element), self-initiative (creativity and innovation), self-development, tolerance, flexibility as well as a 'happy family' working environment, from the six cases of SMEs in this study. Burney and Widener (2013) show a significant relationship between PMS that is coupled with the strategic element with employee performance through self-efficacy or intrinsic motivational forces, the latter elements of which perhaps existed in employees who practice ERBs. The overall 'good to excellent' rating of the working environment from the studied SMEs such as innovation, freedom, involvement, co-worker cohesion, superior support and communication is also related in some way to organizational learning and improvement culture.

Considering from another perspective, on the fundamentals of ERB practices, which is not required by the job description and on a voluntary basis, it might be also seen as related to

PMS through learning concepts of measuring performance. Naturally, the learning element as claimed by Fried (2010) consists of a strategic element, and he also argues that various literature draws a connection between PMS and theories of strategic learning. Three different types of relationship between PMS and learning; single loop, double loop; and deuterio learning have been listed by Fried (2010) and ERB, if embedded within a PMS, could begin to be linked with the lowest level of the three (single-loop). The practices of ERB could be treated as underlying to the design of new PMS where it will not be questioned by members of an organization either in terms of suitability or measurement of the elements. Basically the strategic element will be assumed to happen at the double-loop learning as when a new measure requires or triggers alternation or change in organizational practices (Fried, 2010) but it will have more effect with ERB since obviously measures through ERB is highly related to employees' changes of action and practices within an organization. Finally, the third, deuterio learning could also be achieved through accountability concepts which could trigger an enabling type of PMS.

Basically, ERB could fit into PMS as one of many other available strategic related elements through non-financial or intangibles types of measures, and it seems to highlight that PMS has more than an operational focus. The nature of behavioural or employee action itself possesses strategic and long term advantages as Katz (1964) acknowledges the human capital is very difficult for any competing organization to assess, imitate or acquire. This behavioural element is also recognized by Cheng (2012) as one of the central issues to understand how the design of strategic PMS can be improved. Linking directly to ERB, among the listed characteristics of intellectual capital asset, claimed by Madhani (2012) to be one of resources that provides a sustainable (long term) competitive advantage, seems very much the same with ERB elements such as employee loyalty, employee engagement (involvement), and problem solving ability (tolerance, flexibility, and cohesion).

6.6.3.3 Enabling PMS rather than coercive control

Some literature in the PMS area (Ahrens and Chapman, 2004; Englund and Gerdin, 2015; Wouters and Wilderom, 2008) discusses the element of control in an organization through the concept of formalization or, specifically, an 'enabling and coercive type of bureaucracy', developed by Adler and Borys in 1996. Coercive and enabling types of formalization could be assumed as the two ends of a continuum of control. The 'coercive' intention is to force employees' compliance whereas 'enabling' motivates and facilitates employees by using organization rules and systems (Wouters and Wilderom, 2008). ERB could contribute to the discussion on control and formalization through enabling PMS by outlining its characteristics and nature of practices in an organization. A few ERB elements such as self-initiative, self-development, civic virtue and sportsmanship could be argued as essential to be valued and measured through PMS. Furthermore, all the elements, above, also look suited with the design and development of enabling formalization of PMS, which aims to influence employees to deal directly and effectively with the inevitable contingencies in their work (Ahrens and Chapman, 2004) rather than simply or directly complying with all standard procedures or rules.

Observing more in depth on these issues, four characteristics of enabling formalization; repair, internal transparency, global transparency, and flexibility, were used to design rules and regulations that appreciate employees' intelligence to deal with problems faced by them. The usability of enabling PMS could be assessed by all these four characteristics, and ERB practices as revealed widely in the literature, as well as from this study, could be argued as existing in line with those enabling characteristics. As an example, in 'repair and flexibility', Ahrens and Chapman (2004) suggest that employees have discretion to modify or add functionality to suit the control system (flexibility), and they are not only to be trusted but are also encouraged to discuss practical problems with the organization's

existing standards or rules (repair). ERB practices claiming to be related to these characteristics were exposed in this study (MOTEL and PRACTICE) when employees were highly trusted by the owner-managers, as well as being allowed to have a reasonable amount of flexibility in achieving individual or departmental objectives. In fact, the trustworthy element towards employees was also discussed by most of the SMEs in this study, together with some other 'repair and flexibility' characteristics related elements such as innovation, creativity, commitment, and self-initiative.

Both internal and global transparency characteristics, concerns about the good understanding of a system's internal function, as well as employees' intelligibility of the broader system and context within the overall system (Wouters and Wilderom, 2008) were also related with ERB practices, such as in ACCOUNTING, LIGHTING and COMPUTER, when everybody needs to increase their own skills and information related to their respective products, services or ideas in order to serve, deal, advise or communicate any valuable suggestion and information to the respective clients or customers. These self-initiative and self-development actions, if formally included as one of the PMS criteria, will suit both transparency characteristics of enabling formalization as these employees' acts could benefit the employees themselves through the individual control system or performance measurement practice, as well as to the team, department or organization as a whole through an overall control system or PMS.

In Wouters and Wilderom's (2008) study on the logistic department of a medium sized beverage manufacturing company, they focused on the other two dimensions of enabling PMS; the design process, and implementation of the system. Three proposed characteristics of a development process: experienced-based, experimentation, and employee's professionalism were believed to facilitate such an enabling PMS in an organization. The development of the enabling process as argued by Wouters and

Wilderom (2008, p. 511) “was characterized by experiential inputs, experimentation and a high degree of professionalism” of an individual employee. These three employee characteristics need to be created or developed and managed by an organization if the enabling PMS is their desired control system. ERB could play a pivotal role not only to be included as part of an enabling PMS but could also influence those three design and implementation characteristics of enabling PMS.

Another example of discussing an enabling PMS specifically on SME has been done by Groen et al., (2012). They have shown how small professional services firms could benefit from developing an enabling PMS, as well as the right approach to develop this type of PMS. Increasing understanding on a firm’s strategy application, improving knowledge exchange, as well as creating new knowledge, among all employees, are among the benefits from the developing process of enabling PMS. These employees’ beneficial effects seem to be associated with ERB elements and practices such as self-development, individual initiative, and civic virtue. The researcher also claimed that their work is the first study in small professional services firms in developing enabling PMS, and in terms of the study setting, despite being directly related to ACCOUNTING and PRACTICE, it is also indirectly connected with four other respondent SMEs as it all seems to have some services elements in each of the businesses. Thus the two earlier SMEs above should directly benefit from the findings of Groen et al.’s (2012) study.

To summarize this enabling formalization discussion, Adler and Borys (1996) conclude their arguments by stressing those procedures for enabling could drive committed employees to increase their job commitment and also perform more effectively, which looks better in terms of a learning concept. In another study by Hayton (2003), after surveying and analysing 99 SMEs, the organization that promotes discretionary behaviour (main characteristic of ERB), knowledge sharing as well as organizational learning seemed to

positively affect overall performance. Thus, enabling PMS as well as ERB are on the same track to emphasize more on knowledge sharing and learning rather than control per se, and this has been supported by Bititci et al. (2011) as they state that fading emphasis on 'control' to more emphasis on 'learning' has made the behavioural element of performance measurement look more valuable.

6.6.4 The barriers and possible disadvantages of formally measuring ERB

In ERB literature, a few studies have highlighted the negative effect of formally measuring these extra-role actions of employees (Becton et al., 2008; Bergeron, 2007; Bush and Jiao, 2011; Culbertson and Mills, 2011; Vigoda-Gadot, 2006). The effect of ERB could be variety but it could be divided into three broad categories which are: the performance rating (inaccurate portrayal of performance), employee (lower equity and justice perceptions), and overall organizational performance (lower competitive advantage and potential legal troubles) as researched and categorized by Culbertson and Mills (2011). This study seems to contribute to the discussion on the disadvantages of ERB by asking all respondents the specific question on this issue. Although not many (seven out of 26 respondents as shown in Table 6.3) perceived the disadvantage of formally measuring ERB, the answers given meaningfully support the claim of previous studies such as the fairness and honesty issue, as well as employee's personal or sensitive affairs.

6.6.4.1 Issue of fairness and honesty

Contamination to the overall rating which intended to only measure task performance of employees in an organization could occur with the inclusion of extra-role elements (Culbertson and Mills, 2011). Consequently, this will carry an inaccurate portrayal of task performance and could also spark the fairness issues among employees. One respondent in ACCOUNTING raised her concern on this matter when she perceived there is an issue of

salary disparity among new staff in her organization. She knows that the owner-manager has full discretion in determining the amount of salaries, but if there are too obvious differences, which could be possibly due to the element of ERB, the fairness issues are under scrutinized at least to herself if not to the all employees in the organization. This was also highlighted by a respondent in MOTEL when he showed concern regarding the backlash of formally rewarded ERB such as a big difference in salary or bonuses from different valuations of ERB which could attract disharmony among staff as the main role is obviously the same. However, he personally agreed to the formal measurement of ERB and actions being rewarded on ERB but preferably involving minimum (more or less the same) amounts of money to make sure the current harmonious environment was maintained in MOTEL.

The natural complexity of the behavioural element (ERB) is another concern on the fairness issue related to the implementation of ERB as part of PMS, when a respondent (owner-manager) felt that was a gamble as she needed to be at her best to avoid giving rewards to somebody who was not really deserving in COMPUTER. However, as a solution, she tried to value all roles that could bring benefits to the organization, regardless of in-role or extra-role. She thought it is better to measure performance than mistakenly give rewards to an employee pretending to be good by cheating or bolstering in-role activity. Proper planning for a long term plan on formally measuring ERB was revealed by LIGHTING's owner-manager. He wished to study and learn more about all his staff attitude and behaviour as he believes proper planning (a long term plan) could improve elements of fairness while measuring employees. However, he also never ruled out that a proper plan or strategy could still be wrongly perceived or understood by employees as the fairness element could be a really difficult and risky and could eventually backfire on the plan as well as the company as a whole.

Failure to give a fair assessment and reward on ERBs will surely bring bad effects to PRACTICE and respondents from the company stated that the partner-manager is the first person who tries to avoid such an occurrence. The respondent was worried with an element of jealousy and unfairness from the treatment of ERB and was quoted as saying that unhealthy competition to do something good (extra) and to show off to the superior exposes a chance of misjudgement or being looked upon as unfair. He also believed that there was no clear cut or specific criteria (standard) for measuring behaviour thus far in the organization. Another respondent from PRACTICE brought the issue of fairness through a conflict between action and reward. She was concerned about how management would deal with the weightage of the extra-role behavioural action, such as even small or less frequent action that brings huge financial advantage compared to a big or more frequent action that possibly has less financial effect to the organization.

Meanwhile, formally measuring ERB also triggers honesty issues within an organization, as highlighted by a respondent in LIGHTING. She worried that formal measures and formal rewards could remove the honesty element in employees while performing good activities or behaviour, as most of the acts could be performed under influence of reward rather than courtesy. LIGHTING's owner himself worried that their employees may compete with each other in order to gain more rewards, rather than honestly acting courteously as before, to see the betterment in the organization they work for. This could be exacerbated by bringing further unhealthy intense and harsh competition. Lack of honesty could also be interpreted by the owner-manager as he was concerned of the possibility some of his employees would only perform ERB while he is present and not when he is away. The same concern was articulated by several respondents, where they believed there is a high possibility of decreasing or eliminating an element of honesty in their actions when ERB is formally measured.

Therefore, the perception of injustice or lack of fairness in one organization needs to be handled with care as it could be linked to more negative consequences such as low job satisfaction, low work and organizational commitment, which eventually brings withdrawal behaviours (Culbertson and Mills, 2010). However, at the same time the importance of fairness and justice could be denied as the traditional agency model has been expanded to include both elements (Burney et al., 2009).

6.6.4.2 Sensitive or personal issues

Another negative effect discussed further regarding formally measuring ERB is personal or sensitive employee issues. Becton et al. (2008) list employees' emotional conflict, exhaustion and burnout among consequences in their study. These emotional issues could be linked to personal and sensitive issues which were exposed by some of the respondents from this study. The most long serving employee in ACCOUNTING confidently argued that his owner-manager is too cautious and afraid to measure employees' behaviour because the owner worries that he could dishearten or humiliate his staff, or even give them low morale by subjective behavioural assessment.

Meanwhile in COMPUTER, the owner-manager worried that her employees may be too scared and not able to work in an effective way while working under her detailed and bold type of supervision. In order to avoid this negative effect on the personal feelings of an employee, she always gives good reasons or justifications for what is being imposed (rules and regulation) and the basis used for measuring performance of the employees. She keeps her door open to any criticism and complaint from the employees and has one-to-one meetings, at least once a year, with each of her employees. Her real intention is to avoid any type of mistreatment or dissatisfaction being kept too long within an employee which could hamper the long term and overall organizational performance.

Respondents in both MOTEL and PRACTICE feel that their superior or manager is less concerned with employees' personal and external affairs as they try to avoid being branded as becoming involved in the personal lives of their employees. This piece of evidence shows that management in this SME is really concerned with staff's personal feelings and perceived that if more than in-role performance is being assessed, it could be considered as an inappropriate action. While at the same time, the partner-manager admitted that he lacks expertise and thus needs to improve his assessment skills on his employees; additionally, one of his staff (respondent) regarded him as possessing a 'soft spot' attitude of being too kind and highly tolerant towards his staff. This attitude could be linked to the reluctance of the partner-manager to harm or affect his staff's personal emotions.

6.6.4.3 Time factors

Besides the above possible negative effects of measuring ERB, a problem or barrier to formally measure ERB revealed by the respondents could also be included as part of the negative aspects arising from this formal treatment of ERB. Among the responses recorded from the respondents, almost all said the busyness of the owner-managers or, in other words, 'time' factor was regarded as the main barrier. This barrier, or top factor, could jeopardize the introduction and implementation of ERB as part of PMS in SMEs. Lack of monitoring from being busy with marketing tasks and hardly being seen in the office are among the responses from ACCOUNTING's respondents. They all agreed that lack of monitoring time was and could also be a main reason restricting the behavioural measures to be used in PMS. They added further to the discussion by raising their concerns that this problem (less attention from superior) is obvious since the company vastly increased the number of employees in recent years. LIGHTING's owner-manager also raised the same time factor but he viewed it from another perspective, that of the amount of time needed

for proper planning, assessing and documenting employees' behaviour, as well as giving advice and motivation with regard to this process.

Meanwhile, COMPUTER's owner-manager currently believed that she managed to oversee most of the staff activities. However, she also expressed the possibility of being unaware or missing something due to not having a great amount of time to measure every single action from all the employees. She also admitted employee behaviour is not an easy task to deal with. This was echoed by another respondent in COMPUTER when he hinted that the owner or superior sometimes could not see the overall behaviour of an employee but only concentrated on a few wrongdoings (bad or not so good behaviour) despite the fact that they had probably done all other good things throughout the day. The owner-partner being busy with court cases and marketing was another piece of information exposed from PRACTICE's respondents, and he himself admitted that he might require some amount of time to improve his measurement or assessment skills on employees.

This evidence is, indeed, consistent with one of the SME characteristics discussed earlier, which stated that owner-managers are usually immersed in daily operations and routines, and thus neglect organizational and managerial issues or problems (Garengo and Bernardi, 2007; Haron et al., 2010; Watts and Beard, 2005). This prompts the SME need for a better team (top management) that possesses sufficient capability (time and skills) before formally measuring ERB, to avoid any further negative consequences. Moreover, the complexity of behavioural elements also needs to be considered before an organization can include ERB as part of the formal measuring system.

6.6.5 ERB as part of workplace spirituality element and its effects on organizational performance

Workplace spirituality has been researched by Daniel (2010) and Jurkiewicz and Giacalone (2004), specifically to see the effect on team effectiveness and organizational performance respectively. A study by Rego and Cunha (2008) has further linked spirituality to organizational commitment, as their findings suggest that employees feel more attached and loyal to their organization when they experience workplace spirituality. Mostly, all positive attributes or elements such as trust, creativity, respect, integrity, responsibility, and justice are perceived to exist in an organization when employees or team members perceive spirituality at work, and some could be heavily linked to some of ERB elements.

The definition and discussion of workplace spirituality has been long and widely debated whereby some scholars think spirituality and management is incompatible, whereas, the other school of thought has tried to develop and understand a relationship between spirituality and organization (Rego and Cunha, 2008). The spirituality element of Muslim individuals is normally linked with his/ her own religion especially for Muslim people in Malaysia (all respondents in this study are Muslim). A few previous studies (Kamil et al., 2011; Kamil et al., 2011b) show how they linked the elements related to workplace spirituality with the religious (Islamic) principles. Hashim (2009) and Kamil et al., (2011a) prove, in their study of 125 and 405 Muslims' employees in Malaysia respectively, that they (respondents) are aware of and practice Islamic human resources management practices values while working.

Islamic work ethics has been linked with extra-role/citizenship behaviour in a few studies such as a study by Alhyasat (2012); he states in his findings that there is a statistically significant effect for commitment to Islamic work ethics on extra-role/citizenship behaviours, and in Murtaza et al., (2014) when a result from a survey of 215 respondents in

public sector educational institutions showed that Islamic work ethics or values have a positive effect on extra-role/citizenship behaviours. Furthermore, a study by Kamil et al., (2014) expands the extra role/citizenship behaviour construct by looking at it from the Islamic perspective, known as Organizational Citizenship Behaviour from an Islamic Perspective (OCBIP).

This study shows a few examples or cases where spiritual or religious (Islamic) values and practices are practiced or exist in most of the respondents' organizations (SME) such as trustworthiness has clearly been admitted by an owner-manager (FURNITURE) as part of the criteria for rewarding employees. An employee (respondent) in FURNITURE also admitted that his manager had assessed and rewarded (bonus) him and his colleagues based on religious (Islamic) values. He further stressed that this action could be such an important practice to the organization. Bearing in mind that all his employees are Muslim, the owner-manager had in mind a proper plan for measuring ERB by firstly applying good religion values to all staff with the intention to reduce the possibility of hypocrisy or play-acting (pretending) while working. Some other evidence shows the owner-manager highly valued this religious element such as: basic religious teaching (information and reminders) appeared on the information board; and a weekly religious lecture was scheduled for all staff at the praying area which was given by a teacher hired by FURNITURE.

In another case, LIGHTING respondents seemed quite determined to practice religious obligations by negotiating the schedule among each other and reminding each other to perform the religious duty in a spacious comfortable praying area. The owner-manager of LIGHTING also explained some solutions for improving staff connections and togetherness which included religious lectures and advice. Whereas in another SME, the Islamic recitation from the Holy Book (Al-Quran) was aired throughout the organization as background music (low volume) in COMPUTER, with the idea of releasing work stress or

one of many types of meditation. Performing a task driven more by self-satisfaction and less by financial or other types of reward could be further evidence of how one of the respondents in PRACTICE valued the reward in the hereafter (after death rewarding period in Islamic religion). He also believed performing or practising ERB as one of many Islamic values, which more or less translated as we need to do something good to others so that we receive it back from others in future. He further added that some kind of religious blessing will be poured on the individual as well as the organization as a whole for practising ERB as it is again believed to be part of the good deeds of human actions. Among the behaviours expected to be held or practiced by a true Muslim employee are honesty, trustworthiness, and determination to continuously work at his best (Hashim, 2009) and these behaviours are very closely similar with ERBs as researched in this study.

6.7 Addressing the research question

The area of performance measurement is critical to any type of business in order for it to be a successful organization (Epstein, 2004). However, ever changing systems, models or frameworks used to measure the overall business performance (Taticchi et al., 2010) have brought one critical question regarding the good features of PMS that could drive an organization to be superior among other competitors. This question has influenced the subject of study to be researched and joined the existing researchers and practitioners to find another possible solution for a better PMS particularly focusing on measuring employees' performance in small to medium sized business organizations. Findings from both quantitative and qualitative chapters were analysed and synchronised, and finally linked to the research objectives of the study. All five research questions, which were formulated earlier in order to segregate issues related to the main objective, were addressed accordingly as below.

Question 1: What are the current practices of measuring employee performance in SMEs?

The first question of this study, regarding the current practices of measuring employee performance, was asked of respondents during the interviews. The findings seem to bring some interesting connections between quantitative and qualitative evidence. Among six listed KPIs in the interviews, human resource, which could be seen as a behavioural related KPI, was rated as the least important criterion used in measuring employees' performance, which only 38.5% of the overall respondents mentioned. Instead, KPIs on time and quality are the top two being used in SMEs, rated at 96.2% and 92.3% (Figure 4.11) respectively.

Meanwhile, evidence from the interviews with all owner-managers revealed that all decisions to measure employees' performance were fully determined and controlled by them (Table 6.2). The owner-managers directly quoted that the employee, including employee related factors such as quality of work, fast delivery and reputation, is the main factor when competing with other business rivals. At the same time, findings from the interviews also show the criteria for measuring employees in all SMEs in this study are directly and closely related with human and behavioural factors such as work initiative, quality, trustworthy, task ability, creativity and discipline (Table 6.2).

The possible explanation for the low rating of human resource (employee) KPI revealed in quantitative data is the informal way that SMEs measure their employee performance. Most of the employees (consisting of 77% of total respondents) did not realize that behavioural factors have been used as a measurement criterion by the top management to assess their performance. One previous study (Ukko et al., 2007) is also concerned with the differences between management and employees' perception towards performance measurements in business organizations. Thus the findings of this study should have alerted SMEs to emphasize the importance of conveying information to increase employees' awareness on performance measures being used in the organizations.

Overall, in answering this question, evidence shows that SMEs in this study currently use behavioural related measures to assess their employees' performance. The top two KPIs (time and quality) recorded in the quantitative chapter are still considered to be indirectly related to employees' behaviour (as compared to financial and physical output measures), although the respondents did not directly rate human resource or behavioural factors as among the top in the list. This statement was also supported by qualitative findings where it was clearly stated by managers that the criteria used for measuring employees are directly and closely related to human or behavioural factors.

Question 2: How aware are SMEs of behavioural elements, particularly extra-role behaviours (ERBs), and how do they value them in their day-to-day working environment?

The second question concerns how SMEs value behavioural elements or particularly extra-role behaviours (ERBs). Quantitative evidence shows that 84% of the respondents perceived employee behaviours as very important in their day to day working environment. This finding is eventually parallel with the respondents' answers from the interviews. An abundance of examples, especially narrated by the owner-managers, stress the high importance of employee behaviour at work. In addition, the wide practices of ERB could be seen as further evidence to show the importance of these behaviours. A large portion of the answers in the interviews stated the practices (actions) of employees which could be classified as extra-role behaviour (ERB) or at least closely related to ERB, although none specifically stated the ERB term in their answers. While respondents have specifically been asked to expose the practices of ERB by using seven elements of OCB (Podsakoff et al., 2000), findings gathered from the interviews and observations show that numerous employees' actions and practices during their daily working days could be categorized under every element of ERB, in all of the SMEs (cf. Table 5.1, 5.7, 5.13, 5.16 and 5.20).

The importance of the behavioural element in organizational success (e.g: Birnberg, 2011; Crook et al., 2011) which has also been reported from this finding is a very strong basis for this study to explore the treatment (in the next research questions) and opportunity to use ERB as part of the PMS in SMEs. The awareness and practices of ERB, as well as the perceived importance of the behavioural elements by employees to improve their individual performance as well as the organization as a whole show a very good sign for ERBs to be highlighted and used widely in future, or possibly included as part of the PMS model. In brief, to answer this research question, evidence confirms that SMEs (employee and managers) are aware of the importance of ERB in performing their daily activities and value this type of behaviour by practising it abundantly in their organization.

Question 3: How is the current treatment of (formal or informal way of measuring) ERBs in SMEs undertaken?

The treatment of ERBs within SMEs has been posed as the third question of the study. The issue of either ERB being formally or informally used or included when measuring employees' performance is the main objective of this question. The argument that ERBs have been very important and widely practised in their organization (as discussed and answered in the Question 2 above) could be further supported by the evidence of ERB treatment in SMEs. Interestingly, most of the SMEs in this study admitted that they have used ERB as one of the criteria while measuring their employees' performance. In the interviews, all of them even acknowledged some of the actions which, regarded as part of ERB, were rewarded accordingly throughout the year. However, only one SME (COMPUTER) perceived their act of measuring employees as formal (treating ERB), whereas all the other organizations preferred to recognize their treatment of ERB as informal.

Another piece of evidence taken from the each of the SMEs such as employees' job descriptions and job contracts (see Appendix C) clearly supported the 'informal' claim as

none of the ERB or even behavioural related criteria were included in the job documents. COMPUTER has a different claim than others as its owner-manager seems to emphasize that there was no chance for employees to be unaware that ERB criteria were used to measure their performance as this was always acknowledged verbally during staff meetings as well as personal face-to-face sessions. Thus, based on the job documents, an 'informal' way of measuring ERB in SMEs could be a unanimous answer for this research question. The only SME (COMPUTER) who claims to 'formally' measuring ERB towards their employees just needed a final amendment of putting it into an official document to realize it.

Question 4: What are the possible implications of formally measuring ERBs and how do SMEs perceive the implication of including ERBs as part of their PMS?

The possible implication of formally measuring ERB in SMEs is the next issue to be discussed. This fourth question has gathered respondents' preferences of whether they agreed for ERBs to be used to measure their performance in future. Most opted for the formal treatment of ERBs in their organization in future with only a handful preferring to continue with the current informal method. This preference has been supported further with another piece of evidence as 18 respondents in this study perceived the positive effects from formally measuring ERBs, and five others seeing the mixed negative and positive effects from that future practice (cf. Table 6.3).

A few previous studies have drawn positive consequences of ERBs in general (Podsakoff et al., 2009) either towards individuals or at an organizational level. However, this study has empirically added new material, specifically from SMEs and Malaysia (Asian and emerging country context), into the previous discussion on the mixed consequences of formally measuring ERBs (e.g. Becton et al., 2008; Bush and Jiao, 2011; Culbertson and Mills, 2011; Johnson et al., 2009). The perceived positive effects from formally measuring ERBs in

Malaysian SMEs, as well as some negative concerns from respondents, are shown in the contribution section, in a later part of this chapter.

The findings strongly show that employees are willing to accept the formal treatment of ERB, or to have it included as part of the formal PMS in their organization, and this has answered the later part of the fourth question. The earlier part of the question was addressed by showing that the employees perceive possible positive effects from the formal treatment (explicitly measured and rewarded) of ERB, such as encouraging more practices of this behaviour and eventually bring improvements to their organization in the future.

Question 5: What are the future plans for SMEs in managing and improving ERB practices in their business organization?

The final question of this study is targeting the future plan for SMEs in managing ERBs in their business organization. Most of the respondents are very positive as they agree to be formally measured using ERBs as part of the overall performance criteria, however, a few are only willing to continue the current informal treatment of ERB. At the same time, several answers suggest ERBs to be guided in a better way in order to improve the practices and positive impact of the behaviour, such as through better hiring practices, more meetings between staff and management, better rewards system, provide better workplace environment, organizing more religious and motivation programmes, as well as improving employees togetherness through social and sports programmes and activities.

Currently, most of the activities have been organized in some of the organizations but it is still perceived that a lot of areas could be improved. The suggestions listed in this study give an array of new and in depth antecedents of ERBs, compared with evidence from previous studies (e.g. Organ et al., 2006; Podsakoff et al., 2000 and 2009), which could help to

increase the importance level of ERBs and eventually to improve organizational performance generally.

The obvious answer to this question is in having a good plan by the owner-managers for SMEs in order to improve the practices of ERB as well as to promote positive impacts from behavioural actions. Evidence from this study contributes some essential elements which should be included in the plan from the very first meeting with an employee (better hiring practices), while performing daily activities (better reward system and working environment), as well as until he or she leaves the organization (good relationship with former employees).

6.8 Conclusion

Information from all six SMEs has been summarised and cross analysed under two main components of this study; performance measurement system (PMS) and extra-role behaviour (ERB). Working environment related to ERB from six cases has also been explored and several important issues were chosen to be highlighted across all the cases. Further analysis and in-depth discussions on these selected issues will be finalised and concluded in the next, concluding, chapter together with several contributions of this study being finalized.

Chapter 7: Summary and Conclusions

7.1 Introduction

This study has highlighted the need to further explore and look at how business organizations, particularly SMEs, could improve their practices in measuring their employees' performance. This study aims to provide new insights and awareness on the importance of behavioural (ERB) elements to be included as part of the system to measure employees in SMEs. A lack of previous literature providing in-depth information on behavioural elements in the performance measurement area has prompted this study to undertake 'fieldwork' research and use case study as a research method. This decision subsequently required and allowed this study to gather in-depth information mainly through semi-structured interviews with both employees and owners of small business organizations. The objective of this chapter is to connect and conclude the overall discussions and implications from previous chapters. Relationship between ERB, PMS, working environment and organizational performance is established in a new conceptual model (see Figure 7.1) developed by this study. It is anticipated that the model could contribute to SMEs in improving their PMS as well as their overall performance. The overall contributions, as well as specifically to accounting and management, are provided together with the limitations of this study, in terms of the method, data, and analysis, in the later section. Finally, a few suggestions are proposed for future research to be carried out by other fellow researchers on the PMS and ERB areas of study.

7.2 Reconciliation of quantitative and qualitative findings

The findings from both chapters that provide quantitative and qualitative evidence should be considered together to strengthen support for our overall findings. This thesis, which is

primarily qualitative in nature, is supported by the quantitative evidence. Several important issues arise from three main categories of findings in the quantitative chapter. These relate to: (1) the SMEs and the individual respondent's background; (2) the ERB and the PMS; and (3) correlations amongst the working environment. These are now explored further below, with the support of appropriate evidence from the case studies.

7.2.1 SMEs and the individual respondent's background

There is a lot of information on the background of respondents presented in the quantitative chapter, including both the background of the SMEs and the background of individual respondents. One particular issue that may be discussed, by reconciling the evidence from both the quantitative and qualitative chapters, is of the SMEs in this study as 'surviving' business organizations. Based on Mount et al. (1993), for example, all the SMEs in this study are considered to be surviving small business companies (in survival or growth stage) as they have managed to surpass the inception phase of the 'small business life cycle'. One of the factors in achieving this status is the transition from owner-operator to owner-manager. It has categorized the SMEs in phase two or three in 'small business development' (Mount et al., 1993). Evidence from chapter 4 of this study also shows that they have all managed to successfully compete with quite a number of other local competitors (10-50 companies), managed to record a good average turnover figure (Figure 4.4) as well as possessing good value of business assets (Figure 4.6). This is very important as the different characteristics of the five phases of small business development (Mount et al., 1993) require different entrepreneurial and management activities in an organization.

Based on findings from the earlier qualitative data chapter (case study), we might conclude that the quantitative information (viz. successfully compete with a number of local businesses, turnover and assets value) is consistent with or supported by information gathered from the interviews with all the SME owners. They have shifted from the owner-

operator to owner-manager phase, or they may be in the transition phase. Arguably, one of the SMEs (COMPUTER) is moving towards functional management as it has several clear functional departments in its operation. Analysis was based on Mount et al.'s (1993) small business development framework, from which evidence shows most of the owners in this study are still involved with the day to day operation such as selling and organizing resources (owner-operator), but most of their time is spent on developing better networks with customers and suppliers, recruiting and hiring support personnel to help the operations, as well as exercising managerial skills to manage employees (owner-manager). It also shows that SMEs in this study have moved from the very early inception period towards survival and growth phases in the small business lifecycle.

Thus, SMEs in this study could at least be considered as surviving business organizations at the time of the study. It has been confirmed by evidence such as the number of employees, owner-managers' operational tasks, sales turnover as well as assets values. In another related development, based on the above evidence and discussion, the current wide practice and treatment of ERBs in the small organizations of this study clearly relate to the survival and successful performance of the SMEs to some extent. However, the direction and type of the relationship (one way or reciprocal) still remains to be seen and could only be explored through longitudinal study (Koys, 2001).

7.2.2 Extra-role behaviour (ERB) and the performance measurement system (PMS)

In the second category of findings presented in the quantitative chapter, several important issues related to ERB and PMS are analysed and discussed. Among them are: current practice in KPIs; the importance of behavioural elements; the practice of ERB; and the approach to measuring ERB. Evidence from the case studies supports several issues from the quantitative evidence. As an example, KPIs are related to human resource elements. This was rated by only 10 respondents (38.5%), as reported in Chapter 4 but, at the same

time, most of them (84.6%) admitted that behavioural elements are very important for the performance measurement system (PMS). This prompts an analysis of the reason for this disparity, through case study analysis.

Extra-role behaviour (ERB), or employees' behaviour in general, may be assumed to be a part of the human resource KPI. However, in SMEs, where PMS seems to be seen as an informal practice, most of the employees do not really pay it too much attention. Whereas, when answering on the main competing factors for their business, three SMEs specifically listed the employee as one of the factors to compete with rivals. Another three SMEs did not directly mention the employee as a factor, but the top factors in their answers are highly related to the employee element such as, fast and timely services (ACCOUNTING), quality and fast delivery (FURNITURE), and reputation (PRACTICE). The evidence from the case study above is consistent with the quantitative finding, on the high importance of behavioural elements in SMEs, as it has been used as a competing factor in business.

More has been revealed by respondents during the interviews but none of them specifically stated the employee factor, behaviour or even the ERB term as the factor or criterion. However, most of the criteria they use to measure employee performance could describe the notion such as: initiative (ACCOUNTING); trustworthy (FURNITURE); creativity (PRACTICE); employees' improvement in their effort and hard work (LIGHTING); honesty, flexibility, communication, teamwork, loyalty, personal life styles (MOTEL); and a few more by COMPUTER which include initiative, responsibility, trustworthy, commitment, and teamwork. Thus again, evidence gathered from interviews supports the importance of behavioural elements in the PMS reported in the previous quantitative chapter, as the respondents identify all of the behavioural-related terms above. However, they might not be fully aware (as none of them clearly stated employee or behavioural terms) that all of these terms could be considered as part of a human resource KPI.

Another issue highlighted and presented in the quantitative chapter is the formal measuring system in SMEs. The informal system of measuring performance is argued as the reason for this disparity value between the low percentage (38%) recorded from the respondents on human resources as part of their KPIs, and the high value (84.6%) of the respondents rating on the importance of behavioural elements, as stated in the early part of this section. Behavioural elements and ERBs (assumed to be part of the human resource KPI), were perceived by the respondents as being informally measured or assessed in their organizations, during the interviews. Summarised information from the transcripts of interviews (Table 6.3) shows that only COMPUTER perceived themselves as formally measuring ERB, nevertheless, it is still not in written documents which is in line with the other SMEs in this study (job contracts and descriptions document in Appendix C).

From the ERB perspective, regarding findings presented in the quantitative analysis on the practices of and approach to measuring ERB, evidence from the case study shows that owner-managers of all the SMEs are very determined in their answers that ERBs have been measured and even rewarded to some extent in their organization. However, the way the information has been informed or conveyed to the employees was probably not done in such a formal way. Verbally being mentioned in meetings, face to face sessions, as well as through actions and gestures of the owner, seemed to bring a low response regarding the human resource or behavioural KPI. Incidentally, in future, there is very positive evidence of the treatment of ERB, as 22 of the 26 respondents (Table 6.3) would prefer ERB to be formally measured and rewarded in their organization. Only eight respondents preferred to continue with the current informal way of measuring performance, with a few respondents opting for both approaches. This positive note clearly increases the chances of using ERB as part of the PMS in SMEs. In the end, findings on the ERB and PMS from both quantitative and qualitative chapters seems to run in parallel, in terms of the practices of ERB as part of

human resource KPI, as well as the informal approach of measuring employees' of the SMEs in this study.

7.2.3 Relationship of working environment and ERB in SMEs

In the final category of quantitative findings, the working environments of the organizations in this study, quantitative evidence (Table 4.12) shows that 'communication' recorded the highest values rated at 4.54 mean value, which is in between good and excellent, and the lowest rated element of the working environment is 'time pressure' at a 3.54 mean value (in between average and good). Thus, overall, working environment in all SMEs in this study is between average and excellent, generally (cf. Figure 4.2). Once again in reconciling the quantitative and qualitative findings of this study, the above quantitative outcomes on the working environment are widely supported by qualitative evidence gathered from the interviews, as well as observations made while visiting the organizations. In every single case study developed as written in Chapter 5, most of the respondents discuss numerous actions performed by themselves and their colleagues, which could be considered as good and contribute to the effectiveness of the organizations' overall performance. A good working environment is very important to the effectiveness of an organization (Neely et al., 2005) and this argument seems to support the better practices of ERBs in that organization of this study and eventually increasing their overall performance. At the same time, several of the working environment elements are closely related with ERBs (cf. Table 6.4a and b) and they could possibly be treated with the same approach. Finally, from the issues discussed in this section, it is clear that the main findings of this study, gathered from the case study analysis, support the quantitative evidence extracted and presented in chapter 4.

7.3 Contributions and implications of the study

7.3.1 Contribution to research with a new set of evidence from Malaysian SMEs

Obviously, most of the evidence on ERB and PMS gathered from previous studies focuses on Western (USA and Europe) rather than Asian countries. In Malaysia itself, a few studies (e.g., Jamil and Muhamad, 2011; Ong and Teh, 2008; Rosli, 2011) have focused on PMS in SMEs, but none try to explore in detail the practice of PMS and its relationship with ERB. Meanwhile in another issue, most studies on ERB were conducted through survey by distributing self-administered questionnaires to the targeted respondents. The same goes for ERB studies in Malaysia, with only a handful conducted before (e.g. Coyne and Ong, 2007; Hassan and Noor, 2008; Yahaya et al., 2011), all of which used a typical survey method, the same widely used method in Western studies.

Research on PMS normally could be seen as conducted within large rather than small and medium sized businesses. Research in Management Accounting area especially PMS, rarely produce large qualitative types of findings as most of them prefers to focus on mainstream accounting research which is dominated by economic-based empirical evidence, as mentioned by Lukka (2010). This study, however, with the inclusion of behavioural elements into the PMS area, moves toward an alternative route of the interpretative research paradigm in management accounting, to consider the subjective meanings of people attached to social environments (Lukka, 2010). Thus, this opportunity has been embrace and a multiple case study approach used to gather mixed and different types of evidence from 26 face-to-face interviews, observations and archival documents.

A performance measurement system (PMS) is a very critical factor for the overall achievement in organizational performance. As discussed earlier in this study (Chapter 2: Literature Review) features of PMS possibly drive superior performance as well as the

characteristics of the organization itself (Epstein, 2004; Taticchi et al., 2010). However, Epstein (2004) clearly concludes that there are unclear results from both academics (existing proposed models) and consultants on what really drives performance or the specific actions that lead to the superior performance of an organization. Rather than validating the existing models, this study takes another challenge as suggested by Epstein (2004) to add to the PMS literature by undertaking extensive empirical and field research through the case study method to explore this complex problem. Researchers and academics need to bring as many sets of measures into PMS which, ideally, could lead to short and long term success and, thus, with all the gathered evidence from this study, ERB is hopefully to be considered as part of the new measures for PMS in future.

In short, based on the above information, this study has been considered as the first to explore and gather in-depth type of information on ERB and PMS, from small to medium business organizations in the Asian business environment. This initial exploration obviously could not generalize its findings to overall SMEs in Asia, and not even in the Malaysia business setting, but could be a worthy and valuable basis for comparative study between Asian and Western business settings in ERB and PMS research areas. Several other extra information areas besides the above main focus of this study (ERB and PMS) such as Malaysian SMEs business environment, demographic elements (gender, age, and work experience) and leadership styles have been assembled and presented as part of the basis for future research.

7.3.2 Contribution to management accounting

7.3.2.1 The appropriateness of ERB as a new measure for PMS

Extra-role behaviour (ERB) as the main focus in this study has been discussed in the management and human resources area quite extensively in terms of its relationship with

organizational performance (e.g. Bachrach et al., 2006; Griffin et al., 2007; Nielsen et al., 2009; Podsakoff et al., 2009) with several different terms such as 'organizational citizenship' and prosocial' behaviour. It has been brought by this study into the PMS arena to contribute in finding the actions needed to be taken by both managers and employees to drive an organization's performance. This intention is parallel with Epstein and Birchard's (2007) study, where they state that the belief of evaluation and measuring broader sets of measures by users of information has led to long term success. However, they have discussed more on accountability as a competitive edge and this study opts to bring a behavioural element as a new criterion to measure employee performance. Several factors, below, have been drawn from the evidence gathered by this study, to supports ERB as an appropriate new measure to be introduced to PMS.

7.3.2.1.1 ERB as a leading indicator

Among other problems in performance measurement systems (PMS) is the link between performance (result) and reward. Davila et al. (2004) found that many companies are dissatisfied with using results measures, such as giving rewards based on earnings as it is a bit too late. Thus, an effective performance measure needs be developed to link actions with results; as an example, using the number of projects launched (rather than success rate of the project) as a leading indicator. ERB, which has been researched in detail in this study, is appropriately being considered as a leading indicator, when evidence shows that the practices of ERB could obviously been observed and counted. This evidence has sparked the idea of measuring ERB based on amount of the actions (number of times) being taken or practiced as it is rather more obvious and easier to count, compared to focusing on the result, which has to wait until the effect of the actions somewhere in future. This could also drive the increased practices of ERB as well as increasing the overall performance of an organization. Meanwhile Epstein (2004) has also warned that even progressive companies

are struggling to develop a system to improve performance as reflected and predicted in management control and performance measurement literature. Thus, introducing specific actions or measures (ERB in this case) to PMS could be assumed to contribute significantly to management accounting literature.

7.3.2.1.2 ERB as a sustainability measure

A connection between innovation and sustainability through informal systems (e.g., culture and leadership) seems to be more important to drive sustainability implementation compared to formal systems (Epstein, 2010). Evidence on innovation, initiative, volunteerism, helping, or practices of other ERB related elements, revealed by respondents, is acknowledged as normal actions of supporting strong cultures which drive sustainability (Epstein, 2010). Collectivism characterized culture such as social interaction, cooperation, focusing on group goal rather than individual goal, as highlighted in Rosenbusch et al. (2011), has also been noted among the actions of employees in this study. Thus, through this study, ERB could be brought into the discussion of sustainability either through its innovative characteristics, or the importance of soft or informal systems (e.g. performance evaluation and incentive system to promote employee behaviour). In other words, management control and performance measurement are critical elements to succeed in the implementations of sustainability. The relationship of sustainability and ERB either through its behavioural actions (elements) of employees or the treatment/way of measuring ERB (soft or informal system) in the organization emerged in this study through evidence from both interviews and observation. Thus, this study has suggested that ERB should be seen as an appropriate measure for PMS through its relationship and connection with sustainability.

7.3.2.1.3 ERB as long term and strategic measure

The evolution in PMS measures discussed in previous chapters has included a strategic element as part of current and future measures. Heavy criticisms of traditional measures such as short term orientation, and simply focusing on operational, are among the reasons used to justify the introduction of these new strategic measures or PMS. Respondents in this study perceived ERB to have a long term advantage on individuals as well as organizations. They exposed several examples of employee actions which are argued to have a long term effect such as loyalty, honesty, harmonious working culture, love and passion, teamwork and togetherness, communication as well as a religious based factor, and these are all related or categorised as part of ERB. At the same time, practices of ERB in the SMEs of this study such as motivation, flexibility, innovation, creativity and knowledge management among others, are considered as embracing strategic value (Singh et al., 2008). The nature of positive behavioural or employee action itself, exposed as widely practiced in respondents' SMEs, also possesses strategic and long term advantage as the human capital is commonly known as a very difficult factor for any competing organization to assess, imitate or acquire (Katz, 1964). All evidence, especially positive answers from the specific question addressed to respondents on the long term advantage of ERB (Table 6.3) shows as strong support for ERB as an appropriate measure for PMS.

7.3.2.1.4 ERB as a coordination effort

ERB could also affect PMS through designing and developing the system in an organization. Performance measurement systems (PMS) are developed in a few different ways and subject to different objectives. Developing PMS should, to some extent, be viewed as an effort to understand performance measures in detail, to identify shortcomings, and to include ongoing initiatives that affect performance measures, known as a co-ordination effort rather than design effort (Lohman et al., 2004). As an example, the owner-manager

of LIGHTING clearly admitted he needs time to educate and give more information to the employees regarding this ERB with an idea of formally using it as a performance measure in future. He believes that high awareness and understanding on measures is very important to develop a good PMS, and current informally measuring the element is part of the effort to improve the understanding and make their employees appreciate the element better. Thus, high awareness and practices of ERBs in SMEs could be treated as one of many good initiatives or measures for PMS, which supports its development through co-ordination rather than merely design effort.

7.3.2.1.5 ERB as an enabling effort

Two main effects that could occur from PMS are known as enabling and coercive as discussed in the PMS literature (Ahrens and Chapman, 2004; Wouters and Wilderom, 2008). ERB could be seen as related to the discussion of PMS through the enabling or learning effect of PMS through its characteristics and nature of practices in an organization. For instance, self-initiative, self-development, civic virtue and sportsmanship of ERB looks suited to the enabling formalization of PMS, which aims to influence employees to directly deal with the inevitable contingencies in their work rather than simply complying with all the standard procedures or rules (Ahrens and Chapman, 2004).

Further connections could be seen through four characteristics of enabling formalization: repair, internal transparency, global transparency, and flexibility. All these characteristics have been linked with employees' ERB revealed in each of the SMEs in this study. As an example related to flexibility, ERB were exposed in MOTEL and PRACTICE, when employees were highly trusted and being allowed to have a reasonable amount of flexibility by the owner-managers, in achieving individual or departmental objectives. In relation to both 'transparency' characteristics, employees' intelligibility of the broader system and context within the overall system were also linked with ERB practices. Listing a few examples such

as in ACCOUNTING, LIGHTING and COMPUTER, when everybody needs to increase their own skills and information related to their respective products, services or ideas, in order to serve, deal with, advise or communicate any valuable suggestion and information to the respective clients or customers.

Discussing an enabling PMS specifically on SMEs, small professional services firms have been proved to benefit more from developing an enabling PMS (Groen et al., 2012). All SMEs in this study, in terms of the organizational setting, ACCOUNTING and PRACTICE, perfectly sit under the above category, meanwhile four other SMEs are indirectly connected as they have at least one service segment in each of the businesses. In summary, as stated by Bititci et al. (2011), the fading emphasis on 'control' to more emphasis on 'learning' has made the behavioural element of performance measurement look more valuable, thus enabling PMS as well as ERB are on the same track to emphasize more on knowledge sharing and learning rather than control per se.

7.3.2.2 Implications of ERB on innovative and control of PMS

It has been reported and discussed in earlier chapters that ERBs are among the widely influencing actions claiming to have an influence on PMS. Evidences from both interviews and observations in this study shows that many employees' actions which could be categorised under ERB, have clearly been practiced in the SMEs. However, there is a critical issue regarding ERB practices which is the difficulty of managers to balance between innovative actions and control in an organization. As stated by Katz (1964) spontaneous and innovative behaviours are among the basis of citizenship or extra-role behaviour constructs during the early days' discussion of this type of behaviour. This 'balance' issue emerged and should be faced by an organization, as control always seems to be isolated with the characteristics of spontaneity and voluntary action of ERB.

Evidence showed that most of the owner-managers appeared very concerned with ERBs; nevertheless, they did not properly measure these extra-role elements. They believe 'initiative' and 'self-development' (ERBs) are among the elements they really observe when monitoring employees' performance but there was no specific or real communication with employees or any kind of recognized effort to formally measure these extra-role behaviours. They do perceive that these innovative related actions if practiced by their employees could be critical to the betterment of the organization. However, at the same time they seemed to face the dilemma of balancing between innovative actions (ERBs) and control (Epstein, 2004) as all respondents agreed that most SMEs in this study do not have much direct control towards their employees. Thus, evidence from this study could be used to argue that highly practiced innovative actions will be negatively affected if a company tries to increase some control elements on their employees. In other words, evidence from this study has clearly shown it is very important for a small business organization to have a balance between these two elements, in order for them to reach for the optimum effect on organizational performance.

7.3.2.3 Implications of ERB on organizational effectiveness

7.3.2.3.1 ERB as workplace spiritual element

Workplace spirituality has been linked to the effectiveness of an organization through organizational commitment when employees feel more attached and loyal to their organization (Rego and Cunha, 2008). Besides the commitment and loyalty elements, which are among the seven ERB elements in this study, most positive attributes related to ERB such as trust, creativity, respect, and integrity among them, have been perceived to exist in parallel with the existence of the spirituality element at work. In Islam (all respondents in this study are Muslims), spirituality is closely connected with both religious general activities and specific practices. Evidence from this study shows a connection between

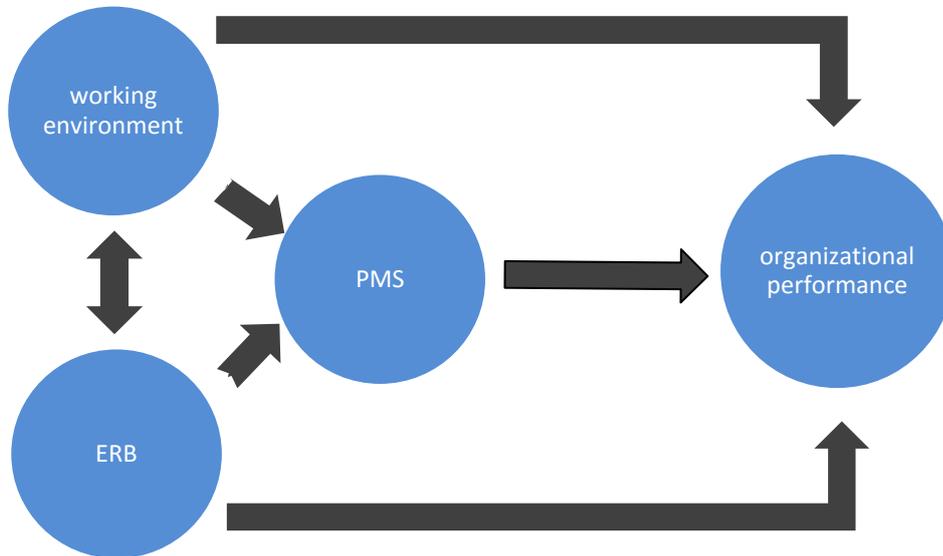
religious activities with ERB practices. A few examples of Islamic values and practices were highly emphasized by the management of the SMEs. Some of the owner-managers believed that performing ERBs is the same way as practising Islamic values, and they have even admitted their employees' actions have been observed, measured and rewarded on these criteria to some extent. This argument has made a very strong linkage between ERB and workplace spirituality and could contribute to the effectiveness of an organization although some scholars deny any kind of connection between spirituality and management concepts (Rego and Cunha, 2008).

7.3.2.3.2 Innovative actions of ERB in SMEs

Research on innovation in SMEs is hardly found in relation to PMS, probably because formal PMS is less clear in those small sized enterprises. A meta-analysis of the relationship between innovation and SME performance was undertaken by Rosenbusch et al. (2011), concluding that promoting an innovative action has more effect on the performance of SMEs than creating innovation outcomes (e.g. process, product or services). This study contributes to the linkage between innovative and organizational effectiveness through promoting ERBs, where innovation is one of the embedded elements. Evidence shows that organizations are willing to focus on promoting and encouraging practices of ERB (e.g., improving work environment, suggestion of better hiring practices, measuring and rewarding ERB, organizing more social and sports activities, more staff meetings, organizing religious and motivation programmes), and this could be a good sign for ERB and innovation to grow and eventually increasing organizational effectiveness. The collectivism culture of many Asian countries, compared to individualistic in the U.S. (Rosenbusch et al., 2011), has also given a better chance for innovation and ERB to have a strong positive impact on the performance of SMEs in Asia.

7.3.2.3.3 Relationship between ERB, PMS, working environment and organizational performance

Figure 7.1: ERB, PMS, working environment and organizational performance



A discussions of the implications and influence of ERB on PMS and organizational performance in this study is facilitated by reference to the above diagram (see Figure 7.1). The relationship between all of these elements is established, based on the main objective of this study, which is to develop improved features of a PMS by adopting ERB in measuring employees' performance. Specifically focusing on PMS in an SME setting, this study explores awareness, practices and treatment of ERB, in order for the SME to address the emerging importance of behavioural aspects in improving business performance (e.g. Birnberg, 2011; Crook et al., 2011). The diagram represents the main contribution of this study which is to establish the influence of ERB on PMS and eventually to improve organizational performance.

There are three important elements in the above diagram, identified as PMS, ERB and working environment, where the latter two elements are connected back and forth to each other. All three elements also have their own connections, to some extent, with the overall performance of an organization. However this study focuses more on the direct connection

of ERB together with the organization's working environment, in influencing the business organization's performance, through PMS. ERB is seen in the figure not only to have an impact upon the PMS, but also a reciprocal relationship with the working environment, as well as a direct impact upon organizational performance.

The literature in the management and human resource area extensively links ERB and organizational performance (Bachrach et al., 2006; Griffin et al., 2007; Nielsen et al., 2009; Podsakoff et al., 2009). Simultaneously, the relationship between PMS and performance of an organization has also been well established in the literature (e.g. Epstein, 2004), but the only flaw in that relationship is the finding of the best characteristics or features of PMS that could really drive superior performance. Thus, this study has taken an opportunity to bring a new connection to the influence of ERB on organizational performance, through proposing the type of behavioural elements as one of the criteria in the PMS.

Evidence from this study, as discussed and presented in the previous section, has listed several factors such as: leading indicator, long term and strategic element, as well as co-ordination and enabling effort, to support ERB to be an appropriate measure for PMS in order to improve the organizational performance. At the same time, the working environment of an organization also plays some part in improving the PMS to be a better determinant of organizational performance, besides directly influencing the performance of the business organization (Neely et al., 2005). There is also evidence of a good connection between ERB and the working environment; for example, the overall rating of the internal environments from all SMEs in this study is identified as being between 'average' and 'excellent'. This is further supported with data from interviews, where the respondents stated that numerous actions performed by members of the business organization have contributed to the organization's overall performance. The practices of ERBs in an

organization might, as well, have been influenced to some extent by the organization's working environment.

A possible reciprocal effect between organizational performance and PMS could occur through the enabling or learning effect of the PMS, when the results or outcomes of overall performance are used as a feedback to the PMS in improving the system or adapting some changes, in terms of finding the measurement criteria. However, this study concentrates on showing a strong one-way positive impact of PMS in leading to improved organizational performance.

Meanwhile, in supporting the direct relationship between ERB and organizational performance, this study also exposed and discussed two characteristics of ERB: (1) a workplace spiritual element; and (2) innovation in SMEs. The main intention is to improve the connection between ERB and organizational performance, based on the findings in Malaysian SMEs. The spiritual element or religious values were emphasized by top management in at least three SMEs, and it is believed to improve the overall performance of the SMEs. Innovation in SMEs is preferred to be promoted rather than created where the impact from the former on organizational effectiveness is bigger.

Finally, the working environment which has also been discussed in this study, in terms of its relationship with PMS and organizational performance, has been treated as part of the element that influences (and is influenced by) ERB, and thus the same relationships were also included in the above diagram.

7.3.2.4 Implications of ERB and PMS on the size of an organization

Different characteristics of small business, which requires their own unique solutions (Watts and Beard, 2005) have influenced researchers to focus on developing a specific PMS for SMEs rather than adopting the PMS developed for larger-sized organizations. Taticchi et

al. (2010) argue that it still lacks research in the performance and management area for SMEs and most of the literature prefers to focus on large organizations. Even worse, most performance measurement models and frameworks developed for larger organization fail to be adopted or utilized by SMEs. Several requirements of PMS in SMEs, which have been outlined in this study (cf. Table 1.2), extracted from Cocca and Alberti (2010), seem suited to ERB elements if included as important features in PMS. Evidence gathered from respondents also supported the relevance of ERB with PMS in SMEs when they suggested that ERB is perceived to be a good element to measure employees' performance in their respective organizations. A few problems could be solved regarding PMS in SMEs through the introduction of ERBs as part of the new measures such as: (1) increasing awareness, understanding and commitment of employees on the long term advantage of ERB; (2) increasing flexibility among employees while performing daily tasks; (3) connecting PMS with management information systems (human resources in this case of ERB); and (4) increasing the possibility of retaining good and capable people in the organization.

7.3.3 Contribution to academic and practice

7.3.3.1 Implications for academics

The way of measuring ERB could affect the basic definition of the term, which includes the element of discretionary/compulsory as well as rewarded/unrewarded elements. The act of formally measuring these behaviours of an employee could be argued to eliminate the discretionary value of ERB and also needs to be included as part of the job requirement (in-role behaviour). However, a few recent studies (Turnipseed and Wilson, 2009; Vigoda-Gadot, 2007; and Zhang et al., 2011) have brought a new insight to the discussion of the ERB definition. They have highlighted the migration issues of this extra type of behaviour, where they suggested a degree of voluntariness in ERB as a continuum line. With the idea of formally measuring ERB or bringing this measure into PMS, this study has supported the

above suggestion or statement that different elements of ERBs have different level of voluntariness, and it should have not only been acknowledged as either totally compulsory or voluntary acts at both ends.

7.3.3.2 Implications for owner-managers to formally measure ERB

It has been revealed that all SMEs in this study have measured their employees' performance, to some extent, based on ERB criteria. All SME owner-managers admitted and perceived they have informally measured ERBs (except for COMPUTER as they believed it as a formal approach) based on the non-existence of official written documents stating ERB as part of the criteria (see Appendix C). However, COMPUTER's owner-manager argued that even though there is nowhere stated in a written document, all employees in her organization have been verbally informed and should have no reason not to be aware of that criteria. Owner-managers when formally measuring ERB or using the term as part of their PMS to measure employees' performance in future, should clearly state the criteria in the official document, in order to improve the awareness and practice, as well as to legally bind the employees' actions.

7.3.3.2.1 Advantages of formally measuring ERB

Owner-managers should be aware of all the positive implications revealed by this study regarding the act of formally measuring ERB, to make sure the impact could be maximized in their organization. Among the positive implications listed in this study include such items as the respondents' positive acceptance of ERB being included as part of PMS. The respondents also perceived the use of ERBs as formal measurement criteria could encourage more practices of such behaviour and eventually bring betterment to their organization. This was stated earlier by Becton et al. (2007) that ERBs have to be explicitly measured and rewarded to encourage such occurrences. The findings of this study show

that formally measuring ERB could be more positive compared to negative effects to the employees as well as to the organization as a whole, as it has been perceived by the respondents of these SMEs. Therefore, owner-managers need to promote (increase employee awareness), communicate (to the employees), measure and reward ERB to maximize its positive impact as a formal PMS criterion.

7.3.3.2.2 Disadvantages of formally measuring ERB

Besides maximizing the positive impact of formally measuring ERB, owner-managers also need to minimize or try to eliminate any possible negative impact of this formal approach. Several respondents support the findings of previous studies (Becton et al., 2008; Bergeron, 2007; Bush and Jiao, 2011; Culbertson and Mills, 2011; Vigoda-Gadot, 2006) on the disadvantages of formally measuring ERB in an organization. Contamination of the in-role performance rating with the inclusion of the extra-role element (Culbertson and Mills, 2011) could affect the accuracy of the existing in-role performance measurement system and spark issues of fairness (perceived unfair treatment), especially if some of the employees could not accept ERBs as PMS criteria. This issue if not properly managed could eventually bring worse effects as it could disharmonize relationships among employees. This fair treatment of measuring employee performance could also be viewed from the owner-managers' perspective when some worried that they could not act in a fair way, or they could not convince their employees to believe they had tried to be as fair as possible to all employees. They raised this concern as there is no clear or specific standard for measuring behaviour thus far. The above suggestion to clearly document ERB as a measure for PMS could increase the fairness as well as maintain harmonization among employees.

Elimination or eradication of honesty while performing tasks has been highlighted as another disadvantage of formally measuring ERB. Some respondents perceived that employees will have a tendency to perform all actions under influence of reward rather

than personal courtesy on some extra-role performances. Owner-managers also worried that competition to gain reward could bring unhealthy conditions to the work environment. In order to control and or maintain the element of honesty, owner-managers need to find solutions, a few of which were extracted from the findings are: organizing religious lectures and advice events, motivational talks, as well as social and sports events which could encourage togetherness and trustworthiness.

ERB could also be linked to personal or sensitive employee issues (Becton et al., 2008) as among the consequences of its formal measurement. This study has exposed several instances that support the above statement, such as one of the respondents perceived that his owner-manager was too cautious to scrutinize employees actions beyond the tasks prescribed in the job contract, due to not to being involved in employees' personal affairs. Others believed that their owner-managers were less concerned with employees' ERB in order to avoid being branded as becoming involved in the personal lives of their employees. Thus, the perception of ERBs as part of employee personal affairs could affect the implementation of formally measuring ERB and owner-managers need to manage this issue accordingly, such as clearly prescribed in the ERB element in the job contract.

7.3.3.2.3 Barriers of formally measuring ERB

The time factor has been exposed by respondents of this study as a barrier that prohibits the formal measuring of ERB in their organizations. Lack of monitoring from the superior/owner-manager, being busy with marketing tasks, rarely being available in the office are among the instances showing that the time factor is a main barrier to the

implementation of formally measuring ERB. This has also been supported with the growth of the organization, as significant additions of new staff has added to this problem as more employees need to be monitored and measured, thus requiring more time. However, with the current advanced technology of closed circuit television (CCTV), owner-managers should have taken the initiative to install this device to assist their top management team to eliminate this barrier and increase the effectiveness of formal treatment of measuring ERBs.

7.4 Limitations of the study

7.4.1 Generalizability

The very first limitation of case study research is generalizability, and thus this study, as it has been conducted in six Malaysian SMEs involving 26 employees, is subject to such a limitation. Yin (2009) specifically lists the generalization issue as the most obvious criticism of case study research, and with only six SMEs involved, the finding and results from this study could not absolutely achieve the generalizability standard to represent the whole population of SMEs in the local area or, even more, in Malaysia overall. However, in each of the cases, where four to five employees were interviewed it could be assumed to decently represent the overall number of employees in small organizations. This study is aware of and agrees with the lack of generalization of the findings, but also believes the small sample of case study is very useful in generating valuable information for generating hypotheses (Ryan et al., 2002) as one of the many steps for testing larger sample studies in future research. This study has, further, tried to obtain some ideas on this issue by doing some structural analysis albeit on a small sample.

7.4.2 Accessibility and limited timeframe

Proper planning needs to be undertaken in order to gain access into respondents' organizations in most fieldwork studies. As thoroughly explained in the Methodology chapter, the process was planned according to the timeframe of the study. Convenient non-probability sampling is considered as the best technique to be used (Bryman, 2012), and six SMEs were conveniently selected through the researcher's personal contacts to obtain approximately the same size of SMEs in terms of the number of employees. Generally, the greater the number of organizations, the better, and the same goes to the number of employees; however, practically, a large number of respondents could not easily be achieved when considering accessibility issues and the limited time period in which to finish the study.

7.4.3 Responses from low level hierarchy

Some of the respondents in this study were from the lowest ranked employees in the organization such as carpenter, general worker, clerk and salesperson. The respondents' level of understanding on the subject matters of this study is fairly low and, thus, the interviewer required extra time to explain further a few important terms such as extra-role behaviour (ERB), performance measurement system (PMS), and some elements in ERB such as civic virtue and sportsmanship. The explanations were given in the best possible way to make sure the reliability and the quality of the responses was not compromised. Low ranked respondents also showed some reluctance to be interviewed but, generally, did so under the owner-manager's instruction. They also looked slightly uncomfortable when answering some sensitive questions such as related to criticism towards their superiors as well as the organization as a whole. They always needed to be convinced that everything was strictly confidential and not even their superior would have any access to the data. A

proper secluded or private area also helps them to answers questions that require negative criticism in a better way.

7.4.4 Relatively small number of respondents on questionnaires interviews

Data collected from self-administered questionnaires gathered in this study were only given to a limited number of respondents who were being interviewed. It could be better if more employees in each of the organizations were involved or being asked to answer the questionnaires to obtain a better representation of the organization's working conditions. However, data from 26 respondents could still be considered as enough to be quantitatively analysed using a small sample statistical technique and produce results which are a useful basis for further discussions in this study.

7.5 Suggestions and recommendation for future research

7.5.1 Suggestions in methodology

A few limitations of this study are discussed in the previous subsection, including the methods employed to achieve the objectives of study. Generalizability, accessibility, low level hierarchy responses, and a small number of respondents are among the limitations that need to be considered, in developing recommendation for future research. In terms of methodology, a few suggestions for future research could include: enlarging the sample size of the study; doing comparative studies; and deploying more detailed or advanced quantitative statistical or econometric analysis.

7.5.1.1 Enlarging the sample size

After producing initial evidence on the employees' perception of the appropriateness of using ERB in PMS, surveys seem to be a subsequent methodology which could be used to

further test the information gathered in this study about ERB measurement. Survey is a commonly used technique to conduct the study of a large sample size. Thus, the technique seems appropriate for accessing a bigger sample, in order to represent the Malaysian SME population (Creswell, 2009), to support the early findings and by specifically focusing on selected variables, such as the formality of measuring ERB. As an example, it is confirmed by most of the respondents that SMEs do measure employees' behaviour beyond the specified in-role tasks in an organization but the formality of measuring performance are subjected to whether or not the employees' have been informed (verbally or official document). This could be one of many variables to be further tested through survey techniques, by reaching out to a big sample size of respondents. The generalizability limitation, as mentioned above, could be overcome, as the survey could be conducted in every state to represent the population of SMEs in Malaysia. Some parts of the questionnaire could be simplified to be used as self-administered questions in order to obtain more samples within a reasonable timeframe of study.

7.5.1.2 Doing comparative studies

This study is limited to a single setting, which is a sample of six SMEs located in Kuala Terengganu, a capital city one of the states in Malaysia. In the future, comparative studies could be undertaken, either to compare SMEs from different regions in Malaysia, or more likely to explore further by comparing them with SMEs from developed countries, such as Europe or the United States of America. Different economic conditions, political situations, or cultural factors between developing Asian countries and developed European countries could add an interesting finding to the study. In addition, a study which contains much on behavioural elements could also be another exciting study to be undertaken under different settings.

7.5.1.3 Deploying advanced quantitative techniques

Data gathered from 26 employees in 6 SMEs could be analysed in a quantitative way but it is limited to small sample statistical techniques. More analysis could be performed on the quantitative data and on the descriptive analysis in order to observe the different levels of hierarchy, gender, and work experience on the specific effect of a single SME case or individual respondent. More advanced quantitative analysis, such as 'multivariate' analysis, could be run on the quantitative dataset from this study to discover any significant relationship between all available variables. Future studies would also benefit from having more quantitative data, with the purpose of producing comprehensive statistical findings.

7.5.2 Suggestions for the subject of study

Semi-structured interview techniques are considered to be appropriate for the study of four to five respondents in six SMEs of different types of industries. However, in future, further studies could be done to give a better representation in each of the SMEs by interviewing more respondents, such as one in every department, if it could not involve everybody in the organization. At the same time, SMEs in the same industry could also be considered in order to grasp if any particular issue emerged from any specific industry. SMEs from different geographical locations, cultures and economic conditions could also be recommended to be involved in future research to bring out comparative findings of formally measuring ERB in SME, as explained above.

7.5.3 Suggestions for the analysis of findings

In future research, several other issues could be analysed and discussed either using the existing rich data gathered by this study, or collecting new, similar pieces of data. One of the options is an analysis of a single in-depth case study, focusing on relationships between owner-managers and employees in terms of formally measuring ERB. Further exploration of the type of leadership of the owner-managers and its connection with different PMS

approaches could be undertaken, as it could be roughly stated that all six owner-managers in this study have different types of approach in managing their employees. Leadership style or the approach taken by the owner could also be linked with gender and working experience factors of the owner-manager. The working environment of SMEs could also be scrutinized in greater detail, to observe any other relationship with performance of the SMEs as well as the approach or preference taken by the management of the SME.

7.5.4. Suggestions for extending the framework of study

Relationships among three important elements, known as ERB, PMS and working environment, to establish the implications to the organizational performance, have been explored in the framework shown in Figure 7.1. This study, based on its main objective, concentrates more closely on the direct connection of ERB in having an influence on the business organization's performance, through PMS. However, in future, there are a few interesting extended issues from the framework that could be explored further. As an example, there is the reciprocal effect between organizational performance and PMS, which could be explained in detail through the enabling and learning effect of PMS. In addition to that, results and outcomes of the overall performance of an organization could also affect PMS, ERB and working environment as feedback elements, in improving or adapting changes for a betterment of the organization. There are also a few other elements or factors that could be added to the framework, with an intention of explaining the relationship in a better way, such as: the specific size of an organization (micro, small or medium sized); gender; leadership style; and hierarchy effect.

7.6 Summary and Conclusions

This study has focused specifically on the possibility and appropriateness of formally measuring ERB in six Malaysian SMEs; including all possible positive and negative impacts of

doing so, as well as some barriers that could halt its implementation. Information gathered through face-to-face semi structured interviews, respondents' workplace observations, and a few relevant documents from all six SMEs have been summarized and cross-analysed under two main components of this study: performance measurement system (PMS) and extra-role behaviour (ERB).

Information on current practices of measuring employees, explored by this study, was gathered through both quantitative and qualitative evidence. Factors such as the quality of work, fast delivery, and reputation of staff are among the main factors used by SMEs to compete with rivals, which are closely related to factors identified by employees as being important. Another piece of evidence revealed by respondents supports the above findings, where SMEs admitted using criteria, which were directly related to human and behavioural factors, for measuring employees' performance. Thus the outcome of the study on the current practices of measuring employees in SMEs could be considered to be closely related to behavioural elements. Meanwhile, in terms of the employees' awareness of behavioural factors as being one of the measurement criteria, most employees (77%) are not really aware that this happens, and this prompts management of the SMEs to be concerned about the importance of conveying information to all staff.

The second question of this study was created in order to get information on how SMEs value behavioural elements, particularly ERB. The question demonstrates that a considerably high percentage (84%) perceived employees' behaviour as being very important in their day-to-day working environment. This second outcome of the study is supported by an abundance of examples that arose during interview, such as: most owner-managers stressing the importance of employee behaviour at work; and the wide practice of ERB in SMEs. The high importance of behavioural elements lays a strong basis for this

study to explore further the treatment of ERB, as well as an opportunity to use ERB as part of the PMS in SME.

Interestingly, as most of the SMEs admitted, they have used ERB as one of the criteria for measuring their employees' performance, as well as having rewarded them accordingly in a full annual assessment. However, most of them preferred to recognize the treatment of ERB as informal, and this informal way of treatment is clearly supported by the job contract evidence. None of the ERB or even behavioural-related criteria were included in the contracts retrieved from the SMEs. In terms of the possible implication of formally measuring ERB in SMEs, most respondents perceived positive effects from it. The setting of Malaysian SMEs has empirically added new materials from an Asian, or developing, country on the consequences of formally measuring ERB.

This study also shows another outcome, in that respondents were mostly very positive about agreeing to their performance being formally measured, by using ERBs as part of the performance measurement criteria. A few suggestions indicate that ERBs should be guided in a better way, if they are to improve practice as well as the positive impact of this type of behaviour. The suggestions given in this study are considered to be new types of antecedents of ERBs, which could help to increase the perceived importance of ERBs, and eventually improve organizational performance, generally.

Finally, after comprehensive analysis and in-depth discussions of all of the issues, this study reaches the following and final general conclusion: where ERBs are currently informally measured and rewarded in SMEs, and are perceived by them to be appropriate and useful, these measures may lead to improvements in future PMS, in order to manage and increase the overall effectiveness and performance of the organization.

References

- Adler, P. S., and Borys, B. (1996). Two types of bureaucracy: Enabling and coercive. *Administrative science quarterly*, 61-89.
- Ahrens, T., and Chapman, C. S. (2004). Accounting for Flexibility and Efficiency: A Field Study of Management Control Systems in a Restaurant Chain*. *Contemporary accounting research*, 21(2), 271-301.
- Ahrens, T., and Chapman, C. S. (2006). Doing qualitative field research in management accounting: Positioning data to contribute to theory. *Accounting, Organizations and Society*, 31(8), 819-841.
- Ahrens, T., and Chapman, C. S. (2007). Management accounting as practice. *Accounting, Organizations and Society*, 32(1), 1-27.
- Al Mamun, A., Entebang, H., and Mansor, S. A. (2012). EVA as Superior Performance Measurement Tool. *Modern Economy*, 3(3), 310-318.
- Alhyasat, K. M. (2012). The role of Islamic work ethics in developing organizational citizenship behavior at the Jordanian Press Foundations. *Journal of Islamic Marketing*, 3(2), 139-154.
- Allen, T. D. (2006). Rewarding Good Citizens: The Relationship Between Citizenship Behavior, Gender, and Organizational Rewards1. *Journal of Applied Social Psychology*, 36(1), 120-143.
- Allen, T. D., and Rush, M. C. (1998). The effects of organizational citizenship behavior on performance judgments: A field study and a laboratory experiment. *Journal of Applied Psychology*, 83(2), 247.
- An Overview of the EFQM Excellence Model (2013), http://www.efqm.org/sites/default/files/overview_efqm_2013_v1.1.pdf
- Aramyan, L. H., Lansink, A. G. J. M. O., Van Der Vorst, J. G. A. J., and Van Kooten, O. (2007). Performance measurement in agri-food supply chains: a case study. *Supply Chain Management: An International Journal*, 12(4), 304-315.
- Armstrong, M., and Baron, A. (2005). *Managing performance: performance management in action*: CIPD Publishing.
- Azofra, V., Prieto, B., and Santidrián, A. (2003). The usefulness of a performance measurement system in the daily life of an organisation: a note on a case study. *The British Accounting Review*, 35(4), 367-384.
- Bachrach, D. G., Powell, B. C., Bendoly, E., and Richey, R. G. (2006). Organizational citizenship behavior and performance evaluations: Exploring the impact of task interdependence. *Journal of Applied Psychology*, 91(1), 193.

- Bambale, A. J. a., Mohd Shamsudin, F., and Subramaniam, C. a. I. (2011). *Clarifying the Ambiguity Surrounding Organizational Citizenship Behavior (OCB) and Related Behavioral Constructs* (Vol. 2).
- Bandura, R. P, and Lyons, P. R. (2014). The value of employees who go the extra mile: ... and how to encourage such voluntary, helpful behavior. *Human Resource Management International Digest*, 22(4), 29-32.
- Barbour, R. S. (2007). *Doing focus groups [internet resource]*: London : SAGE.
- Bateman, T., and Organ, D. W. (1983). Job Satisfaction and the Good Soldier: The Relationship between Affect and Employee "Citizenship". *Academy of Management journal*, 26(4), 587-595.
- Becton, J. B., Giles, W. F., and Schraeder, M. (2008). Evaluating and rewarding OCBs: Potential consequences of formally incorporating organisational citizenship behaviour in performance appraisal and reward systems. *Employee relations*, 30(5), 494-514.
- Behn, R. D. (2003). Why measure performance? Different purposes require different measures. *Public Administration Review*, 63(5), 586-606.
- Belogolovsky, E. (2010). Teachers' organizational citizenship behavior: Examining the boundary between in-role behavior and extra-role behavior from the perspective of teachers, principals and parents. *Teaching and Teacher Education*, 26(4), 914-923.
- Bergeron, D. M. (2007). The potential paradox of organizational citizenship behavior: Good citizens at what cost? *Academy of Management Review*, 32(4).
- Bing, M. N., Davison, H. K., Minor, I., Novicevic, M. M., and Frink, D. D. (2011). The prediction of task and contextual performance by political skill: A meta-analysis and moderator test. *Journal of Vocational Behavior*, 79(2), 563-577.
- Birnberg, J. G. (2011). A Proposed Framework for Behavioral Accounting Research. *Behavioral Research in Accounting*, 23(1), 1-43.
- Bititci, U. S., Garengo, P., Dörfler, V., and Nudurupati, S. (2011). Performance Measurement: Challenges for Tomorrow*. *International Journal of Management Reviews*, no-no.
- Bititci, U. S., Mendibil, K., Nudurupati, S., Garengo, P., and Turner, T. (2006). Dynamics of performance measurement and organisational culture. *International Journal of Operations and Production Management*, 26(12), 1325-1350.
- Bititci, U. S., Turner, U. T., and Begemann, C. (2000). Dynamics of performance measurement systems. *International Journal of Operations and Production Management*, 20(6), 692-704.
- Bloomberg, L. D., and Volpe, M. (Eds.). (2012). *Completing your qualitative dissertation: A road map from beginning to end*. Sage.

- Bolino, M. C., Turnley, W. H., and Niehoff, B. P. (2004). The other side of the story: Reexamining prevailing assumptions about organizational citizenship behavior. *Human Resource Management Review, 14*(2), 229-246.
- Bourne, M., Kennerley, M., and Franco-Santos, M. (2005). Managing through measures: a study of impact on performance. *Journal of Manufacturing Technology Management, 16*(4), 373-395.
- Bourne, M., Melnyk, S. A., Bititci, U., Platts, K., and Andersen, B. (2014). Emerging issues in performance measurement. *Management Accounting Research, 2*(25), 117-118.
- Bourne, M., Mills, J., Wilcox, M., Neely, A., and Platts, K. (2000). Designing, implementing and updating performance measurement systems. *International Journal of Operations and Production Management, 20*(7), 754-771.
- Brief, A. P., and Motowidlo, S. J. (1986). Prosocial Organizational Behaviors. *The Academy of Management Review, 11*(4), 710-725.
- Brignall, S., and Ballantine, J. (1996). Performance measurement in service businesses revisited. *International Journal of Service Industry Management, 7*(1), 6-31.
- Brown, M. G. (1996). *Keeping score: using the right metrics to drive world-class performance*: AMACOM/American Management Association.
- Bryman, A. (2012). *Social research methods*. Oxford university press.
- Bryman, A., and Bell, E. (2007). *Business research methods*, Oxford: Oxford University Press.
- Bryman, A., and Cramer, D. (2011). *Quantitative data analysis with IBM SPSS 17, 18 and 19: a guide for social scientists*. Routledge.
- Burgess, T. F., Ong, T. S., and Shaw, N. E. (2007). Traditional or contemporary? The prevalence of performance measurement system types. *International Journal of Productivity and Performance Management, 56*(7), 583-602.
- Burney, L. L., and Widener, S. K. (2013). Behavioral Work Outcomes of a Strategic Performance Measurement System-Based Incentive Plan. *Behavioral Research in Accounting, 25*(2), 115-143.
- Burney, L. L., Henle, C. A., and Widener, S. K. (2009). A path model examining the relations among strategic performance measurement system characteristics, organizational justice, and extra-and in-role performance. *Accounting, Organizations and Society, 34*(3), 305-321.
- Burney, L., and Widener, S. K. (2007). Strategic performance measurement systems, job-relevant information, and managerial behavioral responses-role stress and performance. *Behavioral Research in Accounting, 19*(1), 43-69.
- Bush, M. S., and Jiao, C. (2011). Including Organizational Citizenship Behavior in Performance Evaluations: An Investigation of Employee Reactions. *International Journal of Business and Management, 6*(10), 50-58.

- Bysted, R., and Jespersen, K. R. (2014). Exploring managerial mechanisms that influence innovative work behaviour: Comparing private and public employees. *Public Management Review*, 16(2), 217-241.
- Cappelli, P., and Rogovsky, N. (1998). Employee Involvement and Organizational Citizenship: Implications for Labor Law Reform and "Lean Production". *Industrial and Labor Relations Review*, 633-653.
- Chahal, H., and Mehta, S. (2010). Antecedents and consequences of organisational citizenship behaviour (OCB): A conceptual framework in reference to health care sector. *Journal of Services Research*, 10(2), 25-44.
- Charmaz, K. (2006). *Constructing grounded theory: A practical guide through qualitative analysis*. Sage Publications Limited.
- Cheng, M. M. (2012). Intangible Assets: Value Drivers for Competitive Advantage. In Gregoriou, G. N., and Finch, N. (Eds.). (2012). *Best Practices in Management Accounting*. (166-181). Palgrave Macmillan.
- Cheng, M. M., and Coyte, R. (2014). The effects of incentive subjectivity and strategy communication on knowledge-sharing and extra-role behaviours. *Management Accounting Research*, 25(2), 119-130.
- Cheng, M. M., Lockett, P. F., and Mahama, H. (2007). Effect of perceived conflict among multiple performance goals and goal difficulty on task performance. *Accounting and Finance*, 47(2), 221-242.
- Chenhall, R. H., and Langfield-Smith, K. (2007). Multiple perspectives of performance measures. *European Management Journal*, 25(4), 266-282.
- Chiaburu, D. S., Oh, I.-S., Berry, C. M., Li, N., and Gardner, R. G. (2011). The five-factor model of personality traits and organizational citizenship behaviors: A meta-analysis. *Journal of Applied Psychology*, 96(6), 1140.
- Chiaburu, D., Oh, I.-S., Berry, C. M., Li, N., and Gardner, R. G. (2006). Extra-role behaviors challenging the status-quo: Validity and antecedents of taking charge behaviors. *Journal of managerial psychology*, 21(7), 620-637.
- Chinomona, R. (2012). The impact of organizational support on work spirituality, organizational citizenship behaviour and job performance: The case of Zimbabwe's small and medium enterprises (SME) sector. *African Journal of Business Management*, 6(36), 10003-10014.
- Cocca, P., and Alberti, M. (2010). A framework to assess performance measurement systems in SMEs. *International Journal of Productivity and Performance Management*, 59(2), 186-200.
- Coff, R. W. (2002). Human capital, shared expertise, and the likelihood of impasse in corporate acquisitions. *Journal of Management*, 28(1), 107-128.

- Coleman, V. I., and Borman, W. C. (2000). Investigating the underlying structure of the citizenship performance domain. *Human Resource Management Review*, 10(1), 25-44.
- Cooper, R., and Kaplan, R. S. (1988). Measure costs right: make the right decisions. *Harvard Business Review*, 66(5), 96-103.
- Corbin, J., and Strauss, A. (2008). *Basics of qualitative research: Techniques and procedures for developing grounded theory*. Sage, Thousand Oaks, CA
- Coyne, I., and Ong, T. (2007). Organizational citizenship behaviour and turnover intention: a cross-cultural study. *The International Journal of Human Resource Management*, 18(6), 1085-1097.
- Creswell, J. W. (2007). *Qualitative inquiry and research design: Choosing among five approaches*. SAGE Publications, Incorporated
- Creswell, J. W. (2009). *Research design: Qualitative, quantitative, and mixed methods approaches*. Sage Publications, Incorporated.
- Crook, T. R., Todd, S. Y., Combs, J. G., Woehr, D. J., and Ketchen Jr, D. J. (2011). Does human capital matter? A meta-analysis of the relationship between human capital and firm performance. *Journal of Applied Psychology*, 96(3), 443.
- Cross, K. F., and Lynch, R. L. (1988). The "SMART" way to define and sustain success. *National Productivity Review*, 8(1), 23-33.
- Cuganesan, S., and Donovan, J. (2011). Investigating the links between management control approaches and performance measurement systems. *Advances in management accounting*, 19, 173-204.
- Culbertson, S. S., and Mills, M. J. (2011). Negative implications for the inclusion of citizenship performance in ratings. *Human resource development international*, 14(1), 23-38.
- Daniel, J. L. (2010). The effect of workplace spirituality on team effectiveness. *Journal of Management Development*, 29(5), 442-456.
- Davila, T., Epstein, M. J., and Matusik, S. F. (2004). Innovation strategy and the use of performance measures. *Advances in Management Accounting*, 13, 27-58.
- Davoudi, S. M. M. (2012). A comprehensive study of organizational citizenship behavior (OCB): Introducing the term, clarifying its consequences and identifying its antecedents. [journal]. *A Journal of Economics and Management*, 1(2).
- Dawson, A. (2010). A case study of impact measurement in a third sector umbrella organisation. *International Journal of Productivity and Performance Management*, 59(6), 519-533
- De Kok, J., and Uhlaner, L. M. (2001). Organization context and human resource management in the small firm. *Small Business Economics*, 17(4), 273-291.

- de Waal, A. A. (2003). Behavioral factors important for the successful implementation and use of performance management systems. *Management Decision*, 41(8), 688-697.
- de Waal, A. A. (2004). Stimulating performance-driven behaviour to obtain better results. *International Journal of Productivity and Performance Management*, 53(4), 301-316.
- de Waal, A. A. (2006). The role of behavioral factors and national cultures in creating effective performance management systems. *Systemic Practice and Action Research*, 19(1), 61-79.
- de Waal, A. A. (2010). Performance-driven behavior as the key to improved organizational performance. *Measuring business excellence*, 14(1), 79-95.
- Deci, E. L. (1971). Effects of externally mediated rewards on intrinsic motivation. *Journal of personality and Social Psychology*, 18(1), 105.
- DeNisi, A. S., and Pritchard, R. D. (2006). Performance Appraisal, Performance Management and Improving Individual Performance: A Motivational Framework. *Management and Organization Review*, 2(2), 253-277.
- Denscombe, M. (2010). *The good research guide*. Open University Press.
- Druckman, D. (2005). *Doing research: methods of inquiry for conflict analysis*: Thousand Oaks, Calif.: Sage Publications.
- Dunlop, P. D., and Lee, K. (2004). Workplace deviance, organizational citizenship behavior, and business unit performance: The bad apples do spoil the whole barrel. *Journal of Organizational Behavior*, 25(1), 67-80.
- Ebbekink, L. (2008). *Organisational citizenship behaviours, a fact in small organisations?: a study about leadership behaviour, as an antecedent of organisational citizenship behaviour in small organisations*. Master of Business Administration, University Twente.
- Englund, H., and Gerdin, J. (2015). Developing enabling performance measurement systems: On the interplay between numbers and operational knowledge. *European Accounting Review*, 24(2), 277-303.
- Epstein, M. J. (2004). The drivers and measures of success in high performance organizations. In M. J. Epstein and J. F. Manzoni (Eds.), *Performance Measurement and Management Control: Superior Organization Performance*. In M. J. Epstein (Series Ed.) *Studies in Managerial and Financial Accounting (Vol. 14, pp. 3-18)*. Amsterdam: Elsevier JAI.
- Epstein, M. J. (2010). The challenge of simultaneously improving social and financial performances: new research results. *Studies in Managerial and Financial Accounting*, 20, 3-18.
- Epstein, M. J., and Birchard, B. (2007). *Counting what counts: turning Corporate Accountability into Competitive Advantage*. Basic Books.

- Ersoy, N. C., Born, M. P., Derous, E., and van der Molen, H. T. (2011). Antecedents of organizational citizenship behavior among blue- and white-collar workers in Turkey. *International Journal of Intercultural Relations*, 35(3), 356-367.
- Farh, J. L., Zhong, C. B., and Organ, D. W. (2004). Organizational citizenship behavior in the People's Republic of China. *Organization Science*, 15(2), 241-253.
- Ferreira, A., and Otley, D. (2009). The design and use of performance management systems: An extended framework for analysis. *Management Accounting Research*, 20(4), 263-282.
- Flamholtz, E. G., Bullen, M. L., and Hua, W. (2002). Human resource accounting: a historical perspective and future implications. *Management Decision*, 40(10), 947-954.
- Franco-Santos, M., Kennerley, M., Micheli, P., Martinez, V., Mason, S., Marr, B., . . . Neely, A. (2007). Towards a definition of a business performance measurement system. *International Journal of Operations and Production Management*, 27(8), 784-801.
- Franco-Santos, M., Lucianetti, L., and Bourne, M. (2012). Contemporary performance measurement systems: A review of their consequences and a framework for research. *Management Accounting Research*.
- Fried, A. (2010). Performance measurement systems and their relation to strategic learning: A case study in a software-developing organization. *Critical Perspectives on Accounting*, 21(2), 118-133.
- Gamage, A. S. (2014). Organizational Citizenship Behaviour among Employees in SMEs in Japan: An Analysis of the Link with HRM Practices. *In Proceedings of International Conference on Business Management (Vol. 10)*.
- Garengo, P. (2009). A performance measurement system for SMEs taking part in quality award programmes. *Total Quality Management*, 20(1), 91-105.
- Garengo, P., and Bernardi, G. (2007). Organizational capability in SMEs: Performance measurement as a key system in supporting company development. *International Journal of Productivity and Performance Management*, 56(5/6), 518-532.
- Garengo, P., and Sharma, M. K. (2014). Performance measurement system contingency factors: a cross analysis of Italian and Indian SMEs. *Production Planning and Control*, 25(3), 220-240.
- Garengo, P., Biazzo, S., and Bititci, U. S. (2005). Performance measurement systems in SMEs: A review for a research agenda. *International Journal of Management Reviews*, 7(1), 25-47.
- Garengo, P., Nudurupati, S., and Bititci, U. (2007). Understanding the relationship between PMS and MIS in SMEs: an organizational life cycle perspective. *Computers in Industry*, 58(7), 677-686.
- Gillham, B. (2000). *Case study research methods*. Bloomsbury Publishing.

- Gillham, B. (2005). *Research interviewing: The range of techniques*. Open University Press.
- Gillham, B. (2007). *Developing a questionnaire*. London: Continuum.
- Glaser, B. G. (1992). *Emergence vs forcing: Basics of grounded theory analysis*. Sociology Press.
- Glaser, B. G., and Strauss, A. L. (1967). The discovery of grounded theory: Strategies for qualitative research. Aldine de Gruyter.
- Guba, E. G., and Lincoln, Y. S. (1994). Competing paradigms in qualitative research. *Handbook of qualitative research, 2*, 163-194.
- Gomez-Mejia, L. R., and Balkin, D. B. (2012). *Management : people, performance, change*: Upper Saddle River, N.J. : Pearson Education Inc.
- Graham, J. W. (1991). An essay on organizational citizenship behavior. *Employee Responsibilities and Rights Journal, 4*(4), 249-270.
- Griffin, M. A., Neal, A., and Parker, S. K. (2007). A new model of work role performance: Positive behavior in uncertain and interdependent contexts. *The Academy of Management Journal ARCHIVE, 50*(2), 327-347.
- Groen, B. A., Belt, M. V. D., and Wilderom, C. P. (2012). Enabling performance measurement in a small professional service firm. *International Journal of Productivity and Performance Management, 61*(8), 839-862.
- Guba, E. G., and Lincoln, Y. S. (1994). Competing paradigms in qualitative research. *Handbook of qualitative research, 2*, 163-194.
- Gubrium, J. F., and Holstein, J. A. (Eds.). (2002). *Handbook of Interview Research: Context and Method*. SAGE.
- Guideline for New SME Definition, SME Corp. Malaysia, (2013), [http://www.smecorp.gov.my/vn2/sites/default/files/Guideline for New SME Definition 7Jan2014.pdf](http://www.smecorp.gov.my/vn2/sites/default/files/Guideline%20for%20New%20SME%20Definition%207Jan2014.pdf)
- Hall, M. (2008). The effect of comprehensive performance measurement systems on role clarity, psychological empowerment and managerial performance. *Accounting, Organizations and Society, 33*(2-3), 141-163.
- Haron, D. H., Yahya, S., Khalid, S. N. A., and Ganesan, M. Y. (2010). Cases of successful Malaysian small and medium enterprises (SMEs): Does business advisory services help?. *Malaysia Accountancy Research and Education (MAREF)*.
- Hartmann, F., and Slapničar, S. (2009). How formal performance evaluation affects trust between superior and subordinate managers. *Accounting, Organizations and Society, 34*(6), 722-737.
- Hashim, J. (2009). Islamic revival in human resource management practices among selected Islamic organizations in Malaysia. *International Journal of Islamic and Middle Eastern Finance and Management, 2*(3), 251-267.

- Hassan, A., and Noor, K. M. (2008). Organizational justice and extra-role behavior: Examining the relationship in the Malaysian cultural context. *International Journal of Economics, Management and Accounting*, 16(2).
- Hayton, J. C. (2003). Strategic human capital management in SMEs: An empirical study of entrepreneurial performance. *Human resource management*, 42(4), 375-391.
- Homburg, C., Artz, M., and Wieseke, J. (2012). Marketing Performance Measurement Systems: Does Comprehensiveness Really Improve Performance? *Journal of marketing(ja)*, 1-55.
- Huang, C. C., and You, C. S. (2011). The three components of organizational commitment on in-role behaviors and organizational citizenship behaviors. *African Journal of Business Management*, 5(28), 11335-11344.
- Hudson, M., Smart, A., and Bourne, M. (2001). Theory and practice in SME performance measurement systems. *International Journal of Operations and Production Management*, 21(8), 1096-1115.
- Ibrahim, R. M., Ghani, M. A., and Embat, A. M. M. S. (2013). Organizational Citizenship Behavior among Local Government Employees in East Coast Malaysia: A Pilot Study. *International Business Research*, 6(6), p83.
- Ittner, C. D., Larcker, D. F., and Meyer, M. W. (2003). Subjectivity and the weighting of performance measures: Evidence from a balanced scorecard. *The Accounting Review*, 78(3), 725-758.
- Jamil, C. M., and Mohamed, R. (2011). Performance measurement system (PMS) in small medium enterprises (SMES): A practical modified framework. *World Journal of Social Sciences*, 1(3), 200-212.
- Jarvis, R., Curran, J., Kitching, J., and Lightfoot, G. (2000). The use of quantitative and qualitative criteria in the measurement of performance in small firms. *Journal of small business and enterprise development*, 7(2), 123-134.
- Jochem, R., Menrath, M., and Landgraf, K. (2010). Implementing a quality-based performance measurement system: A case study approach. *The TQM Journal*, 22(4), 410-422.
- Johnson, S., Holladay, C., and Quinones, M. (2009). Organizational Citizenship Behavior in Performance Evaluations: Distributive Justice or Injustice? *Journal of Business and Psychology*, 24(4), 409-418.
- Jurkiewicz, C. L., and Giacalone, R. A. (2004). A values framework for measuring the impact of workplace spirituality on organizational performance. *Journal of business ethics*, 49(2), 129-142.
- Jusoh, R., and Parnell, J. A. (2008). Competitive strategy and performance measurement in the Malaysian context: An exploratory study. *Management Decision*, 46(1), 5-31.

- Kalleberg, A. L., and Leicht, K. T. (1991). Gender and organizational performance: Determinants of small business survival and success. *Academy of management journal*, 34(1), 136-161.
- Kamil, M., Osman-Gani, A., Ahmad, K., and Sulaiman, M. B. (2011b). Effects of Spirituality and Social Responsibility on Job Satisfaction: A Conceptual Analysis from Religious Perspectives. In *AHRD International Research Conference in the Americas*.
- Kamil, M., Sulaiman, M. B., Osman-Gani, A., and Ahmad, K. (2014). Investigating the Dimensionality of Organizational Citizenship Behaviour from Islamic Perspective (OCBIP): Empirical Analysis of Business Organizations in South-East Asia. *Asian Academy of Management Journal*, 19(1), 19-46.
- Kamil, N. M., Al-Kahtani, A. H., and Sulaiman, M. (2011a). The components of spirituality in the business organizational context: The case of Malaysia. *Asian Journal of Business and Management Sciences*, 1(2), 166-180.
- Kaplan, R. S. (2008). Conceptual foundations of the balanced scorecard. *Handbooks of Management Accounting Research*, 3, 1253-1269.
- Kaplan, R. S. (2010). Conceptual Foundations of the Balanced Scorecard. *Harvard Business School Working Papers*.
- Kaplan, R. S., and Norton, D. P. (1992). The balanced scorecard—measures that drive performance. *Harvard Business Review*, 70(1), 71-79.
- Katz, D. (1964). The motivational basis of organizational behavior. *Behavioral Science*, 9(2), 131-146.
- Kelly, K. (2010). Accuracy of Relative Weights on Multiple Leading Performance Measures: Effects on Managerial Performance and Knowledge*. *Contemporary Accounting Research*, 27(2), 577-608.
- Kennedy, F. A., Kohlmeyer, J. M., and Parker, R. J. (2009). The roles of organizational justice and trust in a gain-sharing control system. *Advances in accounting behavioral research*, 12, 1-23.
- Khalid, S. A., Ali, H., Ismail, M., Rahman, N. A., Kassim, K. M., and Zain, R. S. (2009). Organizational citizenship behavior factor structure among employees in hotel industry. *International Journal of Psychological Studies*, 1(1), p16.
- Khan, N. R., Ghouri, A. M., and Awang, M. (2013). Leadership styles and organizational citizenship behavior in small and medium scale firms. *Researchers World-Journal of Arts, Science and Commerce*, 4(2), 153-163.
- Kidwell, R. E., Mossholder, K. W., and Bennett, N. (1997). Cohesiveness and organizational citizenship behavior: A multilevel analysis using work groups and individuals. *Journal of Management*, 23(6), 775-793.

- Kiker, D. S., and Motowidlo, S. J. (1999). Main and interaction effects of task and contextual performance on supervisory reward decisions. *Journal of Applied Psychology, 84*(4), 602.
- Kim, T., Park, S., and Chang, K. (2011). Antecedents of organizational citizenship behaviours among part-time employees of service organizations in Korea. *Asia Pacific Business Review, 17*(1), 85.
- Kim, W. C. (1996). Procedural Justice and Managers' In-Role and Extra-Role Behavior: The Case of the Multinational. *Management science, 42*(4), 499-515.
- Korsgaard, M. A., Meglino, B. M., Lester, S. W., and Jeong, S. S. (2010). Paying you back or paying me forward: Understanding rewarded and unrewarded organizational citizenship behavior. *Journal of Applied Psychology, 95*(2), 277.
- Koys, D. J. (2001). The effects of employee satisfaction, organizational citizenship behavior, and turnover on organizational effectiveness: A unit-level, longitudinal study. *Personnel Psychology.*
- Kreiner, K., and Mouritsen, J. (2005). The analytical interview. *The art of science, 153-176.*
- Krueger, R. A., and Casey, M. A. (2009). *Focus groups : a practical guide for applied research*: Thousand Oaks : Sage Publications.
- Kutucuoglu, K. Y., Hamali, J., Irani, Z., and Sharp, J. M. (2001). A framework for managing maintenance using performance measurement systems. *International Journal of Operations and Production Management, 21*(1/2), 173-195.
- Larson, J. R., and Callahan, C. (1990). Performance monitoring: How it affects work productivity. *Journal of Applied Psychology, 75*(5), 530.
- Lau, C. M., and Berry, E. (2010). Nonfinancial performance measures: How do they affect fairness of performance evaluation procedures?. *Studies in Managerial and Financial Accounting, 20*, 285-307.
- Lau, C. M., and Martin-Sardesai, A. V. (2012). The role of organizational concern for workplace fairness in the choice of a performance measurement system. *The British Accounting Review, 44*(3), 157-172.
- Lau, C. M., and Moser, A. (2008). Behavioral effects of nonfinancial performance measures: The role of procedural fairness. *Behavioral Research in Accounting, 20*(2), 55-71.
- Lepine, J., Erez, A., and Johnson, D. E. (2002). The nature and dimensionality of organizational citizenship behavior: a critical review and meta-analysis. *Journal of Applied Psychology, 87*(1), 52.
- Llewellyn, S. (1992). The role of case study methods in management accounting research: A comment. *The British Accounting Review, 24*(1), 17-31.
- Lohman, C., Fortuin, L., and Wouters, M. (2004). Designing a performance measurement system: a case study. *European Journal of Operational Research, 156*(2), 267-286.

- Lukka, K. (2010). The roles and effects of paradigms in accounting research. *Management Accounting Research*, 21(2), 110-115.
- MacKenzie, S. B., Podsakoff, P. M., and Ahearne, M. (1998). Some possible antecedents and consequences of in-role and extra-role salesperson performance. *The Journal of Marketing*, 87-98.
- MacKenzie, S. B., Podsakoff, P. M., and Fetter, R. (1993). The impact of organizational citizenship behavior on evaluations of salesperson performance. *The Journal of Marketing*, 70-80.
- Madhani, P. M. (2012). Intangible Assets: Value Drivers for Competitive Advantage. In Gregoriou, G. N., and Finch, N. (Eds.). (2012). *Best Practices in Management Accounting*. (146-165). Palgrave Macmillan.
- Malmi, T. (2010). Reflections on paradigms in action in accounting research. *Management Accounting Research*, 21(2), 121-123.
- Mannion, R., and Braithwaite, J. (2012). Unintended consequences of performance measurement in healthcare: 20 salutary lessons from the English National Health Service. *Internal Medicine Journal*, 42(5), 569-574.
- Marchand, M., and Raymond, L. (2008). Researching performance measurement systems: An information systems perspective. *International Journal of Operations and Production Management*, 28(7), 663-686.
- Marr, B., Schiuma, G., and Neely, A. (2004). The dynamics of value creation: mapping your intellectual performance drivers. *Journal of Intellectual Capital*, 5(2), 312-325.
- Marshall, M. N. (1996). Sampling for qualitative research. *Family practice*, 13(6), 522-526.
- Martinez, V., Kennerley, M., and Neely, A. (2004). Impact of PMS on business performance: a methodological approach. In *British Academy of Management Conference Proceedings 2004*. Centre for Business Performance, Cranfield School of Management.
- May, T. (2011). *Social Research: Issues, Methods and Research*. McGraw-Hill International.
- May, T. (Ed.). (2002). *Qualitative research in action*. Sage.
- McElroy, H., Liddell, W., Richman, V. V., and Thompson, K. J. (2008). The effects of performance measurement on a delivery company: A case study. *Journal of the International Academy for Case Studies*, 14(5), 43.
- Merchant, K. (2010). Paradigms in accounting research: A view from North America. *Management Accounting Research*, 21(2), 116-120.
- Micheli, P., and Manzoni, J. F. (2010). Strategic performance measurement: Benefits, limitations and paradoxes. *Long Range Planning*, 43(4), 465-476.

- Ming-Yen, W. T. and Siong-Choy, C., (2007). Theorising A Framework Of Factors Influencing Performance Of Women Entrepreneurs In Malaysia. *Journal of Asia Entrepreneurship and Sustainability*, 3(2), 42-131.
- Mitchell, F., and Reid, G. C. (2000). Editorial. Problems, challenges and opportunities: the small business as a setting for management accounting research. *Management Accounting Research*, 11(4), 385-390.
- Modell, S. (2005). Triangulation between case study and survey methods in management accounting research: An assessment of validity implications. *Management Accounting Research*, 16(2), 231-254.
- Modell, S. (2010). Bridging the paradigm divide in management accounting research: The role of mixed methods approaches. *Management Accounting Research*, 21(2), 124-129.
- Moorman, R. H. (1991). Relationship between organizational justice and organizational citizenship behaviors: do fairness perceptions influence employee citizenship?. *Journal of applied psychology*, 76(6), 845.
- Moorman, R. H., and Blakely, G. L. (1995). Individualism-collectivism as an individual difference predictor of organizational citizenship behavior. *Journal of Organizational Behavior*, 16(2), 127-142.
- Morgan, G. (1988). Accounting as reality construction: Towards a new epistemology for accounting practice. *Accounting, Organizations and Society*, 13(5), 477-485.
- Morgan, G. A., Leech, N. L., Gloeckner, G. W., and Barrett, K. C. (2011). *IBM SPSS for Introductory Statistics: Use and Interpretation*. Taylor and Francis.
- Morrison, E. (1994). Role Definitions and Organizational Citizenship Behavior: The Importance of the Employee's Perspective. *Academy of Management journal*, 37(6), 1543-1567.
- Mossholder, K. W., Settoon, R. P., and Henagan, S. C. (2005). A relational perspective on turnover: Examining structural, attitudinal, and behavioral predictors. *The Academy of Management Journal*, 607-618.
- Motowidlo, S. J. (2000). Some basic issues related to contextual performance and organizational citizenship behavior in human resource management. *Human Resource Management Review*, 10(1), 115-126.
- Motowidlo, S. J., and Van Scotter, J. R. (1994). Evidence that task performance should be distinguished from contextual performance. *Journal of Applied Psychology*, 79(4), 475-480.
- Motowidlo, S., Borman, W. C., and Schmit, M. J. (1997). A Theory of Individual Differences in Task and Contextual Performance. *Human performance*, 10(2), 71-83.
- Moulang, C. (2013). Performance measurement system use in generating psychological empowerment and individual creativity. *Accounting and Finance*.

- Mount, J., Zinger, J. T., and Forsyth, G. R. (1993). Organizing for development in the small business. *Long Range Planning*, 26(5), 111-120.
- Moutinho, L., and Hutcheson, G. D. (Eds.). (2011). *The SAGE dictionary of quantitative management research*. Sage.
- Murtaza, G., Abbas, M., Raja, U., Roques, O., Khalid, A., and Mushtaq, R. (2014) Impact of Islamic Work Ethics on Organizational Citizenship Behaviors and Knowledge-Sharing Behaviors. *Journal of Business Ethics*, 1-9.
- Najmi, M., and Kehoe, D. F. (2001). The role of performance measurement systems in promoting quality development beyond ISO 9000. *International Journal of Operations and Production Management*, 21(1/2), 159-172.
- Naqshbandi, M. M., and Kaur, S. (2011). A study of organizational citizenship behaviours, organizational structures and open innovation. *International Journal of Business and Social Sciences*, 2(6), 182-193.
- Neely, A., Adams, C., and Crowe, P. (2001). The performance prism in practice. *Measuring business excellence*, 5(2), 6-13.
- Neely, A., Gregory, M., and Platts, K. (2005). Performance measurement system design: a literature review and research agenda. *International Journal of Operations and Production Management*, 25(12), 1228-1263.
- Newbert, S. L. (2007). Empirical research on the resource-based view of the firm: an assessment and suggestions for future research. *Strategic Management Journal*, 28(2), 121-146.
- Nielsen, T. M., Bachrach, D. G., Sundstrom, E., and Halfhill, T. R. (2012). Utility of OCB Organizational Citizenship Behavior and Group Performance in a Resource Allocation Framework. *Journal of Management*, 38(2), 668-694.
- Nielsen, T. M., Hrivnak, G. A., and Shaw, M. (2009). Organizational Citizenship Behavior and Performance. *Small Group Research*, 40(5), 555.
- Nudurupati, S., Bititci, U., Kumar, V., and Chan, F. (2011). State of the art literature review on performance measurement. *Computers and Industrial Engineering*, 60(2), 279-290.
- Ong, T.S., and Teh, B.H. (2008). Factors influencing the design and use of Performance measurement systems in the Malaysian electrical and electronics industry. *International Journal of Economics and Management*, 2(2): 437- 457.
- Oplatka, I., and Stundi, M. (2011). The components and determinants of preschool teacher organisational citizenship behaviour. *International Journal of Educational Management*, 25(3), 223-236.
- Organ, D. W. (1988). *Organizational citizenship behavior: The good soldier syndrome*: Lexington Books/DC Heath and Com.

- Organ, D. W. (1990). The motivational basis of organizational citizenship behavior. *Research in organizational behavior*, 12(1), 43-72.
- Organ, D. W., Podsakoff, P. M., and MacKenzie, S. B. (2006). *Organizational citizenship behavior: Its nature, antecedents, and consequences*: Sage Publications, Inc.
- Organ, D., and Ryan, M. (1995). A meta-analytic review of attitudinal and dispositional predictors of organizational citizenship behavior. *Personnel Psychology*, 48, 775-802.
- Otley, D. (2003). Management control and performance management: whence and whither? *The British Accounting Review*, 35(4), 309-326.
- Otley, D. T., and Berry, A. J. (1994). Case study research in management accounting and control. *Management Accounting Research*, 5(1), 45-65.
- Pavlov, A., and Bourne, M. (2011). Explaining the effects of performance measurement on performance: An organizational routines perspective. *International Journal of Operations and Production Management*, 31(1), 101-122.
- Podsakoff, N. P., Whiting, S. W., Podsakoff, P. M., and Blume, B. D. (2009). Individual- and organizational-level consequences of organizational citizenship behaviors: A meta-analysis. *Journal of Applied Psychology*, 94(1), 122-141.
- Podsakoff, P. M., Ahearne, M., and MacKenzie, S. B. (1997). Organizational citizenship behavior and the quantity and quality of work group performance. *Journal of Applied Psychology*, 82(2), 262.
- Podsakoff, P. M., MacKenzie, S. B., Moorman, R. H., and Fetter, R. (1990). Transformational leader behaviors and their effects on followers' trust in leader, satisfaction, and organizational citizenship behaviors. *The Leadership Quarterly*, 1(2), 107-142.
- Podsakoff, P. M., MacKenzie, S. B., Paine, J. B., and Bachrach, D. G. (2000). Organizational Citizenship Behaviors: A Critical Review of the Theoretical and Empirical Literature and Suggestions for Future Research. *Journal of Management*, 26(3), 513-563.
- Podsakoff, P. M., and MacKenzie, S. B. (1994). Organizational citizenship behaviors and sales unit effectiveness. *Journal of Marketing Research*, 31(3), 351-363.
- Purnama, C. (2013). Influence Analysis of Organizational Culture Organizational Commitment Job and Satisfaction Organizational Citizenship Behavior (OCB) Toward Improved Organizational Performance. *International Journal of Business, Humanities and Technology*. 3 (5), 86-100.
- Reagans, R., Argote, L., and Brooks, D. (2005). Individual experience and experience working together: Predicting learning rates from knowing who knows what and knowing how to work together. *Management science*, 51(6), 869-881.
- Rego, A., and e Cunha, M. P. (2008). Workplace spirituality and organizational commitment: an empirical study. *Journal of organizational change management*, 21(1), 53-75.

- Rejc, A., and Slapnicar, S. (2004). Determinants of performance measurement system design and corporate financial performance. In M. J. Epstein and J. F. Manzoni (Eds.), *Performance Measurement and Management Control: Superior Organizational Performance*. In M. J. Epstein (Series Ed.) *Studies in Managerial and Financial Accounting (Vol. 14, pp. 47-73)*. Amsterdam: Elsevier JAI.
- Reychav, I., and Sharkie, R. (2010). Trust: an antecedent to employee extra-role behaviour. *Journal of Intellectual Capital, 11(2)*, 227-247.
- Richardson, A. (2011). Paradigms, theory and management accounting practice: A comment on Parker (forthcoming) "Qualitative management accounting research: Assessing deliverables and relevance". *Critical perspectives on accounting*.
- Ridgway, V. F. (1956). Dysfunctional consequences of performance measurements. *Administrative Science Quarterly, 1(2)*, 240-247.
- Robb, A. M., and Watson, J. (2012). Gender differences in firm performance: evidence from new ventures in the United States. *Journal of Business Venturing, 27(5)*, 544-558.
- Rosenbusch, N., Brinckmann, J., and Bausch, A. (2011). Is innovation always beneficial? A meta-analysis of the relationship between innovation and performance in SMEs. *Journal of Business Venturing, 26(4)*, 441-457.
- Rosli, M. M. (2011). Determinants of small and medium enterprises performance in the Malaysian auto-parts industry. *African Journal of Business Management, 5(20)*, 8235-41.
- Ryan, B., Scapens, R. W., and Theobald, M. (2002). *Research method and methodology in finance and accounting*. Thomson. London, UK.
- Santos, S. r. P. (2004). *Adding value to performance measurement by using system dynamics and multicriteria analysis*. Thesis [Ph. D.] -- University of Strathclyde, 2004., Glasgow.
- Saunila, M., and Ukko, J. (2012). A conceptual framework for the measurement of innovation capability and its effects. *Baltic Journal of Management, 7(4)*, 355-375.
- Scapens, R. W. (1990). Researching management accounting practice: the role of case study methods. *The British Accounting Review, 22(3)*, 259-281.
- Scapens, R. W. (1992). The role of case study methods in management accounting research: a personal reflection and reply. *The British Accounting Review, 24(4)*, 369-383.
- Scapens, R. W., and Bromwich, M. (2010). Management Accounting Research: 20 years on. *Management Accounting Research, 21(4)*, 278-284.
- Schneider, B., Gunnarson, S. K., and Niles-Jolly, K. (1994). Creating the climate and culture of success. *Organizational dynamics, 23(1)*, 17-29.
- Sekaran, U. (2006). *Research methods for business: A skill building approach*. John Wiley and Sons.

- Silverman, D. (2010). *Doing qualitative research: A practical handbook*. SAGE Publications Limited.
- Singer, M. G. (1963). The golden rule. *Philosophy*, 38(146), 293-314.
- Singh, R. K., Garg, S. K., and Deshmukh, S. G. (2008). Strategy development by SMEs for competitiveness: a review. *Benchmarking: An International Journal*, 15(5), 525-547.
- SME Annual Report 2013/14, <http://www.smecorp.gov.my/vn2/node/1475>
- SME Census 2011, Economic Census 2011, Department of Statistics, Malaysia (DOSM), <http://www.smecorp.gov.my/vn2/node/59>
- Smith, C. A., Organ, D. W., and Near, J. P. (1983). Organizational citizenship behavior: Its nature and antecedents. *Journal of Applied Psychology*, 68(4), 653-663.
- Smith, K. G., Gannon, M. J., Grimm, C., and Mitchell, T. R. (1988). Decision making behavior in smaller entrepreneurial and larger professionally managed firms. *Journal of Business Venturing*, 3(3), 223-232.
- Srimai, S., Radford, J., and Wright, C. (2011). Evolutionary paths of performance measurement: An overview of its recent development. *The international journal of productivity and performance management*, 60(7), 662-687.
- Stake, R. E. (1995). *The art of case study research*. Thousand Oaks: Sage Publications.
- Stoner, J., Perrewé, P. L., and Munyon, T. P. (2011). The role of identity in extra-role behaviors: development of a conceptual model. *Journal of managerial psychology*, 26(2), 94-107.
- Sun, L. Y., Aryee, S., and Law, K. S. (2007). High-performance human resource practices, citizenship behavior, and organizational performance: A relational perspective. *The Academy of Management Journal ARCHIVE*, 50(3), 558-577.
- Taticchi, P., Tonelli, F., and Cagnazzo, L. (2010). Performance measurement and management: a literature review and a research agenda. *Measuring business excellence*, 14(1), 4-18.
- Taylor, W. B. (2010). The balanced scorecard as a strategy-evaluation tool: The effects of implementation involvement and a causal-chain focus. *The Accounting Review*, 85, 1095.
- Teh, C. J., Boerhannoeddin, A., and Ismail, A. (2012). Organizational culture and performance appraisal process: Effect on organizational citizenship behavior. *Asian Business and Management*, 11(4), 471-484.
- Teh, P. L., and Sun, H. (2012). Knowledge sharing, job attitudes and organizational citizenship behaviour. *Industrial Management and Data Systems*, 112(1), 64-82.
- Tessier, S., and Otley, D. (2012). A conceptual development of Simons' Levers of Control framework. *Management Accounting Research*, 23(3), 171-185.

- Thompson, P. (2011). Critical Realism. *Unpublished MS958 Research Philosophy course note*. University of Strathclyde, Glasgow.
- Thorne, K., and Smith, M. (2000). Accounting control and performance measurement in a teamworking environment. *Managerial Auditing Journal*, 15(7), 348-357.
- Tonchia, S., and Quagini, L. (2010). *Performance Measurement: Linking Balanced Scorecard to Business Intelligence*: Springer Verlag.
- Tung, A., Baird, K., and Schoch, H. P. (2011). Factors influencing the effectiveness of performance measurement systems. *International Journal of Operations and Production Management*, 31(12), 1287-1310.
- Tuomela, T. S. (2005). The interplay of different levers of control: A case study of introducing a new performance measurement system. *Management Accounting Research*, 16(3), 293-320.
- Turnipseed, D. L., and Wilson, G. L. (2009). From Discretionary to Required: The Migration of Organizational Citizenship Behavior. *Journal of Leadership and Organizational Studies*, 15(3), 201-216.
- Turnipseed, P. H., and Turnipseed, D. L. (2013). Testing the proposed linkage between organizational citizenship behaviours and an innovative organizational climate. *Creativity and Innovation Management*, 22(2), 209-216.
- Uçanok, B., and Karabatı, S. (2013). The Effects of Values, Work Centrality, and Organizational Commitment on Organizational Citizenship Behaviors: Evidence from Turkish SMEs. *Human Resource Development Quarterly*, 24(1), 89-129.
- Ukko, J., Tenhunen, J., and Rantanen, H. (2007). Performance measurement impacts on management and leadership: perspectives of management and employees. *International Journal of Production Economics*, 110(1), 39-51.
- Ukko, J., Tenhunen, J., and Rantanen, H. (2008). The impacts of performance measurement on the quality of working life. *International Journal of Business Performance Management*, 10(1), 86-98.
- Van Dyne, L., and LePine, J. A. (1998). Helping and voice extra-role behaviors: Evidence of construct and predictive validity. *Academy of Management Journal*, 41(1), 108-119.
- Van Dyne, L., Graham, J. W., and Dienesch, R. M. (1994). Organizational citizenship behavior: Construct redefinition, measurement, and validation. *Academy of Management journal*, 765-802.
- Van Scotter, J. R., and Motowidlo, S. J. (1996). Interpersonal facilitation and job dedication as separate facets of contextual performance. *Journal of Applied Psychology*, 81(5), 525.
- Vey, M. A., and Campbell, J. P. (2004). In-Role or Extra-Role Organizational Citizenship Behavior: Which Are We Measuring? *Human performance*, 17(1), 119-135.

- Vigoda-gadot, E. (2006). Compulsory citizenship behavior: Theorizing some dark sides of the good soldier syndrome in organizations. *Journal for the theory of social behaviour*, 36(1), 77-93.
- Vigoda-Gadot, E. (2007). Redrawing the boundaries of OCB? An empirical examination of compulsory extra-role behavior in the workplace. *Journal of Business and Psychology*, 21(3), 377-405.
- Waggoner, D. B., Neely, A. D., and P Kennerley, M. (1999). The forces that shape organisational performance measurement systems:: An interdisciplinary review. *International journal of production economics*, 60, 53-60.
- Walsh, P. (2005). Dumbing down performance measures. *Measuring business excellence*, 9(4), 37-45.
- Walz, S. M., and Niehoff, B. P. (2000). Organizational citizenship behaviors: Their relationship to organizational effectiveness. *Journal of Hospitality and Tourism Research*, 24(3), 301.
- Watts, T. and Baard, V. (2005). The design of a performance measurement model for small firms within the service sector. *Small Business Development Conference (pp. 1-14)*. Retrieved from <http://ro.uow.edu.au/cgi/viewcontent.cgi?article=3299&context=commpapers>
- Williams, L. J., and Anderson, S. E. (1991). Job Satisfaction and Organizational Commitment as Predictors of Organizational Citizenship and In-Role Behaviors. *Journal of Management*, 17(3), 601-617.
- Wilson, J. (2010). *Essentials of business research: a guide to doing your research project*: S.I.: Sage Publications.
- Woolderink, M. (2010). Walking the extra mile: analysis of the effect of leadership behavior on the organizational citizenship. Retrieved from http://essay.utwente.nl/60056/1/MA_thesis_M_Woolderink.pdf
- Wouters, M., and Wilderom, C. (2008). Developing performance-measurement systems as enabling formalization: a longitudinal field study of a logistics department. *Accounting, Organizations and Society*, 33(4), 488-516.
- Yahaya, N., Boon, Y., Ramli, J., Sharif, Z., and Ismail, J. (2011). The implications of Organizational Citizenship Behavior (OCB) towards the dimensions of Learning Organization (LO) in organizations in Southern Malaysia. *African Journal of Business Management*, 5, 5724-5737.
- Yap, J. E., Bove, L. L., and Beverland, M. B. (2009). Exploring the effects of different reward programs on in-role and extra-role performance of retail sales associates. *Qualitative Market Research: An International Journal*, 12(3), 279-294.
- Yen, H. R., and Niehoff, B. P. (2004). Organizational citizenship behaviors and organizational effectiveness: examining relationships in Taiwanese banks. *Journal of Applied Social Psychology*, 34(8), 1617-1637.

Yin, R. K. (2009). *Case study research: Design and methods (Vol. 5)*. Sage.

Zhang, Y., Liao, J., and Zhao, J. (2011). Research on the organizational citizenship behavior continuum and its consequences. *Frontiers of Business Research in China*, 5(3), 364-379.

Appendices

Appendix A: Invitation letter to SMEs' gate keepers and respondents

Manager,
XXXXXXXXXXXX
XXXXXXXXXXXX
XXXXXXXXXXXX
XXXXXXXXXXXX



Dear Sir/Madam

Research on Performance Measurement System and Extra-Role Behaviour

I am a postgraduate student in the Accounting and Finance Department at Strathclyde Business School, University of Strathclyde, Glasgow, United Kingdom. I am currently conducting Doctoral Research, working with my supervisor Dr Julia A Smith, Reader in Accounting and Finance Department. Our research is concerned with "performance measurement systems and the employees' extra-role behaviour in the small to medium sized enterprise (SME)". I am approaching your organisation as I hope that several staff (1 manager/supervisor and around 3 employees) from your organisation might be willing to be interviewed in order to provide us with some information regarding the above mentioned issue.

Basically, the element of extra-role behaviour has been proven to be one of the factors that contribute to the effectiveness of organizational performance. Based on this premise, we made our main objective to study how SMEs measure and manage their employees' extra-role behaviour (behaviour beyond the role specified) at their workplace. At the same time, we wish to have an insight into the organisation's future plans in terms of managing and cultivating this type of behaviour. Any information provided by your organisation would be considered valuable and would hugely contribute to the body of knowledge in this comparative study between Malaysian and UK SMEs.

The interview will be conducted by means of a semi-structured questionnaire as outlined by the attached research agenda. It will be at your place of work or any of your preferred locations (by mutual agreement) and it will take about an hour of each individual's time for the interview. I plan to conduct the interviews in the next few weeks. Please be assured that we do not plan to ask any highly personal information and we should also stress that, at all time, any information provided for this study will be treated confidentially.

We will provide a summary of the report as a token of appreciation for your organisation's involvement. We hope the findings might be useful to your organisation from the practitioner's perspective, though the broader findings will be used primarily for academic purposes. Our next contact will be by telephone or email to arrange meetings for the interviews with the nominated staff. I am looking forward to hearing from you soon. I really hope that you are able to help us in this regard.

Thank you for your co-operation.

Yours sincerely,

Syamsul Azri Abdul Rahman
PhD Student in Accounting
0141 548 3939
syamsul.abdul-rahman@strath.ac.uk

Dr Julia A Smith
Reader in Accounting and Finance
0141 548 4958
julia.smith@strath.ac.uk

Department of Accounting and Finance
Curran Building
100 Cathedral Street
Glasgow G4 0LN
Scotland
t: +44 (0)141 548 3261
f: +44 (0)141 552 3547
www.strath.ac.uk/accfm



The University of Strathclyde is a charitable body,
registered in Scotland, number SC015103

Manager,
XXXXXX
XXXXXX
XXXXXX
XXXXX
XXXXX



19 April 2013

Dear Sir/Madam

Research on Performance Measurement System and Extra-Role Behaviour

I am a postgraduate student in the Accounting and Finance Department at Strathclyde Business School, University of Strathclyde, Glasgow, United Kingdom. I am currently conducting Doctoral Research, working with my supervisor Dr Julia A Smith, Reader in Accounting and Finance Department. Our research is concerned with "performance measurement systems and the employees' extra-role behaviour in the small to medium sized enterprise (SME)".

I am approaching your organisation as I hope to get some information on SMEs in Scotland as well as to get some advice from your organisation which could be helpful for our research. I wish to visit your organisation and have a discussion with the staff in-charge regarding the above mentioned issue. Any information provided by your organisation would be considered valuable and would hugely contribute to the body of knowledge in this comparative study between Malaysian and UK SMEs.

Basically, the element of extra-role behaviour has been proven to be one of the factors that contribute to the effectiveness of organizational performance. Based on this premise, we made our main objective to study how SMEs measure and manage their employees' extra-role behaviour (behaviour beyond the role specified) at their workplace. At the same time, we wish to have an insight into the organisation's future plans in terms of managing and cultivating this type of behaviour.

Our next contact will be by telephone or email to arrange meetings for the interviews with the nominated staff. I am looking forward to hearing from you soon. I really hope that you are able to help us in this regard.

Thank you for your co-operation.

Yours sincerely,

Syamsul-Azri Abdul Rahman
PhD Student in Accounting
0141 548 3939
syamsul.abdul-rahman@strath.ac.uk

Dr Julia A Smith
Reader in Accounting and Finance
0141 548 4958
julia.smith@strath.ac.uk

Department of Accounting and Finance
Cuman Building
100 Cathedral Street
Glasgow G4 0LN
Scotland

T: +44 (0)141 548 3261
E: +44 (0)141 552 3547
www.strath.ac.uk/acfin



The University of Strathclyde is a charitable body, registered in Scotland, number SC04533.

Appendix B: Questionnaire



DEPARTMENT OF ACCOUNTING & FINANCE

Administered Questionnaire

Performance Measurement System and Extra-role Behaviour

Interviewer:

Name	: Syamsul Azri Abdul Rahman
Position	: PhD Student
Organisation	: University of Strathclyde

Respondent:

Name	:
Position	:
Organisation	:
Address	:
Telephone	:
E-mail	:

Other information:

Interview Location	:
Date	:
Start Time	:
Finish Time	:
Reference Number	:

Mr Syamsul Azri Abdul Rahman
University of Strathclyde
Department of Accounting & Finance
Curran Building
100 Cathedral Street
Glasgow G4 0LN
Tel: 0141 548 3939
E-mail: syamsul.abdul-rahman@strath.ac.uk

Dr Julia A. Smith
University of Strathclyde
Department of Accounting & Finance
Curran Building
100 Cathedral Street
Glasgow G4 0LN
Tel: 0141 548 4958
E-mail: julia.smith@strath.ac.uk

The place of useful learning

The University of Strathclyde is a charitable body, registered in Scotland, number SC015263

Agenda

Section 1 : Background of the organisation

Section 2 : Background of the employee

Section 3 : Current practices in the organisation

Section 4 : Behavioural dimension in the organisation

Section 5 : Performance measurement system (PMS) and extra-role behaviour (ERB)

Section 6 : Future plan for the organisation

Preamble

Thanks for agreeing to speak to me about your business and organisation, and the related issues to my study, which is basically on the performance measurement and employee behaviour. This study generally examines how business organisations wish to measure and manage the employees' extra-role behaviour (beyond task or role formally specified) at their workplace. We have a few sections for this interview, as we try to find all the relevant information related to the main theme or topic of extra-role behaviour for this study.

Section 1: Background of the organisation

In the first section we will talk about the overview of your organisation.

1.1 What type of industry do you operate in?

[Prompt: Try to get the niche type of industry or their core business activity]

--

1.2 How long has this business been running?

[Prompt: Any changes in ownership or management]

Years	√	Remarks
< 1		
1 – 5		
6 – 10		
11 – 20		
> 20		

1.3 How big or large of your business in terms of:

a. The employee

[Prompt: The number of employees - part time and full time]

Employee	√	Remarks
0 – 9		
10 – 29		
30 – 49		
50 – 99		
100 – 249		

b. The turnover

[Prompt: Ask for income statement and balance sheet, if possible]

Turnover ('000)	√	Remarks
< 100		
100 – 500		
500 – 1,000		
1,000 – 5,000		
5,000 – 10,000		
> 10,000		

c. The assets

[Prompt: The value of major assets – get from the balance sheet if possible]

List of major assets	Type	Estimated value
Building		
Vehicle		
Land		
Equipment		
Inventories		
Machinery		
Furniture		
Others (specify)		

1.4 Who are your main rivals or competitors in business?

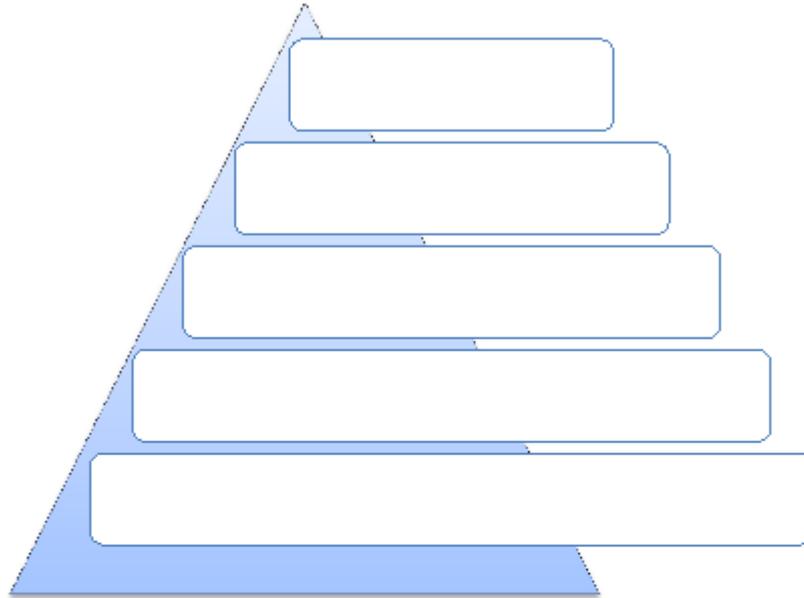
[Prompt: Number of rivals according to location and types of rivalry]

Location	Number of company	Remarks
Local business		
Within 10 miles		
Nationwide		
Online – global		
Types of rivalry	Remarks	
Product		
Promotion		
Technology		
Human resource		
Cost		
Capital		

Section 2: Background of the employee

Now in the second section, just wish you to share a little bit information about yourself.

- 2.1 What is your current position? Where are you in your organisation hierarchy?
[Prompt: Ask for organisation chart if possible]



- 2.2 What roles have you played in this organisation? How have they changed overtime?
[Prompt: Roles tenure, reasons for changed, roles status either permanent / temporary]

Current role	Previous role

2.3 How relevant has previous experience been related to your current roles? If any.
[Prompt: Supervision – number of subs (M), types of reporting to superior (E)]

Current organisation	Previous organisation

Section 3: Current practices in the organisation

Moving on to section 3, we are looking at the current practices of performance measurement in this organisation.

3.1 How is performance measured in your organisation? What are the key performance indicators (KPI)? Briefly explain a few main or important KPIs.

[Prompt: time, quality, financial, customer, human resource, etc.]

Dimensions	Key performance indicator (KPI)
Time	
Output	
Quality	
Financial	
Customer	
Human resource	
Others (specify)	

3.2 Has the measurement changed overtime?

[Prompt: Briefly explained if it has changed - when, how and why]

--

3.3 What is good or bad about the current performance measurement system or KPI?

[Prompt: good- achievable, drive up performance, motivate employee, or praise from sub]

[Prompt: bad- case of complaint, disciplinary action, or poison letter, opportunity to fake]

Good	Bad

3.4 Do you include informal measure on your performance appraisal /measurement (M)?

Do you think informal measure is included in your performance appraisal / measurement by the management/ supervisor (E)?

[Prompt: What is the measure? Why it is included?]

[Prompt: Appearance, personality, health condition, gender, determination]

Informal measure	Reason

3.5 How do you rate working environment at your organisation?
Do you enjoy working in this organisation? What make you feel that way?
[Prompt: Any reason for the obvious rating (excellent /poor)]

Refer to respondent sheet 1
Refer to interviewer sheet 1

Reason for satisfied / excellent	Reason for dissatisfied / poor

Section 4: Behavioural dimension in the organisation

We are now in section 4, and I wish getting some information on the behavioural dimension of the employee in your organisation.

4.1 What importance / emphasis do you place on your employee behaviour (M)?

What importance / emphasis do management place on your behaviour (E)?

[Prompt: Formal or informal discussion between management and employee, suggestions /rules /procedures related to behaviour]

[Prompt: Any feedback for good / wrongful behaviour, reward /compliment, punishment /warning]

Very important	Somewhat important	Neutral	Somewhat unimportant	Very unimportant

4.2 In addition to the formal / contractual obligations, do you assess employees' performance based on how they behave (M)?

In addition to your formal / contractual obligations, do you think management assess your performance based on how you behave (E)?

[Prompt: What kind of things do they take account of?]

[Prompt: Does it affect what you get paid/promoted/perks/time off/punishment?]

Types of behaviour	The effect

4.3 As a manager, what do you want the employees to do but you cannot require/ask them to do (M)? Why?

As an employee, what do you wish to do in the organisation even the management do not ask you to do so / it didn't require to be done (E)? Why?

[Prompt: Task that could improve the effectiveness and efficiency of the organisation and the reason why they wish (want them) to do that]

Types of behaviour	Reason

4.4 Could you recognize or identify the behaviour that is considered beyond the specified role or task being performed in your organisation? Did you do that (extra-role) behaviour yourself?

[Prompt: Differentiate between in-role and extra-role]

[Prompt: Does it support the formal role or task specified being performed better]

Refer to respondent sheet 2

Refer to interviewer sheet 2

Section 5: Performance measurement system and extra-role behaviour

In this 5th section, I try to look into the relationship between PMS and extra -role behaviour (ERB) in your organisation.

- 5.1 Do you think your employees are motivated to perform task that are above and beyond his / her contractual roles in the organisation (M)? Briefly explain
Do you feel motivated to perform task that are above and beyond your contractual roles in your organisation (E)? Briefly explain.
[Prompt: internal or external factors]

Motivation factors

- 5.2 Do you think measuring and rewarding the extra-role bring the effect (negative or positive) to the behaviour? Briefly explain.
[Prompt: Effect on occurrence in future, effect on others, effect on in-role behaviour]

Positive effect	Negative effect

5.3 Do you informally measure or reward your employee for doing things that are not in his/her job description (M)? What are the examples?

Are you informally measured or rewarded for doing things that are not in your job description (E)? What are the examples?

Do you prefer that behaviours should be formally measured or rewarded?

[Prompt: Behaviours that not directly related to the job, valuable but maybe rarely noticed]

5.4 To what extent does your current PMS formally include an element of extra-role behaviour (beyond specified role)? Briefly explain.

[Prompt: Have you been noticed/ informed? Giving feedback on the measurement?]

5.5 Is extra-role behaviour measured (either formal or informal) because you perceived it promotes 'learning' (long term goal) to the employees, rather than for control purposes (M)?

Do you think the measurement of extra-role behaviour (either formal or informal) could promote 'learning' among yourselves rather than for control purposes (E)?

[Prompt: For long term or strategic purpose, whether it will be a good culture, measuring in-role behaviour normally for control purpose]

5.6 What restrict you to formally measure extra-role behaviours in your organisation?
 [Prompt: The reason why less attention, ignore or neglect to measure this behaviour]

Barriers	Explanation
Cost	
Time	
Expertise	
Perception	
Readiness	
Support	
Ignorance	
Other (specify)	

Section 6: Future plan for the organisation

The last section of this interview will seek information from your organisation on the organisation future plan regarding the extra-role behaviour.

6.1 What would be the best for your organisation, either to formal or informally measure extra-role behaviour? Or both?

[Prompt: Argument or reason why they think to choose the approach, factor such as size of the organisation, industry, culture]

Formally measured	Informally measured	Both approach	Do not measured

Reasons	
---------	--

6.2 How to cultivate the environment or surrounding in your organisation to encourage this type of extra-role behaviour?

[Prompt: Changes needed to improve the internal working environment]

Refer to respondent sheet 3

Refer to interviewer sheet 3

6.3 How do you perceive extra-role behaviour, in general? Could it be a tool to compete or give your organisation a competitive edge or advantage?

[Prompt: Perception on extra-role as a long term advantage to compete. Sustaining edge such as learning and culture]

6.4 What will be your short and long term plan to compete in terms of behavioural aspect?
[Prompt: improve hiring practices, rules and procedure, measure or reward, highlighted the importance of the behaviour, further discuss with employee and management/owner]

Short term	Long term

We are now at the end of the interview, thank you very much for taking your time to help me with this study. All the information from this interview will be strictly considered as confidential and will only be used for the purpose of this study. Thank you once again.

Respondent Sheet 1

QUESTION 3.5

How do you rate working environment at your organisation?

(Please tick the relevant box)

Working environment	Excellent	Good	Average	Fair	Poor
Involvement					
Challenge					
Superior Support					
Co-worker cohesion					
Autonomy					
Freedom					
Task efficiency					
Workload Pressure					
Time Pressure					
Physical comfort					
Safety					
Innovation					
Changes					
Control					
Welfare					
Opportunity					
Stability					
Fairness					
Communication					
Others (please specify)					

Please hand this sheet back to the interviewer.
Thank you.

Interviewer Sheet 1

QUESTION 3.5

How do you rate working environment at your organisation?

(Please tick the relevant box)

Working environment	Excellent	Good	Average	Fair	Poor
Involvement					
Challenge					
Superior Support					
Co-worker cohesion					
Autonomy					
Freedom					
Task efficiency					
Workload Pressure					
Time Pressure					
Physical comfort					
Safety					
Innovation					
Changes					
Control					
Welfare					
Opportunity					
Stability					
Fairness					
Communication					
Others (please specify)					

Respondent Sheet 2

QUESTION 4.4

Could you recognize or identify the behaviour that is considered beyond the specified role or task being performed in your organisation? Did you do that (extra-role) behaviour yourself? To what extent does it contribute to the effectiveness and efficiency of your organisation?

(Please tick the relevant box)

	I do, myself	It happens	Not sure	Does not happen	Contribution		
					A lot	A bit	Not at all
Helping behaviour - Voluntary helping others preventing the occurrence of work related problem.							
Sportsmanship - Willingness to tolerate the inconvenience without complaining, and sacrifice personal interest for the good of the organisation.							
Organizational loyalty - Promote to outsiders, protect and defend against external threats, and committed under adverse conditions.							
Organizational Compliance - Acceptance and adherence of the rules/ regulation and procedure even when no one observes or monitor.							
Individual initiative - Voluntary engage in task-related behaviour far beyond the minimum /expected level.							
Civic virtue - Participate actively and look out for the best interest of the organisation even at personal cost (concern the life of the organisation).							
Self-development - Voluntarily improve knowledge, skills and ability.							
Other (please specify)							

Please hand this sheet back to the interviewer.
Thank you.

Interviewer Sheet 2

QUESTION 4.4

Could you recognize or identify the behaviour that is considered beyond the specified role or task being performed in your organisation? Did you do that (extra-role) behaviour yourself? To what extent does it contribute to the effectiveness and efficiency of your organisation?

(Please tick the relevant box)

	I do, myself	It happens	Not sure	Does not happen	Contribution		
					A lot	A bit	Not at all
Helping behaviour - Voluntary helping others or preventing the occurrence of work related problem.							
Sportsmanship - Willingness to tolerate the inconvenience without complaining, and sacrifice personal interest for the good of the organisation.							
Organizational loyalty - Promote to outsiders, protect and defend against external threats, and committed under adverse conditions.							
Organizational Compliance - Acceptance and adherence of the rules/ regulation and procedure even when no one observes or monitor.							
Individual initiative - Voluntary engage in task-related behaviour far beyond the minimum /expected level.							
Civic virtue - Participate actively and look out for the best interest of the organisation even at personal cost (concern the life of the organisation).							
Self-development - Voluntarily improve knowledge, skills and ability.							
Other (please specify)							

Respondent sheet 3

QUESTION 6.2

How can you cultivate the environment or surrounding in your organisation to encourage this type of extra-role behaviour?

(Please tick the relevant box)

Highly need to be improved	Need to be improved	Status quo	Do not contribute
1	2	3	4

	1	2	3	4
Individual attitude - Satisfaction, affection, trust, fairness, perceived organizational support.				
Individual personality - Agreeableness, emotional stability, cooperativeness, conscientiousness.				
Leadership behaviour - Instrumental, supportive, transformational, leadership member exchange leadership.				
Task characteristic - Task feedback, variety, interdependence, autonomy, satisfying.				
Group characteristic - Cohesiveness, potency, perceived team support, communication, trust.				
Organisational characteristic - Formalization, flexibility, structure, constraints.				
Other (please specify) 				

**Please hand this sheet back to the interviewer.
Thank you.**

Interviewer Sheet 3

QUESTION 6.2

How to cultivate the environment or surrounding in your organisation to encourage this type of extra-role behaviour?

Prompt: Changes needed to improve the internal working environment]

(Please tick the relevant box)

Highly need to be improved	Need to be improved	Status quo	Do not contribute
1	2	3	4

	1	2	3	4
Individual attitude - Satisfaction, affection, trust, fairness, perceived organizational support.				
Individual personality - Agreeableness, emotional stability, cooperativeness, conscientiousness.				
Leadership behaviour - Instrumental, supportive, transformational, leadership member exchange leadership.				
Task characteristic - Task feedback, variety, interdependence, autonomy, satisfying.				
Group characteristic - Cohesiveness, potency, perceived team support, communication, trust.				
Organisational characteristic - Formalization, flexibility, structure, constraints.				
Other (please specify)				

8. KEMUDAHAN RAWATAN PERUBATAN : KELAS KETIGA
BAYARAN MENGIKUT RESIT

9. HARI -HARI CUTI KELEPASAN BERGAJI :

- a) HARI BURUH
- b) HARI KEBANGSAAN
- c) HARI KEPUTERAAN DYMM SULTAN TERENGGANU
- d) HARI KEPUTERAAN YANG DIPERTUAN AGONG
- e) HARI RAYA PUASA
- f) HARI RAYA HAJI
- g) HARI NUZUL QURAN
- h) MAULIDUR RASUL
- i) AWAL MUHARAM

10. NOTIS BERHENTI KERJA BAGI KEDUA BELAH PIHAK : SEBULAN NOTIS

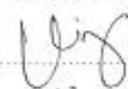
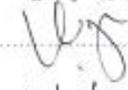
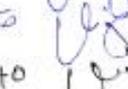
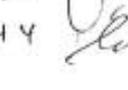
11. LAIN-LAIN KEMUDAHAN : KENAIKAN GAJI BERDASAR
PRESTASI KERJA

SAYA SETUJU DI ATAS SYARAT-SYARAT YANG TERCATAT DALAM
TAWARAN INI


TANDATANGAN PEKERJA


TANDATANGAN MAJIKAN

BUTIR - BUTIR PERUBAHAN DAN SYARAT-SYARAT PERKHIDMATAN

TARIKH BERMULA	GAJI	TANDATANGAN	CATATAN
1-2-2005	RM 29		
1-3-2006	RM 30		
JAN 07	RM 31		
11-2-2008	RM 33		
1-7-2008	RM 35		
APRIL 2009	RM 40		
April 2012	RM 44		

PERINGATAN

1. KEDATANGAN UNTUK SEMUA PEKERJA (8.00 PAGI – 5.00 PETANG, SABTU - KHAMIS)
2. PERSEKITARAN DI TEMPAT KERJA DAN KEBERSIHAN (BERSIH DI SEKELILING ANDA SEBELUM BALIK SETIAP HARI)
3. PERSEKITARAN DAN KEBERSIHAN DI SURAU MAA (JANGAN LETAK MOTOR DI HADAPAN TANGGA/ PERALATAN MAKAN, MINUM DAN SEJADAH HENDAKLAH BERADA DALAM KEADAAN BERSIH)
4. MESIN-MESIN (KECIL DAN BESAR) SILA BERTANGGUNJAWAB APABILA SELESAI DIGUNAKAN.
5. KENDERAAN SYARIKAT, PASTIKAN DITUTUP TINGKAP, DIKUNCI DAN LETAK DI TEMPAT YANG SEPATUTNYA SELEPAS HABIS WAKTU KERJA. (~~XXXXX~~ / ~~XXXXX~~ / ~~XXXXX~~ / ~~XXXXX~~)
6. JAGA KEBERSIHAN BARANG KITA DAN PERSEKITARAN DALAM RUMAH PELANGGAN / TAPAK PROJEK, APABILA MELAKUKAN KERJA-KERJA PEMASANGAN DI RUMAH PELANGGAN / TAPAK PROJEK.
7. BARANG-BARANG KERJA HENDAKLAH DIJAGA, MUTU DAN KUALITI DIPERTINGKATKAN DAN TIDAK MEMBAZIR.
8. JIKA HENDAK KELUAR UNTUK URUSAN PERIBADI PADA WAKTU KERJA, HENDAKLAH DIMAKLUMKAN KEPADA PIHAK PENGURUSAN.
9. SILA PASTIKAN MEMBUAT SAIZ UNTUK PINTU DAN PERABOT DENGAN BETUL, AGAR BARANG TIDAK MEMBAZIR.

10. KERJA LEBIH MASA (OT) HANYA DI BENARKAN APABILA DIARAH OLEH PIHAK PENGURUSAN DAN UNTUK PROJEK YANG DIBENARKAN SAHAJA.
11. KERJA-KERJA DI PERAK - : WHITE BOARD / SOLID SURFACE - RM 845.00 (KEROSAKAN - BERHATI-HATI)
12. SEBARANG URUSAN TEMPAHAN KERJA HENDAKLAH MELALUI PEJABAT SAHAJA.
13. JADILAH SEORANG PEKERJA YANG AMANAH, JUJUR DAN BERTANGGUNGJAWAB.
- 14.

900. 9. 90

ii) PERKESO - Sebagaimana jadual arahan yang di kuatkuasakan dari semasa ke semasa oleh PERKESO

Hari-Hari Cuti Kelepasan Am : Seperti yang di wartakan oleh Kerajaan Negeri.

Cuti Tahunan : 8 Hari sebagaimana yang telah di tetapkan (Skim Penggal)
(Setelah tuan disahkan dalam jawatan)

Cuti Sakit Bergaji Setahun : a) Perkhidmatan kurang dari Dua (2) tahun : 14 Hari
b) Dua (2) tahun tetapi kurang dari Lima (5) tahun : 18 Hari
c) Lima (5) tahun ke atas : 22 Hari

Kemudahan Lain : Kemudahan perubatan serta lain-lain tertakluk kepada syarat-syarat dan peraturan perkhidmatan yang berkuatkuasa.

Tempat bertugas : Tetuan ~~XXXXXXXXXXXX~~
~~XXXXXXXXXXXXXXXXXXXXXXXXXXXX~~
~~XXXXXXXXXXXXXXXXXXXXXXXXXXXX~~
XXXXXX Kuala Terengganu, Terengganu.

Jika Encik/Cik bersetuju dengan terma-terma dan syarat-syarat perkhidmatan di atas, sila tandatangan surat lampiran dan kembalikan kepada firma .

Sekian terima kasih.

Yang benar,
~~XXXXXXXXXXXX~~



BIDANG TUGAS(JOB SCOPE)

JAWATAN : SUPERVISOR

NO	TUGAS-TUGAS BIASA	TUGAS-TUGAS KHAS
	MELAKUKAN KERJA-KERJA 5 S	MEMASTIKAN ITEM DI BAWAH DILAKSANAKAN :
	MEMERIKSA BARANG BARU SAMPAI	
	PACKING BARANG PELANGGAN	STOK BARANG MENCUKUPI
	TEST MENTOL	INVENTORI DILAKUKAN PADA MASANYA
	SUSUN ATUR BARANG DI DALAM KEDAI	PURCHASE ORDER
	INVENTORI STOK 3 BULAN SEKALI (3, 6, 9, 12)	STATEMENT ACCOUNT
	MELAYAN PELANGGAN	OT PEKERJA
		BAYAR KWSP,SOCISO DAN BIL-BIL SEMASA
		MASUKKAN HARGA BARANG
		FILING
		PROBLEM STOK UNTUK KIPAS :
		1. REKOD DATA PELANGGAN
		2. CALL TECHNICIAN
		3. CALL CUSTOMER BILA SIAP
		4. REPAIR KAT RUMAH KENA CALL
		AFTER 1 WEEK TECHNICIAN DATANG.
		MASUKKAN DATA PROBLEM STOK DAN –
		–STATUS TERKINI BARANG TERSEBUT
		MONTHLY ATTENDANCE
		PREPARE QUOTATION
		PREPARE INVOICE
		MEMASTIKAN BARANG ADA TANDA HARGA
		MEMBUAT HARGA BARANG
		MASUKKAN DATA SALES REPORT DLM COM
		SUSUN ATUR RAK A,B,H,I,J

DISEDIAKAN

--	--

XXXXXXXXXXXXXXXXXX

Appendix D: Photographs

CASE 1: ACCOUNTING



CASE 2: FURNITURE



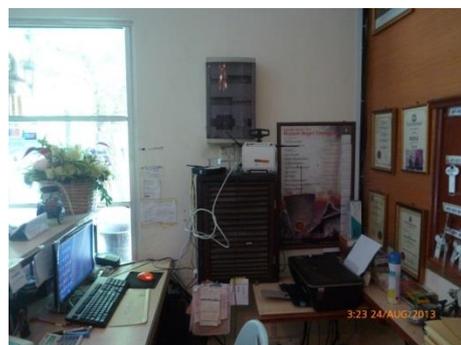
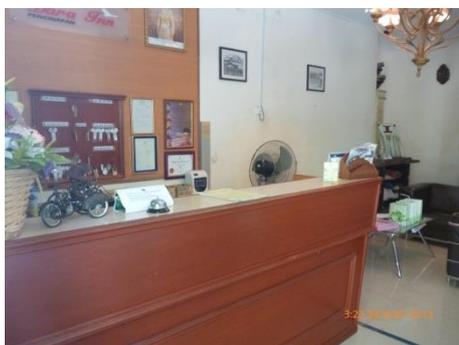
CASE 3: COMPUTER



CASE 4: LIGHTING



CASE 5: MOTEL



CASE 6: PRACTICE



Appendix E: Overall correlation analysis on working environment

		Correlations																			
		WORKA	WORKB	WORKC	WORKD	WORKE	WORKF	WORKG	WORKH	WORKI	WORKJ	WORKK	WORKL	WORKM	WORKN	WORKO	WORKP	WORKQ	WORKR	WORKS	
Spearman's rho	WORKA	Correlation	1.000	.538	.213	.445	.152	.477	.298	-.015	.055	.284	.188	.921	.510	.422	-.074	.050	.016	.001	.391
		Sig. (2-tailed)		.555	.295	.023	.520	.014	.109	.950	.845	.109	.507	.103	.123	.032	.721	.699	.935	.995	.048
	WORKB	Correlation	.035	1.000	-.124	.077	.262	-.029	-.227	.399 [*]	.330	.859	.80	.095	-.120	-.142	.129	-.120	.203	.268	-.081
		Sig. (2-tailed)		.555	.540	.708	.214	.887	.265	.044	.099	.354	.378	.645	.559	.489	.532	.560	.319	.185	.693
		N	26	26	26	26	26	26	26	26	26	26	26	26	26	26	26	26	26	26	26
	WORKC	Correlation	.213	-.124	1.000	.100	-.162	.071	.146	-.407 [*]	-.038	.063	.024	-.341	.141	.443 [*]	.084	.107	0.000	.392 [*]	.139
		Sig. (2-tailed)		.295	.546	.826	.457	.732	.477	.039	.853	.732	.906	.065	.492	.024	.652	.602	1.000	.048	.498
		N	26	26	26	26	26	26	26	26	26	26	26	26	26	26	26	26	26	26	26
	WORKD	Correlation	.445 [*]	.077	.100	1.000	.407 [*]	-.003	.092	.244	.042	.090	-.105	.470 [*]	.095	.265	-.135	.107	-.205	.013	.029
		Sig. (2-tailed)		.268	.708	.826	.039	.967	.854	.229	.838	.601	.811	.016	.645	.157	.510	.603	.316	.948	.887
		N	26	26	26	26	26	26	26	26	26	26	26	26	26	26	26	26	26	26	26
	WORKE	Correlation	.132	.252	-.152	.407 [*]	1.000	.264	.056	.613 ^{**}	.523 ^{**}	.463 [*]	.259	.503 ^{**}	-.146	.135	.190	-.223	.060	.060	-.126
		Sig. (2-tailed)		.520	.214	.457	.039	.193	.785	.001	.006	.017	.202	.009	.477	.511	.352	.273	.690	.769	.543
		N	26	26	26	26	26	26	26	26	26	26	26	26	26	26	26	26	26	26	26
	WORKF	Correlation	.477 [*]	-.029	.071	-.003	.264	1.000	.070	.319	.365	.318	-.037	.085	.125	.159	.117	-.163	.154	-.086	.167
		Sig. (2-tailed)		.514	.887	.732	.967	.193	.732	.116	.064	.113	.866	.581	.634	.330	.569	.426	.363	.677	.444
		N	26	26	26	26	26	26	26	26	26	26	26	26	26	26	26	26	26	26	26
	WORKG	Correlation	.298	-.227	.146	.092	.056	.070	1.000	-.217	.095	.117	.165	.140	.225	.449 [*]	.143	.147	-.059	.167	.137
		Sig. (2-tailed)		.139	.265	.477	.854	.785	.732	.287	.844	.570	.420	.494	.269	.021	.486	.475	.776	.443	.504
		N	26	26	26	26	26	26	26	26	26	26	26	26	26	26	26	26	26	26	26
	WORKH	Correlation	.055	.284	.188	.921	.510	.422	-.074	.050	.016	.001	.391	.048	.498	.032	.721	.699	.935	.995	.048
		Sig. (2-tailed)		.103	.109	.507	.103	.123	.032	.721	.699	.935	.995	.048	.498	.032	.721	.699	.935	.995	.048
		N	26	26	26	26	26	26	26	26	26	26	26	26	26	26	26	26	26	26	26
	WORKI	Correlation	-.015	.055	.284	.188	.921	.510	.422	-.074	.050	.016	.001	.391	.048	.498	.032	.721	.699	.935	.995
		Sig. (2-tailed)		.845	.109	.507	.103	.123	.032	.721	.699	.935	.995	.048	.498	.032	.721	.699	.935	.995	.048
		N	26	26	26	26	26	26	26	26	26	26	26	26	26	26	26	26	26	26	26
	WORKJ	Correlation	.284	.188	.921	.510	.422	-.074	.050	.016	.001	.391	.048	.498	.032	.721	.699	.935	.995	.048	.498
		Sig. (2-tailed)		.103	.109	.507	.103	.123	.032	.721	.699	.935	.995	.048	.498	.032	.721	.699	.935	.995	.048
		N	26	26	26	26	26	26	26	26	26	26	26	26	26	26	26	26	26	26	26
	WORKK	Correlation	.188	.921	.510	.422	-.074	.050	.016	.001	.391	.048	.498	.032	.721	.699	.935	.995	.048	.498	.498
		Sig. (2-tailed)		.103	.109	.507	.103	.123	.032	.721	.699	.935	.995	.048	.498	.032	.721	.699	.935	.995	.048
		N	26	26	26	26	26	26	26	26	26	26	26	26	26	26	26	26	26	26	26
	WORKL	Correlation	.921	.510	.422	-.074	.050	.016	.001	.391	.048	.498	.032	.721	.699	.935	.995	.048	.498	.498	.498
		Sig. (2-tailed)		.103	.109	.507	.103	.123	.032	.721	.699	.935	.995	.048	.498	.032	.721	.699	.935	.995	.048
		N	26	26	26	26	26	26	26	26	26	26	26	26	26	26	26	26	26	26	26
	WORKM	Correlation	.510	.422	-.074	.050	.016	.001	.391	.048	.498	.032	.721	.699	.935	.995	.048	.498	.498	.498	.498
		Sig. (2-tailed)		.123	.032	.721	.699	.935	.995	.048	.498	.032	.721	.699	.935	.995	.048	.498	.498	.498	.498
		N	26	26	26	26	26	26	26	26	26	26	26	26	26	26	26	26	26	26	26
	WORKN	Correlation	.422	-.074	.050	.016	.001	.391	.048	.498	.032	.721	.699	.935	.995	.048	.498	.498	.498	.498	.498
		Sig. (2-tailed)		.268	.708	.826	.967	.854	.229	.838	.601	.811	.016	.645	.157	.510	.603	.316	.948	.887	.887
		N	26	26	26	26	26	26	26	26	26	26	26	26	26	26	26	26	26	26	26
	WORKO	Correlation	.050	.016	.001	.391	.048	.498	.032	.721	.699	.935	.995	.048	.498	.032	.721	.699	.935	.995	.048
		Sig. (2-tailed)		.845	.103	.109	.507	.103	.123	.032	.721	.699	.935	.995	.048	.498	.032	.721	.699	.935	.995
		N	26	26	26	26	26	26	26	26	26	26	26	26	26	26	26	26	26	26	26
	WORKP	Correlation	.016	.001	.391	.048	.498	.032	.721	.699	.935	.995	.048	.498	.032	.721	.699	.935	.995	.048	.498
		Sig. (2-tailed)		.935	.995	.048	.498	.032	.721	.699	.935	.995	.048	.498	.032	.721	.699	.935	.995	.048	.498
		N	26	26	26	26	26	26	26	26	26	26	26	26	26	26	26	26	26	26	26
	WORKQ	Correlation	.048	.498	.032	.721	.699	.935	.995	.048	.498	.032	.721	.699	.935	.995	.048	.498	.498	.498	.498
		Sig. (2-tailed)		.048	.498	.032	.721	.699	.935	.995	.048	.498	.032	.721	.699	.935	.995	.048	.498	.498	.498
		N	26	26	26	26	26	26	26	26	26	26	26	26	26	26	26	26	26	26	26
	WORKR	Correlation	.498	.498	.498	.498	.498	.498	.498	.498	.498	.498	.498	.498	.498	.498	.498	.498	.498	.498	.498
		Sig. (2-tailed)		.498	.498	.498	.498	.498	.498	.498	.498	.498	.498	.498	.498	.498	.498	.498	.498	.498	.498
		N	26	26	26	26	26	26	26	26	26	26	26	26	26	26	26	26	26	26	26
	WORKS	Correlation	.498	.498	.498	.498	.498	.498	.498	.498	.498	.498	.498	.498	.498	.498	.498	.498	.498	.498	.498
		Sig. (2-tailed)		.498	.498	.498	.498	.498	.498	.498	.498	.498	.498	.498	.498	.498	.498	.498	.498	.498	.498
		N	26	26	26	26	26	26	26	26	26	26	26	26	26	26	26	26	26	26	26

* Correlation is significant at the 0.05 level (2-tailed).

** Correlation is significant at the 0.01 level (2-tailed).