THE ROLE OF PREVENTATIVE CONTROL MEASURES ON ORGANISATIONAL PRODUCTIVITY: CASE OF MANUFACTURING SMMEs IN DURBAN.

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THE ROLE OF PREVENTATIVE CONTROL MEASURES ON ORGANISATIONAL PRODUCTIVITY: A CASE OF MANUFACTURING SMMES IN DURBAN.

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Abstract

Considering the current business trends in the manufacturing sector, preventative control measures are becoming a strategic tool for productivity in most companies. However, Small Medium, and Macro Enterprises (SMME)s in Durban have been lagging in incorporating such tools into their strategies. Effective preventative controls have been known to be part of the big corporates, especially in the heavy manufacturing industries. Given the need to grow manufacturing SMMEs, businesses would need to adopt preventative control measures that are supportive of organisational productivity. Through this research it has been found that employees in Manufacturing SMMEs believe that preventative control measures negatively affect their performance and hinder productivity. Their main concern is to have flexible preventative measures that allow employees to work even if the key members are not around.

They also believe that preventative measures can reduce fraud and other costs as fewer people are allowed to sign off or access systems to pass critical transactions. However, this scenario undermines the importance and critical role that manufacturing SMMEs play in the economy in Gauteng province. Their growth and productivity cannot be overlooked. This research study aims to investigate the role of preventive control measures on organisational productivity in manufacturing SMMEs in durban.

This was achieved through identifying the type of preventive control measures used in manufacturing SMEs in Gauteng province; examining the role of preventive control measures on organisational productivity in manufacturing SMEs in Durban and recommending the appropriate application of preventive control measures that leverages organisational productivity in manufacturing SMEs in Durban. This study aims to significantly contribute and expand knowledge regarding preventative control measures in the manufacturing industry. The study used a Quantitative approach to carryout data collection, data analysis, and presentation. Some key findings were that manufacturing SMMEs were applying inflexible preventative controls that in some cases slow productivity. The majority of employees lack knowledge of the role of preventative controls and their benefits. It is therefore recommended that manufacturing SMMEs in Durban should institute training programs for their employees and furthermore

implement flexible preventative control measure that does not inhibit organisational productivity.

Keywords

preventative control measures; small, medium, and micro enterprises; organisational; durban

Chapter One: Introduction and Background to the study

1.1 Introduction

The purpose of preventive controls is to attempt to prevent workers at all levels from making errors or defrauding the organisation. Preventive controls may include such items as requiring workers to enter a password to sign onto a computer or a passkey to gain access to an area of the workplace. These controls are essential in a variety of work situations. However, they may sometimes affect productivity if not implemented properly. For example, if a payroll clerk needs to print paysheets, but the supervisor with access to the locked room where the cheque stock is kept is unavailable, productivity may be lost. Therefore, a system of effective preventive controls is a critical component of company management and a foundation for the safe and sound operation of organisations. However, when not well managed, preventive controls result in ineffective programs and losses (Financial Management Manual, 2005).

Reviewing and implementing control measures to protect the productivity of organisational performance, as part of the organisation's organisational process, allows an organisation to consider and acquire more effective ways to develop and implement organisational productivity. In some studies, it has been proven that when an organisation has ineffective or poor management, productivity can be greatly reduced. Therefore, managers need to create the need for control mechanisms for the viability of the organization (Financial Management Manual, 2005).

1.2 Background to the Study

Premised in the field of Business Administration, Studies by Humphrey and Miller (2012) and Hall (2016) have shown that SMMEs' level of service remains critical; given that this industry strives to be competitive in the marketplace and satisfy their customer needs. Quality service to customers increases the chances of retaining customers, attracting new customers, corporate image enhancement, increased word of mouth referral-guaranteeing growth. In addition, it is important to understand that firm productivity is important in terms of business growth; and PCMs to leverage productivity is imperative considering the above assertation by Hall (2016).

This study approached business administration as a focus area. The purpose of the study is to raise awareness on the importance of preventative measures and how they can positively impact Durban SMMEs' productivity. Suggestions in the field of business administration studies Humphrey and Miller (2012) and Hall (2016) have shown that SMME service levels remain important, especially as the industry seeks to maintain the competitive market advantage and achieve customer satisfaction. Provision of quality customer service enhances customer retention, attracts new customers, enhances company image, leads to better referrals ensuring business profitability and growth. Considering the assumptions above then increased productivity must be critical to achieving high organisational performance, and production control measures are very important in this regard, and since it is based on ongoing thinking, this study seeks to identify business managers as a focus area. The aim of the research is motivated by the need to strengthen and participate in the literature on prevention management practices and their impact on organisational productivity in SMMEs in Durban.

1.3 Research Problem

The main problem to be investigated is that regularity and misuse of organisational funds are creating fear, anxiety, and loss of trust in the minds of customers and organisational management. This is justified by the existing failure of some organisations in various sectors of the economy of a country- especially in the SMME industry. The failure of poorly formed preventive controls and the prevalence of financial losses in terms of productivity has increased the need for studies. An increase in high-level business challenges around the world is related to poor productivity and is attributable to the failure of preventive control structures and eventual avoidance of PCMs established by the organisation resulting in decreased productivity. This study, therefore, intends to examine the role of PCMs in SMMEs

1.4 The aim of the Study

This study aims to examine the role of PCMs on organisational productivity. The motive of the study was driven by the need to raise awareness on the importance of preventative measures and how they impact on the productivity of SMMEs.

1.5 Research Objectives

- To identify the type of PCMs used at SMMEs in Durban.
- To examine the role of PCMs on organisational productivity in SMMEs in Durban.
- To offer informed recommendations on the appropriate application of PCMs that leverage organisational productivity at SMMEs in Durban.

1.6 Research Questions

- What are the types of PCMs at SMMEs in Durban?
- What is the role of PCMs on organisational productivity in SMME's in Durban?
- What are the appropriate PCMs that could leverage organisational productivity pertaining to SMMEs in Durban?

1.7 Significance of the Study

This study is significant in that it seeks to contribute to the previous literature on the role of PCMs on organisational productivity and serves as a stimulus for future research to explore PCMs and issues of organisational productivity. The key findings can equip management to gain a better understanding of how to proactively implement PCM's in organisations, using SMMEs as a case study.

1.8 Definition of Key Definition Concepts

1.8.1 Preventative controls measures

These are designed to be implemented prior to a threat event and reduce and/or avoid the likelihood and potential impact of a successful threat event. Examples of preventative controls include; policies, standards, processes, procedures, encryption, firewalls, and physical barriers.

1.8.2 Organisational productivity

This is defined as the overall output of goods or services produced; divided by the inputs needed to generate that output. It is the management's job to increase this ratio.

1.9 Scope of the Study

The scope of the study is limited to specific SMMEs. It is therefore also an in-house investigation. This study intends to examine the impact of PCMs on organisational productivity at the levels of SMMEs.

1.10 Structure of the Study

Chapter 1: Introduction. The first chapter mainly deals with the introduction and background to the study. It consists of a discussion of the problem, research objectives, and questions. The aim and significance of the study will also be emphasized.

Chapter 2: Literature review. This chapter reviews literature in trying to understand other authors' views and thoughts on the research topic which is premised on the investigation of PCMs applied in terms of service delivery in an SMME industry to increase organisational productivity. A correlation was made between the literature review and the problem statement.

Chapter 3: Research Design and Methodology. This chapter deals with the research methodology and identifies the population. Furthermore, the research design of the study, the sampling method, procedures, and data analysis include ethical considerations as stated in this study.

Chapter 4: Research findings and analysis. This chapter presents insight into the data collection process and analysis. The conclusion of results was also offered, and a link between the problem statement and research questions was established.

Chapter 5: Comprised of a summary premised on the results of the questionnaires, the possible contribution of the result to the concept of PCMs, and recommendations and suggestions for further research was averred.

1.11 Conclusion

The above chapter provided insight into the introduction and background of the study by providing a brief understanding of what to expect in the study. This chapter also suggests the research problem, aims, objectives, questions, and theoretical proposals to be

addressed by the study. A brief overview of the importance, the scope of study including the definition of the concept and structure of the chapters is provided. The following chapter reviews the interrelated literature.

Chapter Two: Literature Review

2.1 Introduction

The main purpose of the construction of the literature review is to provide a theoretical framework for the study. Historical and recent academic documents will be explored by the researcher to provide background to the problem area and motivate the rationale for the study. In this overview of the literature, the researcher makes a presentation, and a critical analysis of reviews, studies, and opinions are performed, aimed at helping answer the research questions and satisfy the research aim and objectives. To achieve the research objectives, the researcher within this literature review first explores the classification of PCMs, detective control measures, corrective control measures. The basic control measure is equally asserted. Further insight on the role of PCMs in an organisation was stated. The reviewed literature also offers insight into the limitations of PCMs and appropriate PCMs to leverage organisational productivity. A preventive control tool classification framework is equally stated.

In an economic environment characterized by instability, organisational productivity is critical in influencing success. Production is an average measure of product efficiency that can be expressed as a count of the input-output used in the production process (Helden, 2015). Kaufman (2018) argued that production is all about efficient and effective use of resources. Tessier and Otley (2012) pointed that production is when the entire organisation wants to achieve its set goals. Ter Bogt (2015) insisted that the modern business environments are competitive and would require competition. Technology, advanced technical infrastructure, and the size of the organisation's network now matter more to compete. Nerstad (2017) argued that strong and effective security control measures are needed to overcome these barriers.

According to Hall (2016) defense control measures are widely used, nevertheless, employees favour applying security management systems that align to quickly achieving the organisation's product. Simply put, Humphrey and Miller (2012) provide insight into preventive control mechanisms by suggesting that control mechanisms are functional mechanisms that keep work going as expected.

2.2 Classification of PCMs

The classification of these controls is discussed below:

2.2.1 Prevention Control Measure

Protective control measures include measures taken before fraud occurs. A certain amount of preventive control is related to the organisational structure. For example, separating tasks and not allowing one person to handle all aspects of the processing process. Other interception methods are included in the organisation's software programs- like passwords are created to prevent unauthorized access or unauthorised execution of certain processes. Other security measures like alarms and locks restrict unauthorised access to the properties. Since they can prevent fraudulent activity before it occurs, prevention controls are usually very efficient and cost-effective (Nerstad, 2017).

2.2.2 Detective Control Measure

The preventive control system is responsible for revealing the problems that are faced in executing processes in a system. Wilhelm (2013) reported that detective undertakings are designed to detect abnormalities, if any. They are also designed to provide a certain level of certainty that preventative control works as planned. Asset collection statistics, account resolution, analysis, report review, and audits all fall under detective controls. Detection rate control occurs during and after events, it is designed to detect and is often more expensive and time-consuming than security control. However, the importance of detective measure controls in reducing fraud should not be underestimated.

2.2.3 Corrective Control Measures

According to Freund and Jones (2015), corrective control measures are designed to correct errors, irregularities, or fraudulent activities after they have been identified. Since they take place after the fact, they are usually less expensive. However, they are important in controlling fraud in several ways.

Corrective control measures can help improve preventive or detective control, thereby reducing future incidents or improving the temporary acquisition of fraud-related activities. The emphasis is on PCMs in line with the classification and purpose of this study.

2.3 The Basic Control Process

Proper implementation of preventive control measures is critical for the success of the employer. Therefore, after the implementation of preventative control plans, management needs to carry a chain of steps ensure that the plans are applied. Further, Kuvas, et al. (2017) states that simple control system steps may be observed in almost any utility; be it improving product first-rate, decreasing waste, and increasing sales. The simple control procedure consists of the following steps:

Overall performance standards: Managers must translate plans into overall performance standards. Those performance levels may be objective, inclusive of sales from income over a time frame. Requirements must be on hand, measurable, and clean.

Actual performance size: If overall performance is not measured, it is not viable to decide whether the standards have been met.

Evaluating real overall performance with standards or targets: Accepting or rejecting a product or result.

Deviation evaluation: Managers must figure out why requirements have been not met. This step also consists of identifying whether extra controls are required or whether the usual must be changed.

Take corrective action: Once the causes of deviations are identified, management can broaden trouble-solving solutions by assembly requirements and making modifications to approaches or behaviour.

2.4 The Role of PCMs in Organisations

Ben-Hasan, Aloui, and Ben-Nassar (2018) expresses that the totality of the control degree to shield the deviation makes the current state assessment probable to be an act, regulation, or an acknowledged base for comparison. The outcome of the control should be confirmed that the modern scenario follows installed tactics or the detection of deviations from one's strategies. The measure of inner control isn't always a single occasion or scenario, but several activities that compare an organisation's overall performance. This is established and carried out by way of people, a reasonable warranty

is furnished to the board of directors and management, but to accomplish the goals of an organisation. It should be noted that this warranty is not absolute. In addition to strengthening the role of defense manipulate mechanisms; Ahsan and Rahman (2017) argue that preventative controls are designed to prevent mistakes or fraudulent transactions from going on before they happen. In other words, blockchain controls try to save you from unauthorized transactions and misuse of property. Although controls must be tailored to a particular place of the organisation, a predominant example of effective safety controls is process separation. The obligations of authorizing transactions, recording transactions, reviewing transactions, and authorizing inventory must be finished with the aid of one-of-a-kind individuals.

2.5 Constraints and Goals of PCMs

According to Axelson, Green, and Ridley (2017); a preventive control measure should be the basis for the development plan of each company. Therefore, Brown (2016) states that a successfully developed preventive control system is a necessary but not a sufficient condition for efficient management. In line with the preceding assertion, Westhausen (2017) states that preventive controls measure cannot resolve all dilemmas faced by an organisation. However, inefficient preventive controls measure or their lack may cause serious problems for the company. On the other hand, good management and effective preventive controls can limit the effects of unfavorable conditions through identification and quick response to such conditions (Transparency International,2019).

Mirinaviciene, (2014) asserts that understanding the nature and goal of preventive control can be a challenge for many directors, members of management and supervisory boards. The main goal is to manage lengthy reports and documents and, in some cases, avoid redundancy in the way the subject was presented by other experts. In that case, directors will understand preventive controls as promoting bureaucracy. Complicated procedures discourage creativity as preventive controls should assist the business in achieving its desired goal (Nawawi and Salin, 2018).

Nevertheless, Ridley (2017) advised that; preventive controls can be negatively affected by management and the employees in the organisation who may be averse to productivity. Management can work as a barrier to productivity caused by possible

omissions during the control processes. There are chances that employees deduce wrong conclusions to manage their mistakes in a process. Some could be fraudulent secret agreements among individuals which can be easily taken care of by task allocation. Goal Puspasari and Suwardi, (2016) express that preventive control is aimed at having in place mechanisms and procedures covering all the activities that ensure efficient and safe organisational functioning. It includes preventive actions which aim at supporting the achievement of the following goals:

- the consistent realization of business strategy and efficient use of available resources,
- risk identification and handling regularly, asset preservation, reliable and complete data needed to access the financial situation and prepare the financial statements on time,
- compliance with laws and regulations as well as the internal codex and instructions. About these goals, each enterprise should have an internal control system. It is a hierarchical system of different control areas, methods, and means for its implementation in observing and registration, detection of deviations and their causes, as well as in the presentation of results.

In line with the preceding assertion; Anthony and Govindarajan (2017) state that the purpose of preventive controls is to attempt to prevent workers at all levels from making errors or defrauding the organisation, assert that preventive controls may include such items as requiring workers to enter a password to sign onto a computer or a passkey to gain access to an area of the workplace. These controls are essential in a variety of work situations. When preventive controls measures are in place to measure and analyze day-to-day productivity, managers may use the resulting data to investigate more efficient ways to do business.

These controls may also help managers determine more effective ways to delegate authority within the organisation. However, they may sometimes affect productivity, if not implemented properly. While management controls may have a negative impact on productivity when implemented incorrectly, Hall (2016) states that preventive control can increase productivity. Based on the notion of whether PCMs can increase or decrease

productivity, this study investigates the role of PCMs on productivity in Small, Micro and Medium Enterprise (SMME) companies in Durban.

2.6 Timing of Controls

Amore and Benedsson (2016) classified preventive controls according to process or time of operation. Time-related controls include response, diagnosis, and simultaneous controls. Feedback control is related to the past, proactive control is related to future effects, and simultaneous control is related to the present.

Feedback: Takes place after the activity or process is complete. Hall (2016) states that it responds to feedback and that the organisational team must assess progress by comparing production standards with actual production. Production continues after the standards or targets have been reached. Alternatively, you can adjust the process or standard. Cruise, Speckley, and Widener (2016) warn that feedback control may change only after the process is complete or action has been taken. The situation may end before the driver notices the problem. Therefore, feedback control is better suited to processes, behaviours', or events that are not repeated over time.

Proactive Control: Humphrey and Miller (2012) assess problems with proactive control, also known as preliminary, preventive, or pre-management, instead of waiting for poor results and then reacting. It is about prevention or intervention. An example of proactive control is when an engineer tests the braking system of a prototype vehicle before designing a vehicle in mass production. Proactive monitoring looks for issues that arise reasonably and devises ways to prevent them. You have no control over the unexpected and improbable events that lead to natural disasters.

Concurrent Controls: Also known as steering or preventive controls - they are continuous checks that help maintain quality and consistency. This usually involves finding a customer or employee who is directly involved in the manufacturing process. Concurring to Ahsan and Rahman, (2017); to guarantee that internal control is compelling, there must be five components. They consist of five interrelated components namely: internal control environment, internal control risk assessment, control activities, Information and communication, and monitoring. Measures are imperative in upholding

an internal control environment. Just as a roof or upper floor of an office building cannot be built without completing the establishment and lower levels, an organisation does not skip steps such as planning, actualizing, keeping up, and administering the inner control system.

Internal control environment: Ben-Hsoun, Aloe, Ben-Nasser (2018) all make a declaration that association needs to start within control atmosphere. It bears that favourable change demands five belongings: apparition, ability, inspiration, natural resources, and preparation. Attempting change outside focus develops in mind or physical disorientation. Experience has proved that lack of ability, help, natural resources, or plans can bring about worry, fighting, and tension on employees. Interestingly, when it comes to implementation or reconstructing within controls inside a group bound by interest/work/ goal, supervisory control exists a full issue that influences all different facets of within controls. As a result, an appropriate reaction from the board of managers or person in law enforcement of the arranging concedes the possibility of meddling or damaging different parts of the within controls.

Internal Control Risk Assessment: The next step in the design and implementation of an organisation's internal controls is to identify and analyse threats or risks to achieve organisational goals. It is a repetitive process that must be performed at least once a year, if not in advance; when significant changes occur in the organisation, industry, or regulatory environment

Control functions: Risk Management managers who decide to downsize a company to achieve its goals are addressed through control activities. This is an important aspect of internal control. Through policies and procedures, administrative functions or actions are used to address the risk. Control functions can be several activities within an organisation and are categorized by type and environment. These are specific actions that a third party may observe and document for future testing or repetition. Organisations should use a risk-based approach when designing governance activities or internal governance frameworks. That is, the controls are designed to address the risk factors identified in the internal risk assessment, without the use of a pre-defined checklist. Although some frameworks are widely accepted, they vary from organisation to organisation and face

different challenges. Ahmi, Saidin, and Abdullah (2014) stated that companies need to adopt the best framework to meet their needs.

Information and Communication: Bellawite Pellegrini, Mayoli, Urga (2017) stated that employees of an organisation need to understand internal control responsibilities. This happens most often when people are associated with the impact of their activities on business goals and objectives. This communication should be an ongoing process. Companies with truly effective internal controls regularly train employees, make available policies and procedures to employees, and address other issues as needed through company meetings and email. This way, information is sent quickly.

Monitoring activities: consists of continuous evaluation of the implementation and operation of the five (5) components of internal audit. Findings should be assessed against differences instituted by the board of directors, executive policies, industry requirements, and regulators. Boţa-Avram, Adrian, Răchişan, and Gavriletea (2018) suggested that shortcomings should be reported to management and the board of directors, as required. Managers should follow these steps with a solution. Monitoring activities can extend beyond the boundaries of the organisation.

2.7 Limitations of PCMs

Any internal control system has its inherent limitations. Errors in the functioning of control processes, misinterpretation of instructions, errors in judgment, negligence, or other personal factors may occur. Control processes that require the separation of functions can be avoided through conspiracy. Similarly, control mechanisms can be deliberately avoided by management. Over time, with changing circumstances, control processes may deteriorate or become inadequate. Following the regulatory control measures previously improperly implemented in the organisation. Brown (2018) suggests that preventive control measurements need to be revalued regularly to make sure they are working properly and for their purposes. In addition, according to Axelson, Green, and Ridley (2017), when designing regulatory policies, there are some common hazards that each organisation must consider, including:

Control management elimination: Caperchione, Demirag, and Grossi, (2017) have indicated that management is primarily responsible for the production, implementation, and maintenance of internal controls and, therefore, the administrative capacity of managers must not violate these controls. If a manager has the ability and motivation to commit fraud by overcoming limitations such as income goals or personal problems, this is a risk that cannot be easily overcome. Managers with responsibilities such as shareholders, the board of directors, or the audit committee must be diligent in assessing the potential for fraud within the organisation and developing other risk management measures. In addition, setting the right tone at a managerial level helps the company and its employees maintain their integrity.

Limited Separation of Duties: No one shall be subjected to arbitrary interference with his privacy, family, home, or correspondence, nor to attacks upon his honour and reputation. Smaller companies may have difficulty classifying jobs properly due to limited staffing, but large companies can also face problems if the division is not properly designed.

Fachini and Segheja, (2018) reported the need to use compensation controls to assist small firms to ensure that objectives such as monitoring, monitoring, and supervision of managers or offenders are met.

Reliance in Detective Controls vs. Prevention Control: Detective Controls If something goes wrong, it may be too late, and damage may have already occurred. A good internal control system includes not only detective controls but also preventive controls. Caperchione, Demirag, and Grossi's (2017) assert security management measures include ongoing policy training and policies, enforcing usernames and passwords to limit access to systems or modules within the system, and double-signature distribution. It may or may not work. Review and approve pre-purchase purchase requests.

Informal Controls vs Informal: Small organisations may have key controls operating at the unit level compared to an operational level. These body level controls are usually unorganized and are controlled by one or two key people, such as the owner or manager.

Fachini and Segeja, (2018) confirm that whether regulations are formal/informal, they need to be strictly enforced to ensure compliance.

Over-confidence: When we hear of fraudulent stories, usually the one who makes the mistake is an honest, trustworthy, and great employee who will never be blamed. A company should trust its employees to be good employees and perform their duties to the best of their ability, but this trust should not undermine its internal control (Chalmers, Hay & Khalifa, 2018).

2.8 Appropriate PCMs to Leverages Organisational Productivity

According to Fu (2018), a good preventative control measure can be achieved by avoiding some behavioral problems and/or by implementing one or more types of control to protect against the remaining problems. The following sections of the review discuss the major control options.

2.8.1 Control-Problem Avoidance

In most cases, managers can avoid some control problems by not allowing the opportunity for wrongdoing.

It is a way of automation that can reduce organisations' control over computers and other types of automation, as automation can be customized for better performance and better performance than humans. Therefore, preventive control is improved. Gaffran and Osalivan (2017) emphasize that focus is another area that can be avoided, as is the case with critical decisions at most levels of the organisation. If the manager makes all the decisions in one area, those other areas will not control the issues related to management because no one else is involved. At the end of the job or the entire process, some control issues can and should be avoided. For example, Dealing and Harris (2018) argue that managers who do not have the resources to control certain activities can eliminate control problems by delegating potential profits and risks to third parties, such as outsourcing. In addition, Jinghai and Michael (2017) argue that management may or may not avoid control problems caused by dependence on other people and should solve problems by implementing one or more control strategies. Depending on the purpose of the audit, a

variety of strategies for achieving a good audit can be divided into three main groups. That means whether it controls specific tasks, results, or individuals.

Figure 1: Preventive Control Tool Classification Framework

Preventive Control Tool Classification Framework

Object of Control		
Specific Action	**Results**	**Personnel**
Behavioural Constraint: • Physical (e. g. Locks, security guards). • Administrative (e.g., separation of duties). Action Accountability: • Work rules • Policies and Procedure • Code of Conduct Pre-action Review: • Direct Supervision • Approval Limits • Budget Review	Result Accountability: • Standard • Budget • Management by Objectives	Upgrade Capabilities: • Selection • Training • Assignments Improve Communication: • Clarify Expectations • Provide Information of Coordination Encourage Peer Control: • Work Groups • Shared Goals

Source: Researcher

2.8.2 Control of Specific Actions

One way of control is to arrange a specific method that tries to ensure that people (or not) are known to be desirable (or undesirable). The government can limit certain types of unwanted methods using moral problems that are impossible or at least possible. These problems include physical construction blocks such as important personnel and

managerial systems and administrative constraints, such as after the season, making it difficult. Another type of management response in work is a kind of management system that employees are responsible for their actions.

Implementing control measures to prevent recurrence: (i) determine acceptable behavior constraints, as determined in the procedure manuals; (ii) examining employee behavior, and (iii) reward or punish abnormalities in certain constraints. Although interactive measures include current behavior and reporting, their goal is to encourage employees to act in the future. These systems will only be effective when employees understand what they are expected, and they will feel their actions are specifically recognized or rewarded. The third type of work also evaluates the first move. Dethamrong, Chancharat, and Wites (2017), including other things, monitor the work of others before the end, for example, direct guidance, methodological evaluation, and cost approval. An audit can provide effective control in different ways by modifying potential harmful behavior to bear the full effects of damage; or influence through the threat of future evaluation, such as additional care in the preparation of the offer. Another updated feature is that it can be used, even if you do not need to determine what is expected before the evaluation is expected.

2.8.3 Control of Results

According to Dimitras, Gagnis, and Pasaros (2018), results can also be controlled by focusing on results. This type of control is only fundamental and leads to feedback in which employees are made responsible for certain results. The use of response management systems requires the following: (i) Determination of the desired results such as efficiency, quality, and service. (ii) measuring the performance of these actions; and (iii) rewards/punishment for encouraging behavior that leads/does not to consequences. Result feedback systems, like performance feedback systems, are future-oriented. They try to encourage people to behave in a certain way. But they only work if the employees feel that their performance is recognized and rewarded.

2.8.4 Control of Personnel

The third type of administration can be called employee management because it emphasizes the trust of the employees who participate in the best and help them if

necessary. In some cases, personnel management can only work in small, family businesses or professional cooperation, because the main causes of control (personal constraints and lack of goals of the session) are small. However, even if there are any existing management problems, it can somewhat be (1) to develop personnel skills in important posts, such as promoting employment policy, implementation of educational programs, or improving service; (2) Improve communication to help people know better and their role in understanding and how they can link their efforts to other groups in this organisation; (3) enhance/alleviate peer control by creating joint groups with common goals (Horn, 2017).

2.8.5 Feasibility Constraints on the Choice of Controls

Salas-Velasco (2018) argues that the design of a Chinese preventive system depends on the availability of different types of control: not all these tools can be used in all situations. Personal checks are very compatible with various situations. To some extent, all organisations rely on their employees to guide, motivate and improve self-regulation through recruiting, testing, and training.

Directed by Jill and Holmes (2014), inmates are housed in high-risk locations even in prisons with severe and certain restrictions without physical barriers. Inmates are screened so that dangerous ones are not assigned to high-risk positions, such as in a machine shop. However, in many situations, there is a need to increase control over employees while still being in control of some actions or results, or a combination of both. To master certain tasks, managers must have specific knowledge of the required tasks. While it is easy to define the desired behavior in the product line, the behaviors that the developer prefers in research may not be precise. Ability to perform specific tasks necessary to maintain accountability. However, this is usually not a limiting factor, except in rare situations such as a remote outpost, because actions can be observed directly or assessed indirectly through action reports, such as hours worked, sales/calls made, or procedural violations.

Jill and Holmes (2014) express that the biggest hurdle in managing outcomes is the ability to effectively measure the outcomes you want. (Managers generally know what results are needed.) Ideally, measurements should include: (i) Assessing suitable work areas

whose results are truly desirable. (ii) Accuracy is determined by inconsistent measurements. (iii) punctuality; and (iv) caution and not tear. While suitable technologies are not readily available, intelligent alternatives can be identified or developed. For example, “complaints received” about the performance of hotel staff concerning customer service can be a positive/negative indicator. However, serious problems in achieving any of these four capabilities can lead to the failure of the desired operating system. According to Gill and Holmes (2014), internal controls serve as the first line of defense to prevent fraud and ensure the organisation's performance. Even companies with existing controls have to reassess themselves from time to time to see whether the goals are still being achieved and to identify new weak points or risks.

2.9 Conclusion

The information given above on the concept of PCMs, in this regard various classifications of PCMs were suggested. A discussion was given on the basic control process, including the role of PCMs. A further discussion highlights the constraints and goals of PCMs, equally including the timing of control, the limitations of PCMs, and the ability of PCMs to take advantage of organisational productivity in a preventive control device classification framework.

CHAPTER THREE: RESEARCH METHODOLOGY AND DESIGN

3.1 Introduction

This chapter discusses the research methodology and design adopted in this research study. This chapter aims to answer and achieve the research objectives discussed in chapter one. It describes the research design, the data collection process, the reliability and validity of the data, the data analysis, and the overall research approach used in this study.

3.2 Research Design

In line with the previous statement and based on the social sciences, Singh (2017) states that research design is a systematic approach that the researcher uses to conduct scientific research. It is the correct synchronization of the identified objects with the data that leads to the visible result. Furthermore, Sekaran and Bougie (2013) state that research design is a set of high-quality decisions that form the basis of a system that specifies methods and procedures for collecting and analyzing the necessary data. Therefore, Du Ploy-Cilliers and Cronje (2014) suggest the following examples of research projects:

- Descriptive Research Design: This is a conceptual-based project, in which the researcher aims in defining the problem statement and main aim of the research. This approach involves collecting, analysing, presenting data and allows the researcher to articulate the problem statement that allows us to better understand the reason for the investigation.
- Explanatory Research Design: It is applied to further augment, evaluate and explain the researcher's thoughts and ideas. This type of research plan is applied to intricate, uncharted aspects of a certain subject matter and then attempt to explain the missing pieces.
- Exploratory Research Design: A research is undertaken with a problem where the researcher does not have past data or only a few observational studies.

Kumar (2013) states that; sometimes the research process in a research framework is informal and serves as the first research tool to convey the concept or theory of the research problem. In this study, exploratory research was used, and this contributes to the development of a research problem into a more accurate investigation of functional hypotheses from a functional point of view.

3.3 Research Approach

Another significant aspect of a research process is that it provides an opportunity for the researcher to apply two types of research approaches, namely; qualitative, quantitative.

3.3.1 Quantitative Research Approach

Based on the research process, Mohajean (2017) argues that a quantitative research method is based on objective measurements and statistical, mathematical, or numerical analysis of data from surveys, questionnaires, and surveys, or uses data.

3.2.2 Qualitative Research Approach

Consistent with the previous argument, qualitative research on the other hand, relates to the process of collecting, analyzing, and interpreting numerical data such as language. Bobby (2011) argues that qualitative research applies to understanding how a person perceives and interprets their social reality. A quantitative research approach was used for this study which examines a subject or activity by measuring variables in quantitative terms. In addition, a detailed research design was similarly adopted to evaluate the control measures used by SMMEs to ensure quality service delivery. The importance of the quantitative research approach in this study is based on the fact that it allowed gaining more knowledge and understanding about the social world. Creswell and Path (2018: 3) stated that quantitative research approaches produce objective data that are clearly represented by figures and numbers.

3.5 Target Population

In the social science research process, the population is a complete set of people with a specialized set of characteristics, and a sample is a subset of the population. Saunders, Lewis, and Thornhill (2016:212) also postulate that population concerns the full set of

cases from which a sample is to be taken and the results of the study are generalized to this population. In addition, Bryman, and Bell (2016:30) averred that a sample is a subset of a population that is used to represent the entire group. The target population for this study was one hundred and fifty (150) employees of which sixty-three (63) were considered as the sampling population.

3.6 Sampling Techniques

According to Singh (2017), science research modeling methods can be divided into two categories: probabilistic and non-probable. Sekaran and Bougainv (2013: 2) found that in the probability model, each population member had a zero but familiar opportunity to participate in the study, and that randomness or probability is a key element of the probability model technology. Furthermore, the Bobby (2011) probabilistic model, on the other hand, allows members of the sample group to be randomly selected; Therefore, in the probability model, only a few members of the population are likely to participate in the study. Based on these arguments, it should be noted that both types of sampling methods involve methods that are applicable in the sampling process.

Therefore, the probability sampling technique of general random sampling was used for this study. According to Bobby (2011), general random sampling is a probability technique in which each member of the population has an equal chance of being selected for the sampling. The significance of the general random model for this study is that the individuals who make up the subcommittee of the larger group are randomly selected and more individuals in the larger population are selected so that this provides an opportunity to avoid bias. It, in most cases, forms a balanced subcommittee with great potential to represent a large group (Bryman, 2016). In addition, the target population can be divided into groups such as job positions by using a simple random model; Job for many years; and gender. The significance of this group is that it allows identifying statistical differences between characters.

3.7 Survey Method

According to Research Process Mohan (2017), the survey method is a process, tool, or technique that allows the process of gathering information in research by asking questions to predetermined individuals. Creswell and Poth (2018) generally argue that the survey method facilitates the exchange of information between research participants and the person or organisation conducting the research. A quantitative research approach was used for this study which examines a subject or activity by measuring variables in quantitative terms. Therefore, the questionnaire was used as a survey research strategy and research tool.

3.8 Measuring Tool

According to Saunders, et. al. (2012) A research instrument pertains to a measurement device used by a researcher to obtain data from respondents for his research work. The term data refers to all types of information that the researcher obtains from the participant of the study. A widely used tool in this process is the questionnaire. Walliman (2014) claims that a questionnaire is a research tool consisting of a series of questions to collect information from the respondents. Accordingly, Babi (2011) stated that questionnaires are a cost-effective, simple, and quick way of collecting data coming directly from sources .

In addition, questionnaires are essential, and this is mostly associated with a survey. Although the importance of the questionnaire is emphasized, it is also essential for the researcher to carefully plan and construct the questionnaire as a measuring instrument. This is because the results of the questionnaire are based only on the type of question being asked. If the questions are poorly worded or biased, the results analyzed will also be of the same nature. For this reason, Gupta, and Gupta (2011) argue that planning and organizing questionnaires should be done with utmost consciousness, especially about the type, format, wording, and sequence of research questions. In this regard, a five-point Likert scale was used for this study in which (1) strongly agree, (2) agree (3) unsure, (4) disagree (5) strongly disagree .

Likert scales are commonly used in surveys; It is a type of scale that requires respondents to indicate the degree of their agreement or disagreement with a variety of statements

relating to a point of view or object. (Du Ploy-Cilliers & Cronje, 2014). All respondents were required to answer the twenty (20) questions in the questionnaire.

3.9 Pilot Study

Preliminary or pilot studies are an important aspect of the research process, and the main reason for preliminary / pilot studies is to investigate the feasibility of research approaches that should be used in large-scale studies. Based on the above view, Kumar (2013) states that preliminary tests or pilot studies should be used to perform preliminary analysis before conducting a complete study or research experiment. This is essentially a test or test of a major experiment or study. Singh (2017) states that pre-survey / pilot testing is one of the key stages of a research project and is conducted to identify possible problem areas and shortcomings. In this survey, the designed questionnaire was pre-tested or tested on a sample of five respondents or a target population to determine its feasibility.

3.10 Reliability and Validity of the Questionnaire

Mohajan (2017) states that reliability and validity are the two most important and fundamental features in the evaluation of any measurement instrument or tool for good research. According to Kumar (2013) validity concerns the appropriateness and accuracy as applied to research. In addition, Cresswell and Poth (2018) state that validity is the strength of the research conclusions, inferences, or propositions. Validity is important because it gives credibility to the research findings. (Singh, 2017).

- Content validity: The extent to which the measurement covers all aspects of the concept being measured.
- Construct validity: The adherence of a measure to existing theory and knowledge of the concept being measured.

Reliability on the other hand is concerned with how consistent the research instrument with the research measurement or the extent is to which an instrument measures when applied in multiple ways. (Gupta and Gupta, 2011). Therefore, Walliman (2014) suggest the following research techniques:

- Test-retest reliability: the consistency of a measure across time.
- Interrater reliability: the consistency of a measure across observers.
- Internal consistency reliability: the consistency of the measurement itself.

3.11 Validity of the Questionnaire

For this study, validity was ensured through rational validation of each question concerning the aims and objectives of the study. Internal validity which seeks to measure a relationship between a research program and the outcome of the study was applied.

3.12 Reliability of the Questionnaire

For this study, reliability was ensured through test/retest reliability. Gupta and Gupta (2011) assert that test-retest reliability measures the consistency of results when repeating the same test on the same sample at a different point in time. The post-pilot study allowed for a few questions to be rephrased and vagueness in their design was cleared. The questionnaire was therefore refined for administration to the main sample respondents.

3.13 Data Collection Methods

According to Creswell (2019), data collection methods are concerned with an action that allows for the collection of the information required in addressing research questions. The most widely used survey research techniques are telephone surveys, personal interviews, and questionnaires (Zikmund, 2013). In this study, data were collected using a survey questionnaire, which was administered to the respondents who were one hundred and fifty (150) employees and employers from five (5) different SMMEs. An appendix informing participants on the purpose and objectives of the research is attached.

3.14 Characteristics of the Questionnaire

Based on the social science research process, a questionnaire consists of questions designed to obtain important evidence from individuals on a given topic. According to Kothari (2011), when effectively planned and organized, a questionnaire is considered an important tool through which it can provide great insight into a specific group of people or

the entire population. In general, a good questionnaire should have the following features: First, the questions should proceed in a logical order. Second, personal, and intimate questions should be left to the end. Third, technical explanations and vague expressions should avoid various interpretations (Kothari, 2011). For this study, it was determined that the questions listed in the questionnaire were sensitive or personal, and that individual and personal questions would be eliminated at the end of the questionnaire. This guideline allowed respondents to feel comfortable and happy participating in the research collection process.

3.15 Questionnaire Construction

According to Saunders, et. al. (2012), A research instrument pertains to a measurement device used by a researcher to obtain data from respondents for his research work. The term data refers to all types of information that the researcher obtains from the participant of the study. A widely used tool in this process is the questionnaire. Walliman (2014) claims that a questionnaire is a research tool consisting of a series of questions to collect information from the respondents. Accordingly, Babi (2011) stated that questionnaires are a cost-effective, simple, and quick way of collecting data coming directly from sources. In addition, questionnaires are essential, and this is mostly associated with a survey. Although the importance of the questionnaire is emphasized, it is also essential for the researcher to carefully plan and construct the questionnaire as a measuring instrument. This is because the results of the questionnaire are based only on the type of question being asked. If the questions are poorly worded or biased in nature, the results analyzed will also be of the same nature. For this reason, Gupta and Gupta (2011) argue that planning and organizing a questionnaire should be done with utmost consciousness, especially concerning the type, format, wording, and sequence of research questions. In this regard, a five-point Likert scale will be used for this study, consisting of (1) strongly agree, (2) agree (3) indeterminate, (4) disagree (5) five who strongly disagree. Options are included. All respondents were required to answer twenty (20) questions in the questionnaire, which is divided into three sections, namely:

Section A: General Information.

Section B: The impact of PCMs on organisational productivity

Section C: Recommendation on the application of appropriate PCMs to leverage organisational productivity in SMMEs.

3.16 Administration of the Questionnaire

In this study, a self-administered questionnaire was circulated by hand and in person by the researcher to the respondents. Preceding the circulation of the questionnaires to the respondents, the researcher obtained an ethical clearance letter and recommended the respondents a letter of informed consent (Appendix) which respondents were requested to sign. The researcher also highlighted the purpose of the research and explained all sections of the questionnaire. Respondents were urged to ask questions where they did not comprehend. All questionnaires were gathered on-site instantly after their conclusion.

3.17 Data Analysis

Data analysis in the social science research process relates to the process of systematically applying statistical and/or logical techniques to describe and illustrate, summarize, and recapitulate and evaluate the data collected as a result of a data collection exercise. For this procedure, a quantitative data analysis procedure was used with the use of the latest version of the Statistical Package for Social Sciences (SPSS) for data analysis.

3.18 Ethical Considerations

The ethical considerations from the Durban University of Technology were taken into consideration. Generally, all postgraduate of the Durban University of technology is obliged to complete various post-graduate documents as part of the research process.

These documents comprise PG2 a form which is the research proposal that is to be approved by the Faculty Research Committee and the Institutional 72 Research Ethics Committee before the commencement of the research. The PG2a form has a section that deals with issues of ethical clearance, including obtaining “gate-keeper” permission and drafting a letter of informed consent (Appendix D) to the respondents guaranteeing them voluntary involvement and that they understand the research objectives and process; Subsequently, institute research committee gave written permission to continue with data

collection highlights how ethics was to be considered with regards ethical consideration on the part of the Durban University of Technology.

3.18.1 Confidentiality and Anonymity

Based on the social science research premise, anonymity and confidentiality are significant processes. Cresswell and Poth (2018) argue that confidentiality refers to a situation in which the researcher knows who the subject of the research is but takes steps to protect that identity from discovery and anonymity, on the other hand, is a situation where the ownership of certain topics is unknown to investigators. On this basis, anonymity and confidentiality in this study were ensured by the provision of a letter of informed consent stating the purpose of the study and that information collected will be purely for academic purposes. In the same way, the right of voluntary participation was similarly stated in the letter.

3.19 Conclusion

This chapter offered insight into the research methodology and design applied in the study. The quantitative research approach and the exploratory research design were used. A designed questionnaire employing a survey strategy was applied in the data collection process. The questionnaire design aspects such as the content and format were equally stated. Walliman (2014) states that statistical analysis in research involves the investigation of trends, patterns, and relationships. In this regard, the application of the SPSS (Statistical Package for Social Sciences) was deemed accurate for data analysis. The chapter committed to revealing the importance of ethical considerations in the research process. Chapter Four is committed to the analysis of the collected data and an examination of the findings arising from the empirical analysis.

Chapter 4: Data Analysis, Presentation, And Interpretation of Findings

In this chapter, a detailed analysis of the research results is presented. The analysis was based on a sample of 100 SMMEs in the manufacturing industry in Durban. Self-published questionnaires were distributed, and a 100% response rate was obtained. This analysis was guided by research objectives that focused on identifying the types of prevention strategies used in creating SMMEs in eThekwini and recommending the effective use of preventive measures involving the organisation's production in SMME production in eThekwini Was. A scale reliability test was performed to determine the reliability of the data collection equipment required to meet the objectives of the study and the results are presented in section 4.2 .

4.1 Reliability test

Table 4.1: Case processing summary

Case Processing Summary			
		N	%
Cases	Valid	100	100.0
	Excluded [a]	0	.0
	Total	100	100.0
a. Listwise deletion based on all variables in the procedure.			

Table 4.1 appears that all returned surveys were considered for investigation and none of them were expelled due to inadequate answers. All respondents replied to all the questions within the address they were given.

Table 4.2: Reliability statistics

Reliability Statistics	
Cronbach's Alpha	N of Items
0.809	12

Table 4.2 reflects that the instrument's reliability was 0.809 as appeared by Cronbach's alpha value. Cronbach's alpha of 0.809 is within the satisfactory level, affirming that the

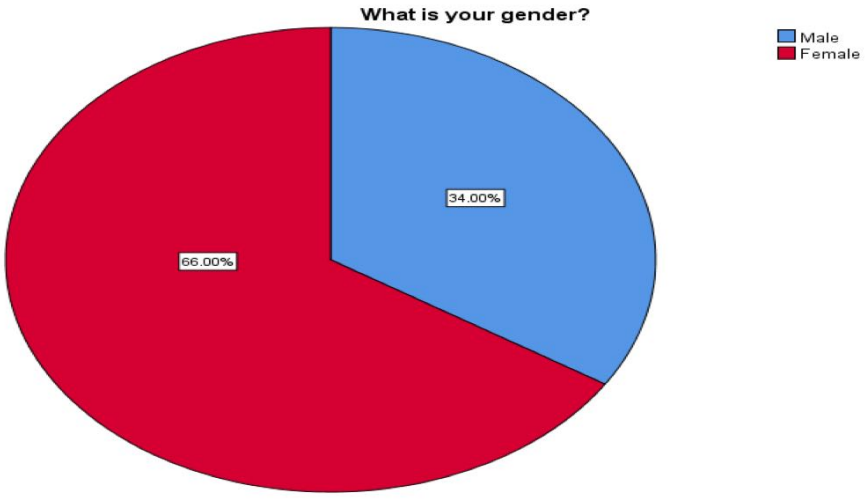
instrument had a great inside solidness demonstrating the unwavering quality of the instrument. This implies that the instrument collected substantial information that gave a solid outcome for the research.

4.2 Data analysis

This section presents the information examined based on the collected information. It analyzes, presents, and translates research discoveries based on respondents' data, of PCMs, and the part of PCMs on organisational efficiency.

4.2.1 Personal information of the respondents

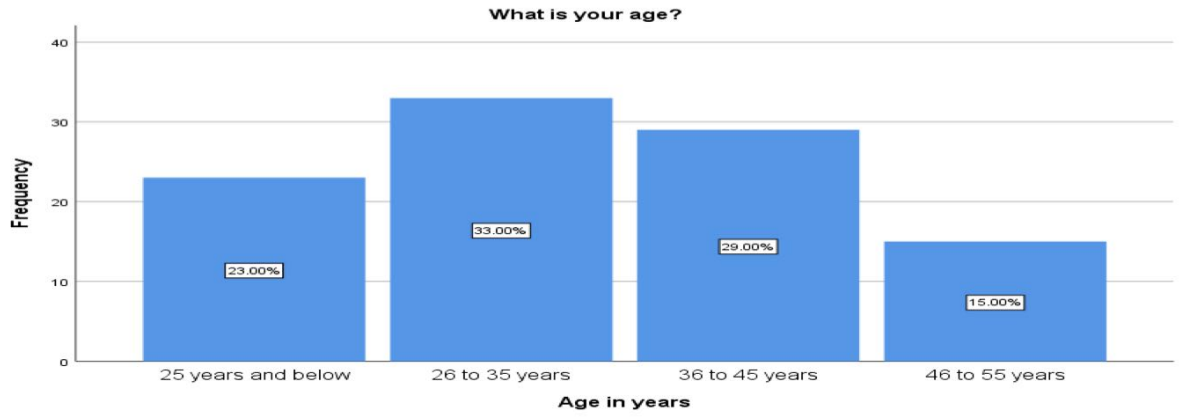
Figure 4.1. Gender of the respondents



The pie chart in Figure 4.1 shows that 66% of the respondents were females and the remaining 34% were males. These findings reflect that the research was not balanced in terms of gender. It was a female dominated research study.

4.2.2: Age of the respondents

Figure 4.2 Age of the respondents



0

The bar chart in Figure 4.2 shows that 33% of the respondents were in the age group of 26 to 35 years, followed by 29% in the age group of 36 to 45 years, 23% in the age group of 25 years and below, and 15% 46 Was 16 years old. 55 years age group. The bar chart shows this was young adult-dominated research, with most people in their 20s to 40s age range.

4.3.3: Current duration of employment

Figure 4.3 Current duration of employment

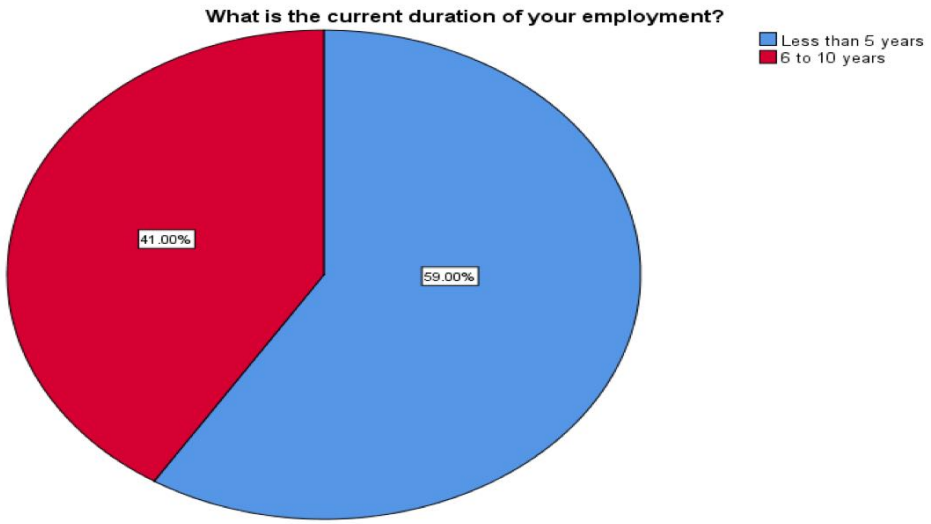


Figure 4.3 displays that 59% of the respondents have worked in their workplaces for less than five years, and the remaining 41% have worked in their workplaces for six to ten years. These findings indicate that most of the respondents had been working in their workplaces for less than five years.

4.3.4 Highest qualification

Figure 4.4 Highest qualification

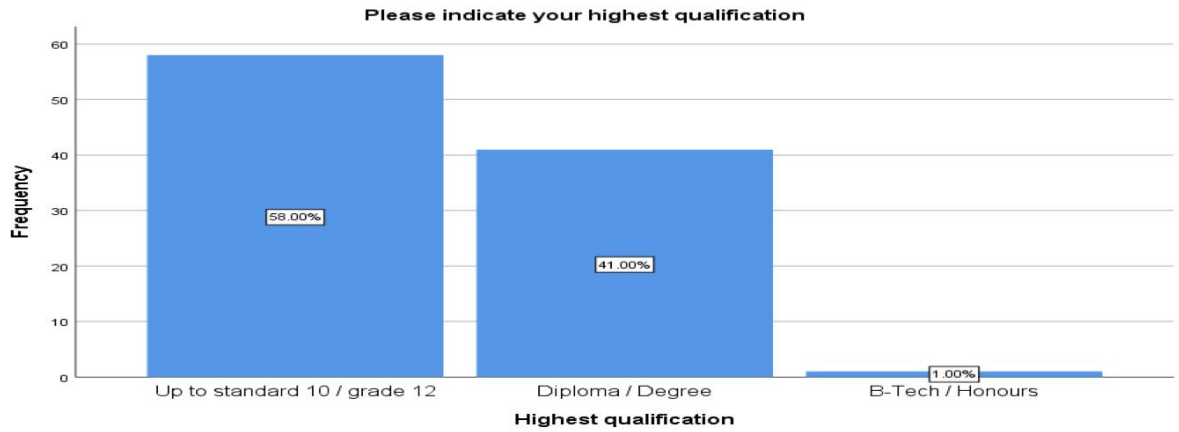


Figure 4.4 shows that majority of the respondents, 58% have up to standard 10/Grade 12 qualifications, whilst 41% had Diploma/Degree qualification and very few, 1% have B-Tech/Hons qualification. These findings suggest that most of the respondents have low qualifications. However, there are also those with better qualifications than the standard 10 or grade 12 qualification."

4.3.2 Types of PCMs.

This section looks at the types of PCMs presented according to rules and procedures, performance management, and communication.

A. Rules and procedures

Figure 4.5 PCMs strive to comply with laws, rules, and regulations guiding productivity

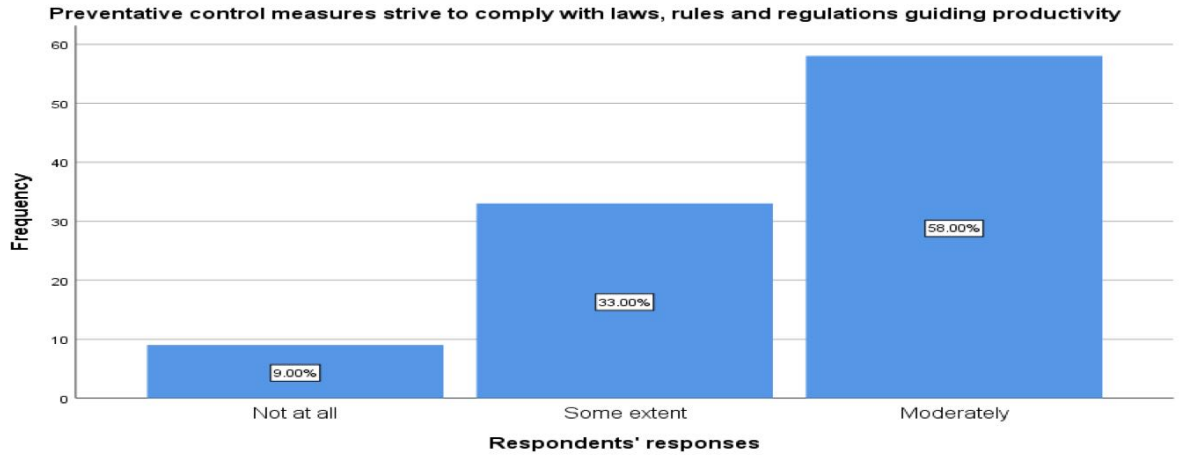


Figure 4.5 shows that out of most of the respondents, 58% believe that preventative measures are trying to comply with the rules and regulations governing moderate production and 33% did to some extent, 9% said no. These findings indicate that a majority of respondents believe that preventive measures have been taken to prevent compliance with laws and regulations governing product equity. According to Leon, Davis & Kramer (2018), non-compliance can damage a product. Various preventative methods can be used without guidance and further confuse workers and the dried product. If non-compliance is intentional, employees will need to be trained and encouraged to follow the rules governing the system .

Figure 4.6 PCMs reduce incidences of fraud and corruption

Figure 4.6 shows that 32% of the respondents believe that PCMs lead to marginal reduction in the incidence of fraud and corruption, 29% say to some extent, 5% who say substantially and 6% of those expressed that it is to a large extent. However, 28% of the respondents said that PCMs do not reduce the incidence of fraud and corruption at all. These findings suggest that a large proportion of respondents believe that PCMs reduce the incidence of fraud and corruption. Ahsan and Rahman (2017) argue that preventive controls are designed to avoid errors or fraud in transactions prior to an event. There are more chances of fraud incidents if the organisation is not strict on PCMs .

B. Performance management

Figure 4.7 PCMs enhance informed performance management

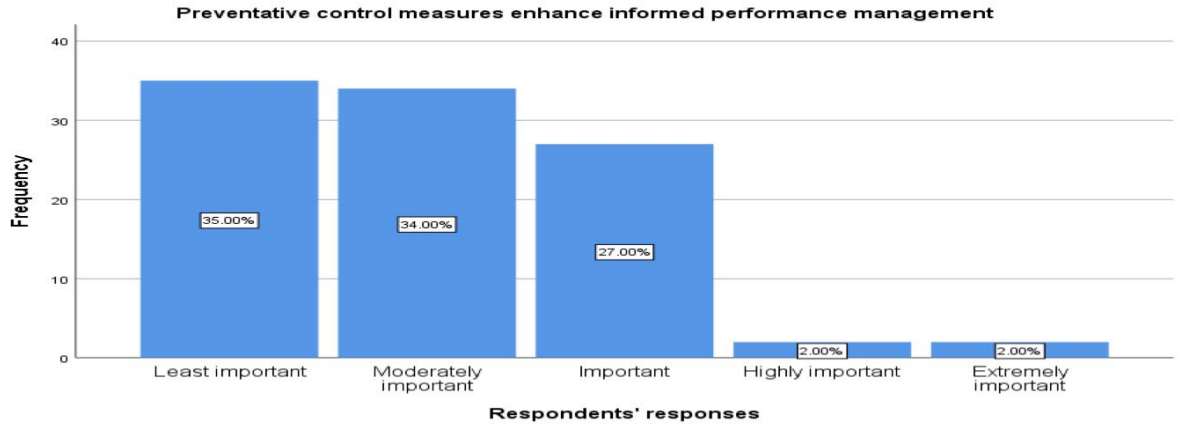


Figure 4.7 shows that 35% of respondents believe that it is important that PCMs enhance informed performance management; while 34% believe that it is moderately important, 2% believe think it is extremely important and 27% believe it is important it is the least important. These findings suggest that a handful of respondents believe it is important that PCMs enhance informed performance management. Ahsan and Rahman (2017) agreed that manufacturing SMMEs should adopt a systematic approach that will improve productivity, quality and employee performance. PCMs can increase performance if they are feasible and easy to operate but still maintain compliance .

Figure 4.8 PCMs assist in resolving issues that impact the achievement of organisational objectives.

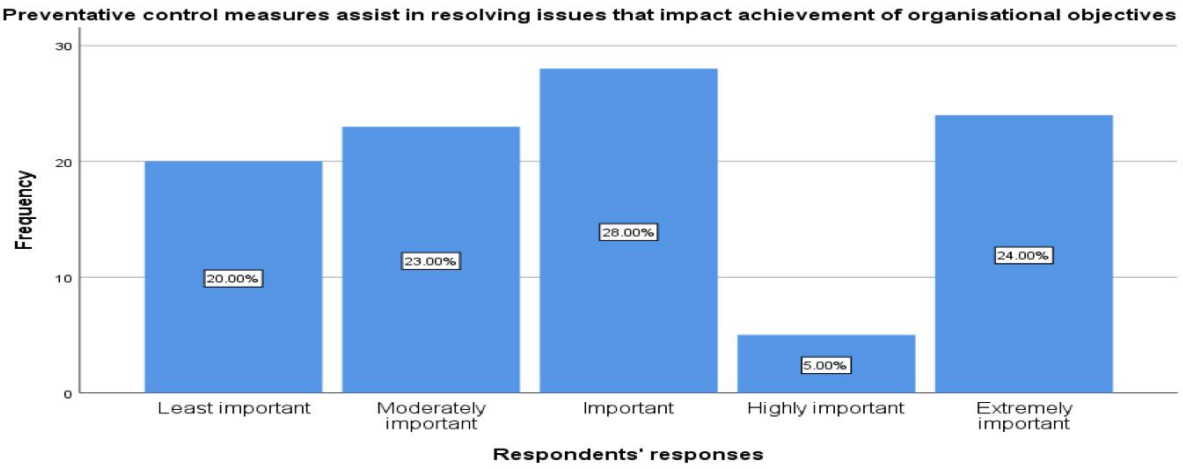


Figure 4.8 shows that 28% of respondents believe that it is important that PCMs help address issues that contribute to the achievement of organisational goals and 24% believe that it is very Important, 23% believe it is equally important with 5%. support and 20% believe it is very important. These findings suggest that most respondents believe that preventive measures are more important than helping to address issues that contribute to the achievement of organisational goals. When managers conduct employee evaluations, the feedback will allow managers to improve blockchain controls. Therefore, preventive measures help in managing the campaign and maintaining the productive objectives of the organisation (Ehsan and Rahman, 2017) .

C. Communication

Figure 4.9 PCMs discouraged employees from sharing organisational productivity information

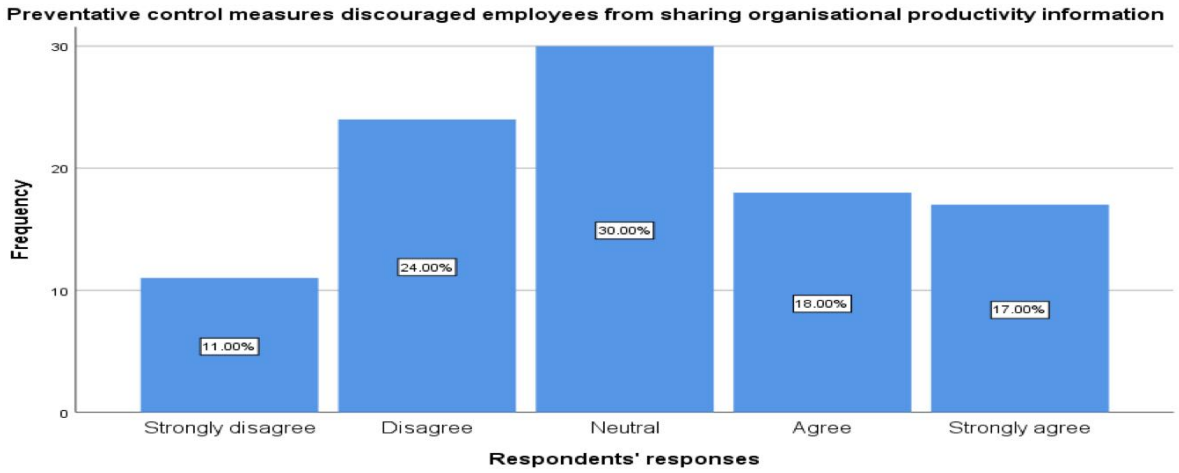


Figure 4.9 shows that 11% of respondents strongly disagree that PCMs discourage employees from sharing organisational productivity information, 24% who disagreed, 30% were neutral, 18% supported, and 17% agreed who strongly agreed. These findings suggest that a handful of respondents believe and do not believe that PCMs discourage employees from sharing organisational productivity information. Respondents had mixed feelings about this. Masood (2018) supports this by explaining that there are sophisticated PCMs that, although these measures may be set at sensitive levels, may hinder the efficient sharing of information by employees.

4.3.3 PCMs

The roles of the PCMs were discussed in this section based on productivity, human resources, and quality

A. Productivity

Figure 4.10 PCMs delay operations

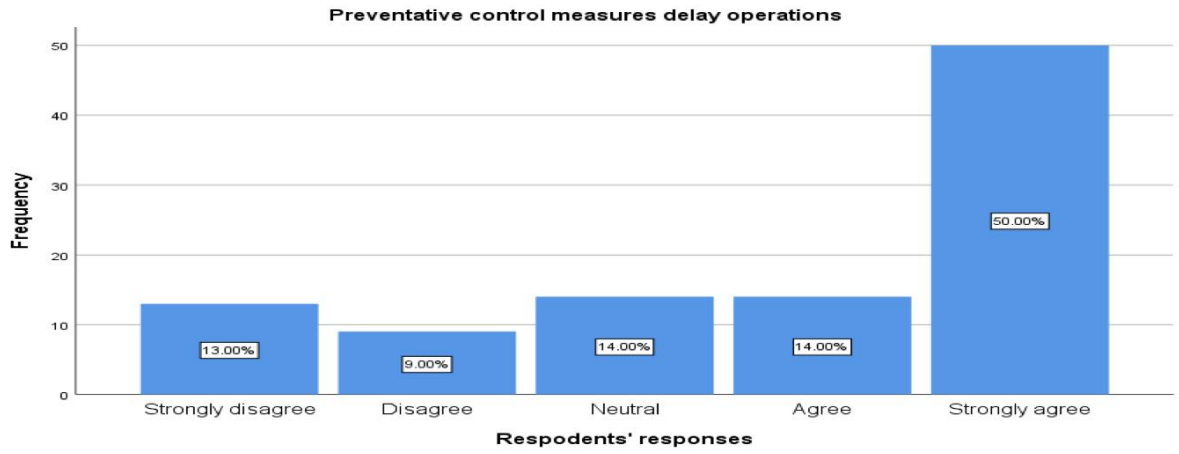


Figure 4.10 shows that; 13% of respondents strongly disagree that PCMs delay operation with the support of 9% who disagreed, 14% neutral and 14% with 50% support Agreed who strongly agreed. These findings suggest that to a greater extent respondents believe that PCMs delay operations. Kruis, Speklé & Widener (2016) noted that, poorly designed overloads can cause operational delays or prolonged downtime if preventive measures are not implemented correctly. Preventive controls that are not implemented properly can be detrimental to productivity and employee performance.

Figure 4.11 PCMs reduce financial losses by preventing employees from making errors

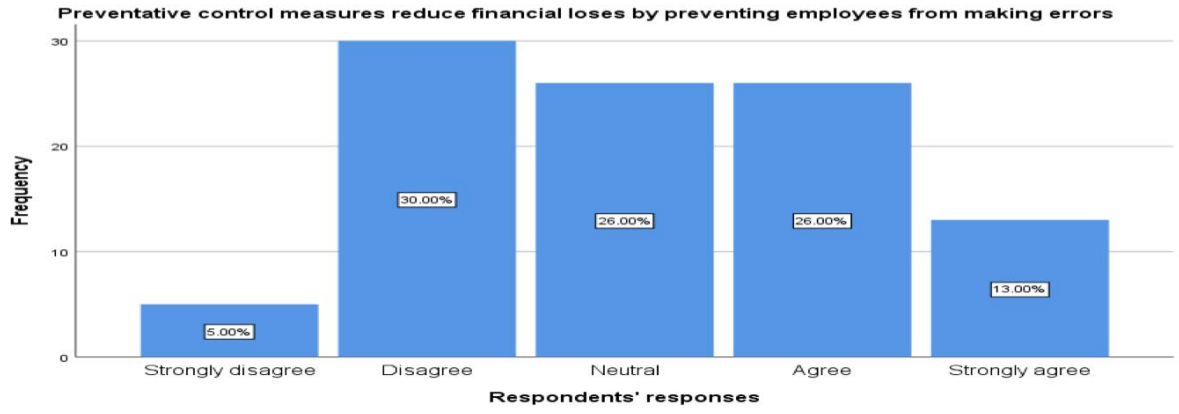


Figure 4.11 shows that 26% of respondents strongly disagree that PCMs reduce financial losses by preventing errors, supported by 26% employees of who disagreed, while 26% were neutral and 5% agreed; with the support of 13 % who strongly agreed. These results demonstrate that a handful of respondents believe that PCMs do not reduce financial losses by preventing employees from making errors. Masood (2018) agreed that effectively implementing PCMs minimizes financial losses by acting as a bridge between what can be done and the right way to do it. They cannot allow anyone to do shortcuts or workarounds using the system to get results.

Figure 4.12 PCMs help to monitor performance targets and production deviations

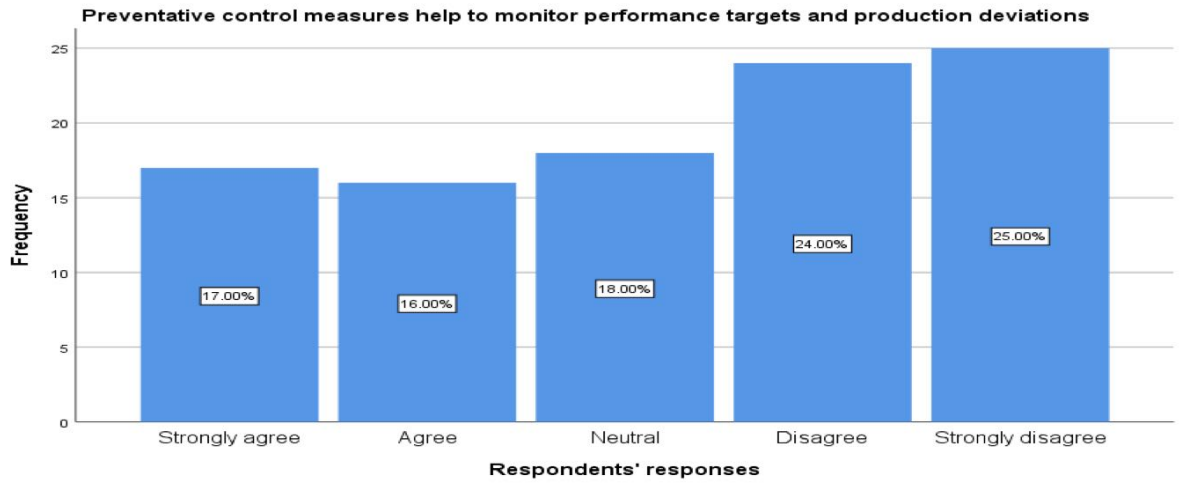


Figure 4.12 shows that 25% of the respondents strongly disagree that PCMs help monitor performance standards and production deviations with 24% non-compliant funding, while 18% are neutral and 16% agree, with 16% who strongly support this notion. These findings suggest that to some extent, those respondents do not believe that preventive control methods help with performance objectives and monitoring product deviations. PCMs create an environment for response and compliance. It is easier for workers to work towards achieving their performance within the framework of the production objective without being restricted by PCMs (Kruis, Speckle & Widener, 2016).

B. Human resources

Figure 4.13 Organisation require skilled and competent employees to operate systems that have PCMs

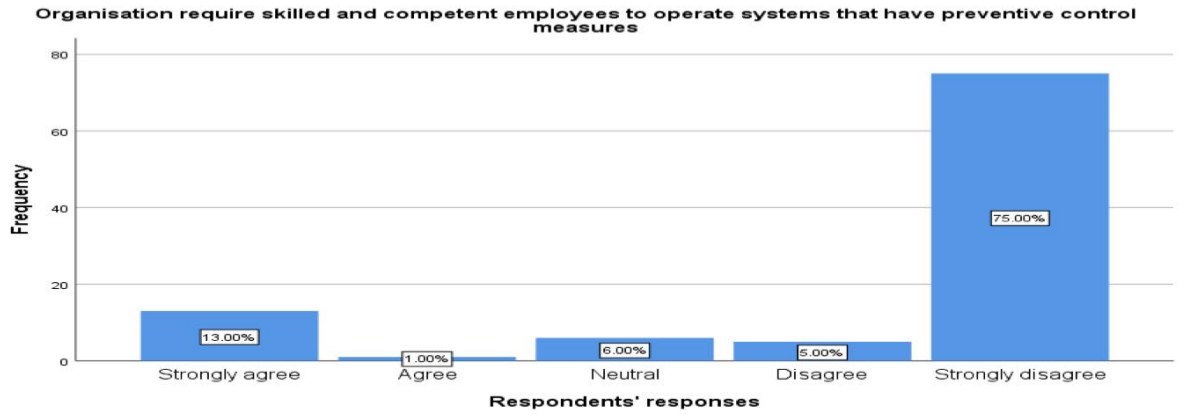


Figure 4.13 shows that majority of the respondents, 75% strongly disagree that organisations need skilled and competent employees to operate systems that have PCMs supported by 5%, whereas 6% were neutral and 1% agreed, with support of 13% those who agreed strongly. These findings suggest that a majority of respondents believe that organisations need skilled and competent employees to operate systems that have PCMs in place. Kruis, Speklé, and Widener (2016) argued that the creation of SMMEs should place more importance on the recruitment of competent employees if they want PCMs to increase productivity. Skill shortage has been observed in most of the companies due to high labor cost but low productivity.

C. Quality

Figure 4.14 PCMs leverage quality service delivery to your customers

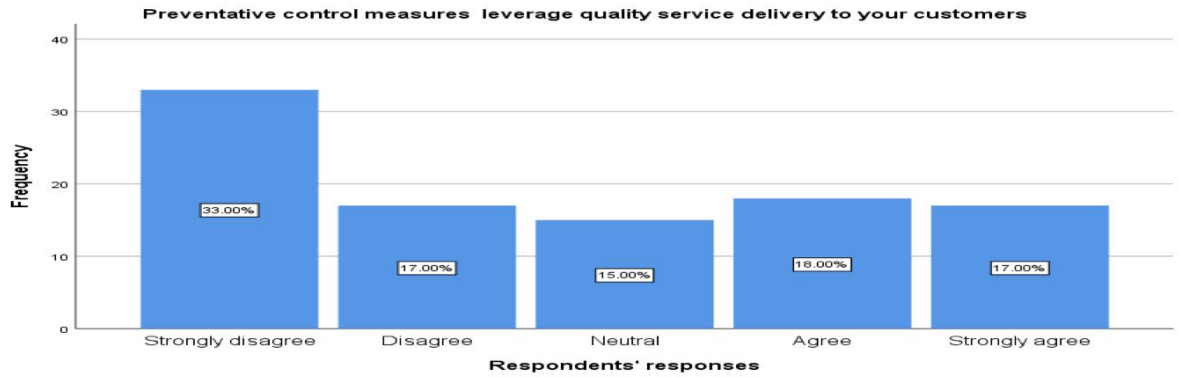


Figure 4.14 shows that 33% of respondents strongly disagree and that prevention measures promote the delivery of quality services to their clients with the support of 17% who disagree, while 18% are neutral and 15% agree; with the support of 17% who strongly agree. These findings suggest that to some extent, respondents do not believe that prevention management strategies promote the delivery of quality services to their customers. Kruis, Speklé, and Widener (2016) pointed out that the installation of basic control procedures through prevention controls allows managers to control and monitor the quality of products and services.

Figure 4.15 PCMs promote cross-functional teams (Production, Sales, Marketing etc.)

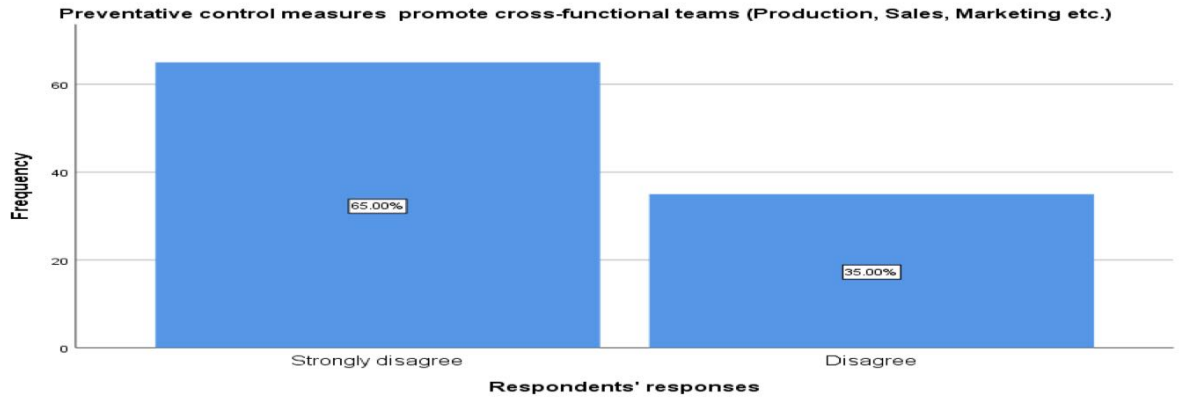
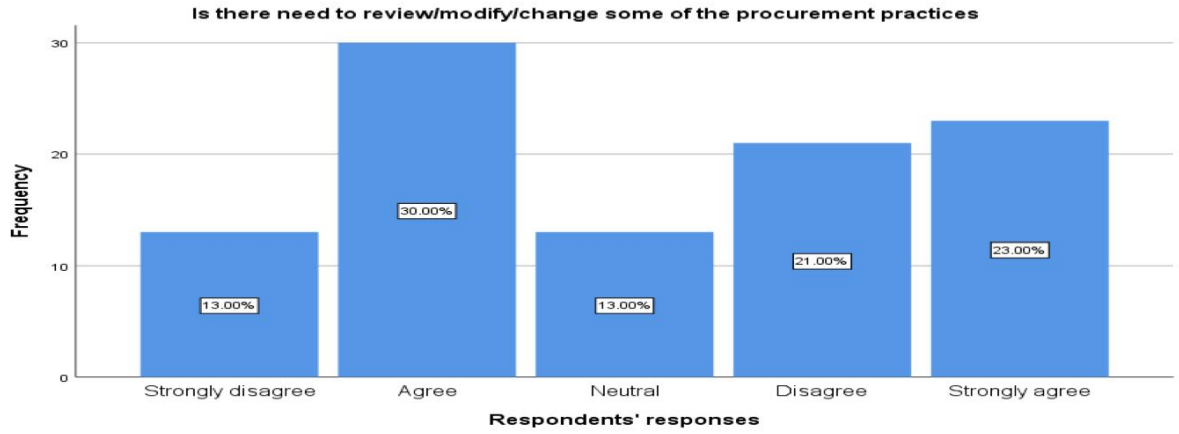


Figure 4.15 shows that 65% of respondents strongly disagree that PCMs encourage cross-functional teams (production, sales, marketing, etc.) with the support of 35% disagree. These results clearly show that respondents do not believe at all that PCMs promote cross-functional teams (production, sales, marketing, etc.). By achieving quality products and production in a timely manner, management will find it easier to market the products due to efficient productivity (Lyon, Davis & Kramer, 2018).

Figure 4.16 Is there a need to review/modify/change some of the procurement practices?



In response to “Do some procurement practices need to be reviewed/amended/changed”, Figure 4.16 shows that 13% strongly disagreed; with 21% support, while 13% were neutral and 30% supported 23% who strongly agreed. These findings suggest that to some extent, the respondents believe that certain procurement practices need to be reviewed/revised/changed. Leon, Davis, and Kramer (2018) explained that collection practices that are contrary to international standards and, in some cases, environmentally friendly needs to be reviewed regularly. The process maintains efficient productivity despite increased emerging risks.

4.4 Conclusion

The chapter provided discussion on the analyzed data and relate the results to the literature. Furthermore, the chapter provided a platform for the discussion on findings from the primary study.

Chapter Five: Conclusions and Recommendations

5.1 Introduction

The conclusion and recommendations were driven from the analysis above and further explanations were done in support of the narratives. The analysis in the previous chapter was aligned to the objectives and that also provided a clear picture of the title under study. This chapter will present the findings from the study which are basically the results from the data that has been analyzed. Furthermore, key findings from the literature were elaborated to supplement the key findings from the primary study. The primary study provided key points that are raised from the literature and the findings from the study. Conclusions were made against the findings from the previous findings and further recommendations explain the solutions against the findings which is a contribution to the body of knowledge towards SMMEs in Durban's manufacturing sector.

5.2 Findings from the study

Age of Respondents

Age had a major contribution to the results of the study. The majority of the respondents were in the range of 20 to 40 years old. These are people who are still considered as breadwinners and are therefore more inclined to change. This age group understood that innovation brings more stability and job stability if prevention measures are put in place to avoid mistakes, corruption, or fraud.

Highest qualification

The research showed a majority of people are less qualified. The highest number of respondents were people who had a grade 10 to 12 qualification. There is a need for manufacturing SMMEs to employ more skilled personnel who have higher qualifications and a better understanding of the implementation of preventative control measures. This is so that they can implement them in a way that is practicable for the sustainable growth of the manufacturing SMMEs.

PCMs strive to comply with laws, rules, and regulations guiding productivity

The research produced most respondents who believed, PCMs follow the laws and regulations that guide productivity. Non-compliance with the rules may be detrimental to production. Different preventative measures may be used without guidance and may further confuse the employees and cause production to be stagnant.

PCMs reduce incidences of fraud and corruption.

Most of the respondents conceded that PCMs reduce incidences of fraud and corruption. The study revealed that it is ideal to identify risks before they occur than after they have occurred. Senior managers must ensure that there is strict compliance with the rules that lay the foundation of the implementation. If these strict measures do not comply with PCMs, they will fail to produce the desired results. Fraud and corruption may be tackled by prohibiting unauthorized access to computerized systems.

PCMs enhance informed performance management

The research shows that the majority believed that PCMs were least important in enhancing informed performance management. This was an indication that most people are less informed on preventative control measures. This lack of knowledge and information leads to uninformed decision making; which exposes the organisation to risks and losses. Communication is vital in passing on knowledge about these new PCMs in an organisation that was not practicing them.

PCMs assist in resolving issues that impact the achievement of organisational objectives.

PCMs prevent risks that lead to financial losses. Many of the respondents noted that when risks are prevented, growth and productivity are promoted. Issues that impact growth can be tackled by the constant monitoring of performance and the updating of computerized systems to avoid any breach of sensitive information. It can be concluded that these findings reflect the need for innovative preventative measures to be implemented.

PCMs discouraged employees from sharing organisational productivity information.

Most respondents were neutral when faced with this question. As discussed earlier, most of the respondents were unaware of the impact of preventive measures on the product. Some manufacturing SMMEs in Durban have procedures and protocols to be followed for PCMs in the workplace. There is a need to provide more information to make employees aware of the consequences of not following these actions, policies, and protocols. for example, an employee could face dismissal for sharing or distributing important organisational productivity information.

PCMs delay operations.

Respondents strongly disagreed that preventative measures enhance operations or speed up productivity. Respondents believe that more people should be trained and be able to access programs that improve preventative measures to prevent delays caused by the absence of one authorized person and access to all these programs.

PCMs help to monitor performance targets and production deviations

The majority of participants presented a gap in knowledge in the implementation and application of PCM on performance. The companies need to explain and motivate employees into understanding the benefits that can be gained from using PCMs to monitor individual or organisational performance. Participants from the study were of the idea that management was failing to effectively implement the PCMs due to a knowledge gap and misunderstanding on how they can prevent deviations from production targets and increase profits.

Organisation requires skilled and competent employees to operate systems that have PCMs

Majority of participants in the study disagreed that, with PCMs, there was a need for skills in operating certain systems in their organisations. Employees believed that people can be taught on how they can use systems that have PCMs without necessarily needing a specific skill. However, the results also showed that there was a huge knowledge gap among employees which may be the result why they disagreed with the

need to have a skill. It was going to be normal rather more expected for employees to vouch for the need to have skill so that they get training and advance their careers.

Reviewing/modifying/changing some of the procurement practices.

Majority of participants strongly believed that there was a need to modify or change some of the procurement practices that were utilizing PCMs, with the intention of speeding up the organisation's execution of processes. Participants indicated the need for a change due to procurement processes involving several transactions that are controlled by PCMs to avoid errors and fraud in executing them.

5.2.1 Key findings from the literature review

Below is a brief discussion on the literature findings in line with the study objectives.

Role of PCMs in organisations

PCMs avoid incorrect exchanges from being processed and control the misuse of resources. Commonly, PCMs ought to be aligned with the company's goals and environment; be that as it may, their forms such as exchange authorization ought to all be performed by representatives instead of frameworks. PCMs ought to be adjusted with hierarchical efficiency objectives. PCMs permit representatives to preserve their execution inside the acknowledged procedures. The association would anticipate workers to sacrifice an additional mile on their efforts to attain generation objectives; they still need to maintain a strategic distance from non-compliance to avoid undesirable outcomes if operations go off-base.

Constraints and goals of PCMs

PCMs are limited to effectively enforce employee efficiency. Lack of skills can be a challenge because the goal of preventive control is to discourage employees from making mistakes in the system. Lack of effective prevention or control measures, delays, prolonged periods can lead to serious problems in organisational productivity.

Limitations of PCMs

The manufacturing sector is the key to a thriving economy. They can deteriorate over time and preventative measures need to be re-evaluated regularly to ensure that they are effective and meet their objectives. Control measures may be intentionally terminated by management. To keep the heartbeat of the economy active, SMME production will need to overcome the limitations of regulatory approaches to prevent production. Preventive measures are also common in dangerous situations. Protective control systems should be re-evaluated regularly to ensure that they are effective and meet their objectives.

Quality Management System

This includes frequent supervision meetings to assess organisational efficiency and the appropriateness of basic control procedures. PCMs, assist in making sure systems keep waste and defects at low levels and increase productivity (Wilhelm, 2013).

Balanced Scorecard

According to Hall (2016), the average rating card must not be limited to financial estimates, managers must determine indicators to measure products using basic control measures. A balanced scorecard assists managers to monitor the productivity of the organisation.

Employee interview

The content of the interview should adequately address the concept of preventative control measures. The successful recruitment of suitable staff must involve a wide range of negotiation cycles; functional testing to measure the capacity of potential employees (Hall, 2016).

Employee reviews

According to Neiman (2012), reviews should be considered as a tool for improving the productivity of the company. This comes at a time when employees are increasingly in need of training on preventive measures when faced with production challenges. Nevertheless, managers have the space to make changes that can increase productivity while impacting employees (Neiman 2012).

5.2.2 Key findings from the primary study

Gender of the respondents

Gender balance has been a key industrial call in the economy of South Africa. The current study indicated that SMMEs are lacking in achieving a balance between the female and male workforce. Through the research, it has also shown that female employees were more inclined to patiently work with PCMs in the manufacturing industry.

Age of the respondents

The study was conducted by adults aged 20 to 40 years. This age group was characterized mainly by respondents with family responsibilities, who understood the need for mitigation and security measures that increased productivity, so that they could maintain their jobs and continue as leaders. This age group has shown the group that understands the need for control measures to prevent the loss of productivity associated with SMME production in Durban.

Current period of employment

Majority of participants have worked for less than 5 years in their companies. Experience has a negative impact on the application of PCMs. The majority of less experienced in the company may resist the use of PCMs; while the experienced may be used to the system and are comfortable applying PCMs for the profitability of the organisation.

Highest Qualification

As indicated by the research, most of the respondents are less qualified with grades ranging from 10 to 12. Nevertheless, respondents were able to understand the research as it was presented to them. The construction industry and SMMEs employ a large number of low-skilled personnel in Durban, although this can lead to a shortage of skilled workers. The minority represented by Figure 4.4 have Diploma/Degree qualifications which includes 1% having B-Tech/Hons qualification.

5.2.2.1 PCMs used in manufacturing SMMEs in Durban.

PCMs are a product of procedures and rules of an organisation and they are meant to maintain consistency and compliance in executing processes. Avoid shortcuts, mistakes,

fraud, and inconsistencies in transactions. Majority of participants believe that PCMs do not infringe on their rights and that the PCMs are critical in different work situations (Massoud, 2018).

PCMs reduce incidences of fraud and corruption.

According to Ahsan and Rehman (2017), controls are designed to avoid mistakes or fraud in controlled transactions. Studies have shown that 32% of respondents; agree that preventive manipulation measures have significantly reduced fraud and corruption. 29% said up to a point, 5% said more with a guide, and 6% said exceptionally. 28% of respondents did not accept it as an option, saying the incidence of fraud and corruption could not be reduced through preventive manipulation measures. However, the general public's research of the defendants reiterated that PCMs discourage incidents of fraud and corruption. Those investigations show that defendants are more likely to agree that preventive manipulation measures reduce the incidence of fraud and corruption. It is very encouraging that the majority recognizes the need for preventive measures to check corruption and fraud as they are contributing on a large scale to the stagnant growth in productivity in SMMEs.

PCMs enhance informed performance management

The research shows that the majority believed that PCMs were the least important in enhancing informed performance management. This was an indication that most people are less informed on preventative control measures. This lack of knowledge and information leads to uninformed decision making which exposes the organisation to risks and losses.

PCMs assist in resolving issues that impact the achievement of organisational objectives.

The research resolved that most people believe that it is important that PCMs are initiated to enable the achievement of organisational objectives. Informed decisions emanating from PCMs play a major role in achieving good management. Issues that arise through employee mistakes can be eliminated by putting PCMs in place at an organisation. PCMs may assist an organisation from suffering a loss of profit when, for example, goods

specifically in the manufacturing industry; are vetted for quality before being dispatched to consumers.

PCMs discouraged employees from sharing organisational productivity information.

The research revealed an unbalanced reaction from the respondents. The majority, being 30%, decided to remain neutral i.e., they neither agreed nor disagreed. It can be adduced from the research that respondents are not well informed of the advantages and disadvantages of preventative control measures. There is less certainty in the ability of PCMs to discourage employees from sharing productivity information. An inference can be drawn that respondent may be susceptible to sharing information on organisational productivity, especially when they are not in their scope of employment. It is imperative that when implementing PCMs; an organisation should thoroughly inform employees on the reasons and the effects of these measures.

PCMs delay operations.

Most of the respondents strongly agreed and believed that PCMs delay operations. The respondents indicated that some PCMs implemented are too dependent on a specific individual, this may hamper productivity as the entire production stops until that individual authorizes a function or system of production. The absence of the employee who has authority to implement these measures may be a cost to the entire production and may affect growth and productivity. Respondents also pointed that senior manager fail to implement preventative control measures.

PCMs reduce financial losses by preventing employees from making errors.

PCMs have the capacity to curb financial flaws that may be affecting the profitability of the organisation; through inhibiting erroneous transactions from being finalised, preventing unauthorized personnel from initiating some transactions, keeping track of those who have accessed the system. However, majority of participants did not agree that PCMs have the capacity to reduce financial losses.

5.2.2.2 Role of PCMs on organisational productivity in manufacturing SMMEs in Durban

PCMs, assist in monitoring performance targets and production deviations.

The number of respondents who merely disagreed and those who strongly disagreed constituted the majority number. This was an indication that most of the respondents did not share the same sentiment on the notion that PCMs help monitor performance targets and production deviations. More innovative methods need to be implemented to enable the monitoring and evaluation of performance targets and production deviation.

Organisation requires skilled and competent employees to operate systems that have PCMs.

A large percentage of the respondents strongly disagreed. Respondents believed that unskilled employees could operate systems that have PCMs; provided they are informed and trained on how to operate the system. Many employees in manufacturing organisations are highly unskilled. This is per research and indicated by Figure 4.4 above.

PCMs leverage quality service delivery to your customers

The findings reflect that most respondents do not believe that PCMs leverage quality service and service delivery. This was characterized by the differences in employee positions in the manufacturing sector and Medium Enterprises. The majority who strongly disagreed were unskilled employees who were not exposed to information or training on how PCMs could be advantageous to productivity and service delivery.

PCMs promote cross-functional teams

Majority of the participants disagreed that PCMs promote teamwork and cross-functional roles. The knowledge gaps across SMMEs in Durban is reflected through their ignorance on the benefits of PCMs; which brings colleagues together, where in some instances, a workmate from the sales department needs to finalize a transaction, then another from operations needs to sign on the same transaction and, security needs to authorise. PCMs

are responsible for ensuring that rules and procedures are maintained in doing all this. So, employees are forced to work as a team to process tasks with speed.

Is there a need to review/modify/change some of the procurement practices?

The number of respondents in the research who agreed and strongly agreed, created a majority. It is evident from these deductions that respondents are inclined to change and are also open to the introduction of different methods in effecting this change. Change can be affected in many ways through reviewing or modifying the current procurement practices. Constant change and reviewing of procurement practices through the implementation of PCMs maintain efficient productivity despite the rise in emerging risks.

5.3 Conclusions of the primary study

The study concluded that most people in their 20s and 40s; understand that innovation is the doorway to a stable and progressive career, and that PCMs are there to simplify their work by preventing them from making job-threatening errors, involved in fraud and corruption at work. It will be difficult for the SMME manufacturing sector to run away from PCMs, therefore recruiting skilled manpower will be inevitable. The sector would need to uphold compliance at all costs. It will be imperative for them to make sure PCMs are implemented practically for the sustainable development of the manufacturing company. The study states that non-compliance with regulations is detrimental to production and it is advisable to identify them before they become dangerous.

However, the study has shown that majority of participants believed that PCMs are key to performance management, however, the same results have shown that the knowledge gap on the benefits of PCMs resulted in participants ignorantly resisting them. More information should be provided to make employees aware of the consequences of non-compliance with these measures, policies, and protocols. Most of the participants believed that they should be trained and have access to the operating systems, which would improve PCMs to prevent delays caused by the lack of all rights and the specific person who has access to the system.

Management is key in the company achieving its productivity targets. However, participants indicated that management in their companies was failing to successfully implement effective PCMs because of the knowledge gap. Furthermore, they also believe it is important to review and modify procurement practices through PCMs to address the growing risks and challenges in changing times. Implementation of PCMs is important to provide quality service to customers.

5.4 Recommendations

SMMEs are known for avoiding activities and functions that either require large capital investments or activities that seem to be out of the company's core business, or if an activity does not reflect any potential to generate profit. In this case, SMMEs in Durban should consider orientation and instituting training on PCMs to every employee. However, it will be more effective to target employees as they join the organisation, spelling out the benefits of PCM in the organisation rather than allowing them to struggle first which then is likely build resistance in them. It is recommended that, for manufacturing, SMMEs in Durban should change their recruitment policy and employ skilled personnel who can work with PCMs. This will also reduce the cost of training and the time taken to achieve competencies. Some complexities and challenges that are faced by employees who use the PCMs are caused by the management of SMMEs in the manufacturing sector failing to recommend, customize and implement PCMs that best suit their industry. Not all PCMs are effective and relevant in all sectors; there is a need to make them workable, and applicable to the daily needs of the industry.

By doing so, the sector will also be simplifying the demands on their employees. Furthermore, this will reduce the risk of non-compliance and achieve productivity.PCMs should be practical i.e., they should be enforceable. PCMs that are not practical may not be cost-effective, e.g., separation of duties may increase costs, including hiring two employees to perform separate duties; by which an employee would be able to perform various duties. It is also recommended that management identify areas that are exposed to risk and or chances of loss and implement PCMs that are relevant in those areas rather than having PCMs in all the systems in the organisation even if they are not relevant.

5.5 Overall study conclusion

The study concluded that manufacturing SMMEs in Durban do not efficiently implement PCMs. There is a knowledge gap in SMMEs on the implementation of PCMs and their benefits. It has also been concluded that SMMEs do not adopt and customize PCMs as they think it comes at a cost and they ignore the long-term benefits of having PCMs. The study further concluded that, SMMEs in Durban, should consider the recruitment of skilled personnel who can easily adapt to the PCMs and help their companies to achieve the desired productivity goals. SMMEs in Durban conduct workshops around PCMs and promote knowledge transfer among their employees and those who are skilled. Beyond this study, the researcher identified further studies to examine how employees' moral values play a role in their daily operations as they interact with PCMs. It will also be interesting to examine in the future how PCMs affect governance in manufacturing SMMEs.

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