INFLUENCE OF PERFORMANCE APPRAISAL ON EMPLOYEES PRODUCTIVITY IN THE DEPARTMENT OF NATIONAL REGISTRATION BUREAU NAIROBI COUNTY, KENYA

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Abstract: The purpose of this study was to determine the human resource practices that influence employees productivity in the department of national registration bureau Nairobi county. National Registration Bureau department (NRB) is one of the key department key in the Ministry of Interior and Coordination of National Government in the Office of President. It operates under the state department of interior. It is mandated to perform activities relating to the registration of persons in line with the Constitution of Kenya. The study used descriptive research design to collect primary data from the respondents using closed and opened ended questionnaires. This study had a target population of eight hundred (800) officers comprising of middle level managers, technical officers and support staff. It employed stratified and systematic random sampling. The data collected was analyzed by use of descriptive statistics e.g. frequencies and percentages Using Statistical Package for Social Sciences (SPSS) alongside inferential statistics where regression model is applied. The findings were that the performance appraisal helps in giving feedback on their work and in justifying pay increases. The study recommends that Performance appraisal should be done frequently to help keep everyone well updated of his or her performance.

Keywords: Employees Productivity, Performance Appraisal

1. Introduction

Performance appraisal of employees means the rating of their performance during a certain period of time. In the organizational context, performance appraisal is a systematic evaluation of personnel by supervisors or others familiar with their performance (Zainal & Madon, 2013). Performance appraisal is also described as merit rating in which an individual is rated as better or worse in comparison to others. This is one of the oldest and most universal practices of management (Bernardin & Wiatrowski, 2013). Performance appraisal is a process which reveals how well employees perform their jobs, when the performance is compared with the predetermined set of standards (Gichuhi, Abaja, & Ochieng, 2013).

Management by objectives (MBO) methods of performance appraisal is results- oriented. It seeks to measure employee performance by examining the extent to which predetermined objectives have been met (Armstrong, 2009).). These objectives are usually   agreed upon by both the supervisor and subordinate. Once an objective is agreed, the worker is usually expected to self-audit himself meaning identify the skills needed to achieve the

objective. Normally they do not rely on others to locate and specify their strengths and weaknesses. They are expected to monitor their personal development and progress (Armstrong, 2012).

Transparent performance assessment inspires staffs to work more in order to attain the organizational goals (Singh, 2004). Wan *et al.,* (2002) stated that merit based performance appraisal rise worker's motivation and commitment that has an important effect on organizational performance. The key to organization's victory relates to the readiness of workers to play extra role (Ahmad and Schroeder, 2003). Contented workers lead to reduced turnover and absenteeism.

2. Literature Review

Theoretical Review

The theories that informed this study are expectancy theory and goal setting theory**.**

Goal setting theory

This study adopted goal setting theory which was developed by Edwin Locke 1968 in 2006, in order to explain human actions in specific work situations. The theory states that people are essentially motivated by an incentive promised at the end of the performance of a particular assignment or behavior. Motivation theories and need theories therefore are all theories brought forward in view of understanding what underlying goals determine which kind of behavior. The goal theory proposes that a reward at the end of a task or behavior acts as a motivation for the performance of that said task or behavior.

However, the incentive should be clearly stated. The end state can be the incentive in itself. It is therefore proposed that an effective goal must have four components: proximity, difficulty, specificity and feedback. An ideal goal is a goal where the time between the reaching out and the end state is close. It is moderate in difficulty, neither too easy, to present some challenge, nor too difficult, so that success seem, possible. The goal should be specific. One must understand what is expected out of him, to start out for the goal. A specific goal gives direction of focus to that specific goal and away from distractions (Locke and Latham, 2002).

Feedback is essential for measuring progress towards the goal. Feedback makes it possible to know whether the level of efforts is sufficient and in the proper direction or needs amendments.

This theory is relevant to my research work since it highlights four areas that link goals or objectives to performance results according to Lathan and Locke1968. First and foremost, goals direct attention to priorities that is when specific goals are set for workers it directs their attention to priorities of achieving the goals. Secondly, goals arouse effort, in other words when sets of goals are attached to specific reward system it arouses workers to work harder and professionally. Thirdly, goals challenge workers to bring their knowledge and skills to raise their chances of success. Fourthly, the more challenging the goal, the more people will draw on their full repertoire of skills (Lathan and Locke, 1968).

Hence, this theory is relevant since for productivity to be realized there are targets set which are now goals to be achieved. The goals indicate and give direction to an employee about what needs to be done and how much efforts are required to be put in. If this goals or targets are attached to rewards then this will trigger more efficient performance from the employees. Goal setting leads to better performance by increasing motivation and efforts, but also through increasing and improving the feedback quality. The theory is therefore critical in informing this study since it supports the use of performance appraisals as technique to raise incentives for employees to complete work quickly and effectively (Mullin, 2010).

Expectancy theory

Vroom's expectancy theory (1964), stresses that individuals have different sets of goals and can be motivated if they have certain expectations. This theory is about choice. It argues that the strength of a tendency to act in a certain way depends on the strength of an expectation, that the act will be followed by a given outcome and on the attractiveness of the outcome to the individual.

Armstrong (2012) expounds expectancy theory as follows; that motivation is likely to be when there is an apparent and usable relationship between performance and outcome, with the outcome being seen as a means of satisfying needs. That is there must be a relationship between a certain reward and what has to be done to achieve it.

The relevance of this theory to this study is that rewarding (cash bonuses) leads to achieving the set targets. The rewards are supposed to be attractive so as to achieve a desired outcome which is employee productivity. Thus employees have to exert efforts in their work that will lead to a certain level of performance that is desirable by management, which will then result to a reward (Duberg & Mollén, 2010). The reward policy may be inconsistent and may depend upon other factor, other than performance, which the worker may not be aware of or may not consider fair. The management must re-evaluate the appraisal techniques and formulate policies that strengthen performance-reward relationship as just and equitable.

Empirical Review

Performance appraisal is a systematic assessment of worker's performance in their given tasks. The main purpose of performance appraisal is to raise motivation and staffs self-esteem. Sels *et al.,* (2003) specified that performance evaluation increase the worker's productivity that eventually increases organizational performance. Performance appraisal improves professional growth by pointing out the area of performance improvement.

According to Allan (2014), Performance appraisals are vital for effective management and evaluation of staff. Appraisal aids in developing individuals, improve organizational performance and feed into business planning. Official performance appraisals are generally conducted yearly for all staff in the organization. Every staff member is appraised by their line manager.

Wanjala and Kimutai (2015) undertook research on Influence of Performance Appraisal on Employees Performance in Commercial Banks in Trans Nzoia County –Kenya. This study made use of descriptive survey research design. A total of 178 research subjects were drawn from the target population by use of stratified and the simple random sampling technique. According to their findings there is a significant relationship between performance appraisal and worker's performance.

Onyije (2015) did a study on the Effect of Performance Appraisal on Employee Productivity in a Nigerian University. He Made use of was a survey study design, where he sampled 3% of the total population using stratified random sampling. His finding revealed significant link between performance appraisal and employee productivity and that effective appraisal system could increase the morale of workers particularly when they are rated adequately.

Saira Hassan (2016) undertook study on Impact of HRM Practices on Employee's Performance in textile industry in Pakistan. Random sampling technique was used to collect data for this research study. His results indicated that HRM practices like Compensation, Career Planning, Performance Appraisal, Training, and Employee involvement have a positive impact on employee's performance.

3. Research Methodology

Research Design

The study adopted the descriptive research design which was used by Chaponda, (2014) in a study on the effect of performance appraisal on employee motivation: a survey of slum based non-governmental organizations in Nairobi. The design was used to collect information from respondents on human resource practices that affect employees' productivity in the department of National Registration Bureau Department. This is because different people will be able to express their different attitude and opinions on how HRM practices affect the employees' productivity.

Target Population and Sampling technique

This study had a target population of eight hundred (800) officers comprising of the top level officers and middle level officers and low level officers drawn from NRB department in Nairobi County. NRB department has its headquarters at Nairobi and still it has high number of its staffs in all levels as well as the surrounding offices within the county. Thus therefore it was easier to collect data since the offices are not far from the headquarters.

This study employed stratified and systematic random sampling since it gives everybody a chance to be selected and is used when dealing with a heterogeneous group Kombo and Tromp (2006) . Through stratified sampling, the population was divided into groups, based on some characteristics. Then, within each group, a probability sample was selected. In stratified sampling, the groups are called strata. Then systematic sampling which is an equal-probability method was used in which each element in the frame had equal probability of selection for this case the workers were stratified into three different levels of management within the department Kothari (2004) Purposive sampling was then used to select individual respondents form the various cadres.

Data Collection Instrument

The researcher used primary data which were obtained by use of closed ended and open ended questionnaires. Standardized questionnaires were of help for investigating a widely distributed population. According to Kothari (2004) questionnaires are good to use because the cost involved is low even when the population is large and widely spread geographically. Questionnaires are also free from the bias of the interviewer and answers are in respondents' own words. The university helped me by writing an introductory letter to the director, National Registration Bureau indicating the intention of carrying out the study and also the purpose of the study which is purely academic. The questionnaires were hand delivered and distributed to respondents in the various sections and picked after 5 days by the researcher through a drop and pick later method.

Data Analysis

The data collected was analyzed by use of descriptive statistics e.g. frequencies and percentages, this made use of correlation and multiple regression analysis since was number of variables involved in the study hence enabling establishment of the relationship between them i.e. relationship between various HRM practices and employee productivity. Using statistical package for social sciences (SPSS) alongside inferential statistics where regression model shown below will be used to establish the significance level of each variable.

$$Y = a + b_1X_1 + b_2X_2 + b_3X_3 + \varepsilon$$

Where

Y = Employee productivity

X_1 = Staff Compensation

X_2 = Staff training

X_3 = Staff promotion

ε = Error term

a,b_1, b_2 and b_3 = Regression Coefficients

4. Findings and Discussion

Introduction

This study had a target population of eight hundred (800) officers comprising of the top level officers and middle level officers and low level officers drawn from NRB department in Nairobi County. Out of the 267 respondents on the sample population, 189 respondents responded and returned the questionnaires for analysis. This constitute to 70.8 % of the response rate. This commendable response rate was made a reality after the researcher made personal calls and visits to remind the respondent to fill-in and return the questionnaires. This was a sufficient response rate for the study. Mugenda and Mugenda (2012) indicated that a response rate of 50%, 60% or 70% of the response rate is sufficient for a study.

Descriptive Analysis Results

Performance Appraisal and Employees Productivity

The study sought the respondents response on the level at which they agreed with the given statements that relate to the influence of performance appraisal and employees productivity in National Registration Bureau Department and results presented on Table 1. A likert scale of 1-5 was used where strongly agree=1, agree=2, not sure=3, disagree=4, and strongly disagree=5. From the finding, majority of the respondents indicated that Performance appraisal helps in rating employees work performance which was supported by a mean of 4.11 and standard deviation of 1.02. The respondents' indicated that Performance appraisal reveals how well employees' perform their duties by establishing their achievements which had a mean score of 3.87 and standard deviation 0.91. Conclusively the respondents to moderate extent stated that Performance appraisal its relevant tool of revealing ones strength and weakness for the purpose of making a decision about the employee performance which had a mean score of 3.62 and standard deviation of 0.73.

The study established that skills gap can be established through performance appraisal by determining the areas employees are underperforming as indicated by the mean of 3.74 and standard deviation of 0.89. From the findings of the study it was identified that Areas of performance enhancement which helps in promote professional growth can be identified through Performance appraisal by rewarding the performing employees who had a score mean of 3.60 and standard deviation of 0.83. From the finding this implies that positive relationships between human resource management (HRM) practices and performance improvement at both the individual and organizational levels. The findings in the study concurred with those of that Gichuhi & Ochieng, (2013) as provide room for discussion in the collaboration of these individual and organizational goals. Collaboration can also be advantageous by resulting in employee acceptance and satisfaction of appraisal results as indicated by Table 1 below.

Table 1: Performance Appraisal and Employees Productivity

Statement	Mean	Std
Performance appraisal helps in rating employees	4.11	1.02
Performance appraisal reveals how well employees' perform their duties	3.87	0.91
Performance appraisal its relevant tool of revealing ones strength and weakness for the purpose of making a decision about the employee performance.	3.62	0.73
Skills gap can be established through performance appraisal.	3.74	0.89
Areas of performance enhancement, which helps in promote professional growth, can be identified through Performance appraisal.	3.60	0.83

5. Inferential Statistics

Statistical inference is the process of using data analysis to deduce properties of an underlying probability distribution. Inferential statistical analysis infers properties of a population, for by testing hypotheses and deriving estimates. It is assumed that the observed data set is sampled from a larger population.

Regression Analysis

Regression model summary result indicated that there existed a significant variation $R^2 = 0.887$, $P = 0.000 < 0.05$ in dependent variable which would be attributed to changes in independent variable. The R square 0.887 indicated that 88.7 % change in employee productivity in National Registration Bureau Department, Nairobi County, Kenya attributed to change in Performance Appraisal. This implied that change in e Performance Appraisal, would result into significant change in employee productivity in National Registration Bureau Department, Nairobi County, Kenya as indicated below

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.887[a]	.787	.784	.291

a. Predictors: (Constant), Performance Appraisal.

Conclusions and Recommendations.

The study objective was to explore the influence of Performance Appraisal on employee productivity in National Registration Bureau Department, Nairobi County, Kenya'. The study concludes that the Performance Appraisal Performance management systems in National Registration Bureau Department employed so as to manage and align all of an organization's resources in order to achieve highest possible performance. The study recommends that the performance appraisal is not the only time during the year that managers and employees communicate about the employee's contributions. More frequent conversations help keep everyone on the same page, develop stronger relationships between employees and managers, and make annual reviews less stressful.

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