

TITLE PAGE

**IMPACT OF PERFORMANCE APPRAISAL ON EMPLOYEES
PRODUCTIVITY IN UNITED BANK FOR AFRICA NIGERIA PLC**

BY

**LYNDA EWUNYO JOEL
KPT/CBMS/19/47852**

**BEING A RESEARCH PROJECT SUBMITTED TO THE DEPARTMENT
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DECLARATION

I hereby declare that this project work has been written by me under the supervision of Mrs. Bukola Olaniyi of the Department of Business Administration. I have neither copied someone's work nor has someone else done it for me. All references made to publish literature have been duly acknowledged.

Lynda Ewunyo Joel
KPT/CBMS/19/47852

Signature

APPROVAL PAGE

This is to certify that this project report entitled “Impact of Performance Appraisal on Employees Productivity in United Bank of Africa Nigeria Plc” by **Lynda Ewunyo Joel KPT/CBMS/19/47852** meets the regulations governing the preparation and presentation of project report for the award of Higher National Diploma in Business Administration and Management in Kaduna Polytechnic and it is hereby approved for its contribution to knowledge and literary presentation.

Msr. Bukola Olaniyi
(Project Supervisor)

Date

Dr. Ismaeel M. Anchau
(Project Coordinator)

Date

Mr. Tunde Lawal
(Head of Department)

Date

External Examiner

Date

DEDICATION

This research is dedicated to Almighty God.

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My profound gratitude goes to the Almighty God for inspiring my life and the strength and ability to complete this programme successfully.

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ABSTRACT

The study evaluates the impact of performance appraisal on employee's productivity in United Bank for Africa Nigeria Plc. Data for the study were generated from both primary and secondary sources; the instrument of primary data is questionnaire, while secondary source utilizes published and unpublished text materials. Survey method was used as methodology for data collection while arithmetic mean serves as the instrument adopted for data analysis. After analyzing the data from various sources, the researcher discovered that the use of performance appraisal in the institution increases the staff performance and thereby leading to correspondent increase in organizational productivity. The study found that performance appraisal has significant impact on staff productivity. In line with the findings of this study, it was strongly recommended that every management including United Bank for Africa should apply the 360 degree type of performance analysis and also undergo training on performance management.

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CHAPTER ONE

INTRODUCTION

1.1 Background of the Study

Performance appraisal process is one of the central pillars of the performance management which is directly related to organizational performance and has a direct impact on it (Coutts and Schneider, 2019). Workers' productivity ultimately affects the organizational performance and objectives. It is the periodic evaluation of a worker's performance measured against the stated job or presumed requirements. It is a way to review the productivity and potential of staff in the organization and it is important that members of the organization know exactly what is expected of them, and the yardsticks by which their performance and results will be measured (Gardner, 2017).

Typically, performance appraisal is praise. Most organizations throughout the world regardless of whether they are large or small, public or private, service or manufacturing, use performance appraisal as a tool to achieve a variety of human resource management objectives (Longenecker, 2017). At its core, the performance appraisal process allows an organization to measure and evaluate an individual employee's behavior and

accomplishments over a specific period of time (Wiese and Buckley, 2018). It is in line with this that performance appraisal becomes a vital component of a broader set of human resource practices; according to (Coutts and Schneider, 2019) it is the mechanism for evaluating the extent to which each employee's day-to-day productivity is linked to the goals established by the organization.

Yong (2017) states that performance appraisal is “an evaluation and grading exercise undertaken by an organization on all its employees either periodically or annually, on the outcomes of performance based on the job content, job requirement and personal behavior in the position”. For example, the performance appraisal system in the United Bank for Africa (UBA) Refinery branch is a continuous process of evaluating every employee's productivity which begins in July and ends in September every year. The system involves several steps, which can be considered as continuous, however periodic.

Performance appraisal provides an orderly way of determining promotions, transfers and salary increases. It also supplies data to management on the performance of subordinates and to the individual on his or her performance. Additionally, it creates a learning experience that motivates staff to develop themselves and improve their overall productivity leading to by and large the

growth of the organization. There is no doubt that performance appraisal of staff heavily impact on the organization's overall performance. It is against the backdrop of these facts and other related issues that this research work seeks to establish the impact, importance, benefits and the relationship between performance appraisal and the productivity of the staff in United Bank for Africa (UBA) Refinery branch, Kaduna.

1.2 Statement of the Problem

There are varying views to how people perceive the impact of performance appraisal on staff job performance. Some studies have suggested that it is beneficial to the organization in terms of the performance of individuals (Boice & Kleiner, 2014). However, recent research suggests that some large organizations are completely changing the way their organizations approach critical elements of the performance appraisal because they have found it to have a negative effect on the moral of staff which ultimately affect their productivity (Rock & Jones, 2015). Studies have shown that a lot of staff have experienced both being unmotivated to the point of despair and motivated to the point of pure joy by the outcome of performance appraisal on the job (Delery & Doty, 2016; Youndt, Snell, Dean & Lepak, 2013). This has led to questions about the method of performance appraisal and the manner in which they are conducted. Therefore the dilemma remains what

method performance appraisal channels a positive energy to staff and does it improve their productivity. It is based on this dilemma and the back and forth between the existing literatures that spurs this research.

1.3 Objectives of the Study

The main objective of the study is to examine the impact of performance appraisal on staff productivity in United Bank for Africa (UBA) Refinery branch. Other specific objectives include:

- i. To examine the approaches of improving the quality of performance appraisal ratings in United Bank for Africa.
- ii. To assess the importance of performance appraisal to United Bank for Africa.
- iii. To identify the most effective appraisal method that will increase worker's productivity in United Bank for Africa.

1.4 Research Questions

For the purpose of this study, some research questions have been formulated which will serve as a guide for the in-depth study of the research problem. Below are the research questions:

- i. What are the approaches for improving the quality of performance appraisal ratings in United Bank for Africa?
- ii. What importance is performance appraisal to the United Bank for Africa generally?
- iii. What is the most effective appraisal method that will increase workers' productivity in United Bank for Africa?

1.5 Significance of the Study

Based on the findings and recommendations of the study, it will benefit the organization, employees and the general public.

It will be a contribution to the existing body of knowledge on performance appraisal within the human resource management.

For the management, it will assist in the use and implementation of performance appraisal in motivating the work force within the organization. It would also help in correcting the misconception about the use and application of performance appraisal in both private and public sector organizations.

It will help management to understand the social and economic impacts of performance appraisal on both the workforce and the organization.

For the employees, it will help increase the quality of their performance in order to increase their ratings in the organization.

1.6 Limitations of the Study

Every research activity has its constraints. This particular one is however not an exemption. As a result of problem of communication ineffectiveness, it becomes very difficult for one to cover the whole world range of the problem. In these regards, this study will lay emphasis on United Bank for Africa as a case study. Other factors that limit the process of writing this research report include:

i. Inadequate Research Materials

The research materials on this subject matter were very few. The much relied library is filled up with outdated books, which are of little relevance to current research.

Moreover, the cost of new and up-dated materials is exorbitant, which make them not readily affordable.

ii. Lack of Cooperation of Respondents

Sourcing for information from respondents was not an easy task. There is problem of not having free access to some vital documents which would

have help to facilitate the research work as a result of their confidential or classified status. The degree of cooperation of staff of the institution was very minimal.

iii. Low Return of Questionnaires

questionnaires issued out were returned. Some of them were also wrongly filled which means a great deal of relevant information was held back, and which could have enhanced the quality of this study.

iv. Inaccessibility to Subjects

Another constraint encountered during the research is the inaccessibility to the manager of the company who was not always on seat to provide desired data. It was very difficult to garner enough time to attend and disclose to the researcher some information which may be relevant to the study due to his organizational engagement.

Nonetheless, these constraints however, did not have too much effect on the research work because the researcher did not retard but did her very best against all odds to gather sufficient materials to produce a project report that is intended to stand the test of time, worthy of recognition and acceptance. As much, the researcher tried as much as possible to mitigate these limitations and other unforeseen ones. This was done by structuring and

designing the instrument for data collection to elicit none sensitive information from them.

1.7 Scope of the Study

The study examines the impact of performance appraisal on employee productivity and how this affects the growth of an organization using the United Bank for Africa (UBA) Refinery branch as a case study. The study will cover the period of five years (2017-2022).

1.8 Definition of Terms

- i. **Management:** Is the act or art of managing; the manner of treating, directing, carrying on, or using, for a purpose; conduct; administration; guidance, control etc.
- ii. **Performance:** This is the act of performing; the carrying into execution or action; it is representation by action; as, the performance of an undertaking of a duty or task.
- iii. **Appraisal:** An appraisal is the act of examining someone or something in order to judge their qualities, success, or needs.
- iv. **Organization:** This is defined as the act of organizing; the act of arranging in a systematic way for use or action.

- v. **Productivity:** This can be defined as the quality or state of being productive or having the power to produce (that is, goods and services).

CHAPTER TWO

LITERATURE REVIEW

2.1 Introduction

This chapter was focused on the review of literature related to the topic of study for the purpose of presenting the various views of selected writers that exist in literature on issues relevant to the subject matter. This is intended to serve as the bedrock for better understanding of the subject matter.

2.2 Concept of Performance Appraisal

Performance appraisal is the process of obtaining, analyzing and recording information about the relative worth of an employee. The focus of performance appraisal is measuring and improving the actual performance of the employee and also the future potential of the employee. Its aim is to measure what an employee does.

According to Flippo (2018), “performance appraisal is the systematic, periodic and an impartial rating of an employee’s excellence in the matters pertaining to his present job and his potential for a better job”. Performance appraisal is systematic way of reviewing and assessing the performance of an employee during a given period of time and planning for his future.

Dattner (2017) posits that it is a powerful tool to regulate, refine and reward the performance of the employee. It helps to analyze his achievements and evaluate his contribution towards the achievements of the overall organizational goals. He went on to say that “by focusing attention on performance, performance appraisal goes to the heart of personnel management and reflects the management’s interest in the progress of the employees’.

Performance appraisal may be looked upon as a structured formal interaction between a subordinate and supervisor, that usually takes the form of a periodic interview (annual or semi-annual), in which work performance of the subordinate is examined and discussed, with a view of identifying weaknesses and strengths as well as opportunities for improvement and skills development (Coutts and Schneider, 2019).

In many organizations, appraisal results are used, either directly or indirectly, to help determine reward outcomes. That is, the appraisal results are used to identify the better performing employees who should get the majority of available merit pay increases, bonuses, and promotions. By the same token, appraisal results are used to identify the poorer performers who may require some form of counseling, or in extreme cases, demotion, dismissal or decreases in pay.

According to Steers and Black (2019), “performance appraisal is one of the most important and often one of the most mishandled aspects of management”. It has also been said to be one of the most problematic components of human resource management and is viewed as either a futile bureaucratic exercise or, worse, a destructive influence on the employee supervisor relationship.

In his understanding of the concept, Garnett (2018) said that performance appraisal is a system of review and evaluation of an individual or team’s job performance, and that is it an effective system assesses accomplishments and evolves plans for development. Performance management is a process that significantly affects organizational success by having managers and employees work together to set expectations, review results, and reward performance. Its goal is to provide an accurate picture of past and/or future employee performance. To achieve this, performance standards are established.

Gomez (2019) submitted that performance appraisal is a vehicle to validate and refine organization actions such as selection and training and provide feedback to employees with an eye on improving future performance. Samuel (2017) added that, it is the human resources management activity

that is used to determine the extent to which an employee is performing the job effectively and efficiently.

Performance appraisal therefore is an established system of review and evaluation of an individual worker or team's job performance adopted by organizations usually selecting a particular method of evaluation suitable for such an organization. It is an effective system that assesses accomplishments and evolves plans for personnel development with the ultimate aim increasing the overall productivity of the organization.

2.2.1 Types of Appraisals

There are various types of performance appraisals in use by organizations. Appraisals help develop individuals, improve organizational performance, and feed into business planning. Formal performance appraisals are generally conducted annually for all the staff in United Bank for Africa. According to Lepak (2018), the following is a description of the types of performance appraisals used by various organizations both private and public:

The 360-Degree Appraisal: This method of appraisal involves allowing other employees to fill out a questionnaire detailing their experiences with a

specific employee. The feedback of peers can be reviewed by the manager and considered during the appraisal.

General Performance Appraisal: This appraisal method involves ongoing communication between the manager and employee throughout the entire year. At the end of the year you will determine whether the pre-set goals and objectives were met, provide feedback, and set new goals.

Technological/Administrative Performance Appraisal: The technological or administrative performance appraisal focuses more on technical skill than anything else because these employees have specialized tasks. They are judged on specific skills, the amount of work they produce/complete, and a variety of other tasks and evaluated accordingly.

Manager Performance Appraisal: Managers must go through the appraisal process as well. This type of appraisal usually covers both job skill as well as human resource skill, as most managers usually have clients to keep happy as well as a team to keep organized. Most often a manager appraisal will include feedback from team members, usually obtained anonymously.

Employee Self-Assessment: This type of appraisal is one of the most dreaded by employees as no one seems to enjoy rating themselves. Most

often the self-assessment is compared to an assessment completed by the manager and then discussion regarding the differences follows.

Project Evaluation Review: A project evaluation review is a great project management tool. Instead of waiting until the end of the year an employee or team is reviewed at the end of each project. This gives them the tools necessary to make adjustments for the next project.

Sales Performance Appraisal: Sales performance appraisal are often the easiest to conduct but the most painful. Kase (2017) posits that a salesperson is simply judged on his results versus his set goals and salesmen are often held to their financial goals more than any other section of the organization. A manager and salesperson must discuss ways to achieve their goals or changes that need to be made to make them reachable yet still realistic.

Management by Objectives: Management by Objectives (MBO) is another modern method of performance appraisal. According to Gardner (2017), this technique was first promoted in the 1950s by management theorist Peter Drucker. MBO requires a manager and employee to agree upon specific, obtainable objectives with a set deadline. For example, a sales manager may be required to increase his revenue by 25 percent within three months. Once this goal is set, the responsibility is on the sales manager to direct himself

towards the objectives. With this technique, success or failure is easily defined.

2.3 Characteristics of an Effective Appraisal System

A successful performance appraisal system is one in which resulted from hard work, careful thinking, planning and integrated with the strategy and needs of the organization (Caruth and Humphreys, 2018). They alluded to the fact that although companies both in the private and public sector had different methodologies in the application of performance application system, the most successful ones all had similar characteristics. There should be definitive written and communicated policies and procedures for the application of the performance appraisal process (Allan, 2019). Formalizing in this way disciplines the organization to carefully consider all the facets of performance appraisal. This dictates what the performance appraisal is trying to achieve and helps to prevent the view of seeing performance appraisal as nothing more than a ‘necessary administrative evil’ (Losyk, 2018). An important element is that it must be clearly understood by both the appraiser and the appraisee that the anticipated levels of accomplishment or progress express the organization’s concept of acceptable performance (Sales Agency Management, 2015). Without these standard measures, performance cannot be evaluated in any meaningful way and the

performance appraisal becomes nothing more than a discussion between manager and subordinate. Armstrong (2016) identified the following characteristics of an effective performance appraisal system in the organization:

Clear Objectives: The objectives of performance appraisal should be clear, specific, timely and open. The appraisal system should be fair and beneficial to both the individual employee and the organization should be linked with other subsystems of personnel management.

Reliable and Valid: The appraisal system should provide consistent, reliable and valid information and data. It should also measure what they are supposed to measure. For example, if the objective of appraisal is to show potential of an employee for promotion, it should supply the data relating to potentialities of the employee.

Standardization: The appraisal form, procedures and rules should be standardized. There should be well-defined performance criteria and standards. Employees should be made fully aware of these standards as appraisal decisions affect all employees of the group.

Training: Those assessing personnel should be given training in procedures and principles of appraisal. They should be provided with knowledge and

skills in designing appraisals, conducting post appraisal interviews and correcting rating errors.

Job Relatedness: The appraisal system should focus attention on job-related behavior and performance. It should provide information on job related activities and areas.

Mutual Trust: Before introducing appraisal system, a climate of mutual trust, cooperation and confidence should be created in the organization. Under the system, the employees should be treated in a supportive manner.

Feedback and Participation: The rating should be communicated to both the employees and raters. The appraisal rating system should be open and participative. The employees should get information on their performance and also be involved in the goal setting process.

Help Focus: Performance appraisal system should not be judgmental and also it should not be purely control-oriented. As much as possible the evaluator should play the role of coach and counselor by assisting the personnel in reaching their full potential. This is because the overall purpose of performance appraisal is developmental.

Recognition of Differences: Organization differs in terms of work, size, resources, needs and environment. Hence, the appraisal system must be

designed to meet the needs of particular organization. It should be specific and tailor-made for the particular company.

Post Appraisal Interview: An appraisal system is only as effective as the manager is in communications. Hence, an interview with the employee should be arranged after appraising his performance. It will help to know the difficulties of work and training needs of employees. In interview, problem solving approach should be adopted and counseling should be provided for improving performance.

2.3.1 Benefits of Performance Appraisal

Performance appraisal can help an employee's professional development. Schuler (2018) pointed out that in most companies, employees and managers receive a performance appraisal every year. Sometimes neither of them looks forward to the annual evaluation. However, there are important benefits to using an appraisal system. In his assessment, Roberts (2019) agreed that an effective performance review has advantages for both the employer and the employee. Once a company institutes a performance appraisal system, management can use it to improve the productivity and morale of its employees. The benefits can be seen as follows:

Assessment of Job Skills: When hiring a new employee, the selection process is based on the applicant's qualifications listed on a resume or application and interviews with the hiring manager. The job description is provided to the employee and the manager has every reason to believe that the employee is capable of performing the essential job functions based on the selection process. During the interview a candidate gives the answers that convince the employer to make a job offer. However, the true test of the employee's job skills is in the quality of work performed. When the performance appraisal meeting occurs, it gives the manager an opportunity to make an objective evaluation of the employee's actual job skills. A meeting to discuss the progress of the employee should take place long before an annual performance appraisal is conducted (Padgett, 2017).

Professional Development: A benefit to an annual performance appraisal system is that it helps the employee manager work together to craft a professional development plan for the employee. Generally, an applicant seeking a career will join a company hoping to learn new skills and gain credibility in a field. An annual performance appraisal will identify specific objectives for the upcoming year. These are designed to enable the employee to gain valuable knowledge and abilities. Measuring skills from one year to the next can track progression, aid in professional development and enhance

the employee's career potential. According to the All Business website, "the goal of an appraisal is to foster staff development, increase communication between managers and employees, and provide valuable feedback to employees about their performance and recommend strategies for continued professional growth".

Total Rewards: The human resources discipline comprised of compensation and benefits evolved to the term "total rewards" which includes any type of compensation and remuneration paid to the employee for the value of experience and time. An annual performance appraisal system assists the supervisor in determining how to reward employees through the company's compensation and benefits plan. For exemplary performance, employees are typically rewarded with a salary raise, a yearly bonus, special perks, advancement to the next higher position or a combination of these. A performance appraisal system that has a reliable rating method will reward employees in an equitable manner and motivate them to continue superior job performance (Ilgen et al. 2014).

Performance Improvement Planning: Unfortunately, some employees do not meet their job expectations and the result may be a poor appraisal rating with little or no monetary reward for performance according to Purcell (2016). In this instance, the benefit of a review is to assist the employee in

gaining the skills necessary to improve performance. This may be referred to as a “performance Improvement plan”. This type of plan identifies the employee’s weaknesses, recommend action steps to resolve the differences and schedule follow-up consultations to track the employee’s progress to successfully meeting job expectations.

Motivation and Satisfaction: Performance appraisal can have a profound effect on levels of employee motivation and satisfaction – for better as well as for worse. Performance appraisal provides employees with recognition for their work efforts. The power of social recognition as an incentive has been long noted. In fact, there is evidence that human beings will even prefer negative recognition in preference to no recognition at all.

If nothing else, the existence of an appraisal program indicates to an employee that the organization is genuinely interested in their individual performance and development. This alone can have a positive influence on the individual’s sense of worth, commitment and belonging.

The strength and prevalence of this natural human desire for individual recognition should not be overlooked. Absenteeism and turnover rates in some organizations might be greatly reduced if more attention were paid to it. Regular performance appraisal, at least, is a good start.

Recruitment and Induction: Appraisal data can be used to monitor the success of the organization's recruitment and induction practices. For example, how well are the employees who were hired in the past two years performing?

Appraisal data can also be used to monitor the effectiveness of changes in recruitment strategies. By following the yearly data related to new hires (and given sufficient numbers on which to base the analysis) it is possible to assess whether the general quality of the workforce is improving, staying steady, or declining.

Training and Development: Performance appraisal offers an excellent opportunity – perhaps the best that will ever occur – for a supervisor and subordinate to recognize and agree upon individual training and development needs. During the discussion of an employee's work performance, the presence or absence of work skills can become very obvious – even to those who habitually reject the idea of training for them. Performance appraisal can make the need of training more pressing and relevant by linking it clearly to performance outcomes and future career aspirations.

From the point of view of the organization as a whole, consolidated appraisal data can form a picture of the overall demand for training. This data may be analyzed by variables such as sex, department, etc. In this respect, performance appraisal can provide a regular and efficient training needs audit for the entire organization.

2.3.2 Importance of Performance Appraisal

Performance appraisal serves to make the evaluation decisions and to provide the needed assessment source for training and development. For many organizations, the primary goal of an appraisal system is to improve performance. A system that is properly designed and communicated can help achieve organizational objectives and enhance employee performance.

According to Harden (2017), the uses:

Human Resources Planning: In assessing a firm's human resources, data must be available that describe the promotability and potential of all employees, especially Key executives.

Recruitment and Selection: performance evaluation ratings may be helpful in predicting the future performance of job applicants.

Training and Development: A performance appraisal should point out an employee's specific needs for training and development. By identifying deficiencies that adversely affect performance, human resource and line managers are able to develop training and development program that permit individuals to build on their strengths and minimize their deficiencies.

Compensation Programs: Performance appraisal results provide the basis for decisions regarding pay increases.

Internal Employee Relations: Performance appraisal data are also frequently used for decisions in areas of internal employee relations including motivation, promotion, demotion, termination, layoff and transfer.

Assessment of Employee Potential: Some organizations attempt to assess employee potential as they appraise job performance.

Career Planning and Development: Porter (2018) posits that this provides an opportunity for discussion of career objectives, and creation of strategy designed to maximize career counseling, to help in succession planning as well as assess training needs. It assists to plan for career developments, assess and develop individual abilities. To provide objective basis on which to base decisions about training and promotion.

Feedback: Another use of performance appraisal is feedback. According to Richardson (2016), it is encouraged in both directions and as such; employees are encouraged to prepare ratings of their supervisors. It provides constructive feedback to the individual regarding how their performance is seen. Also it provides a structured format for the discussion of performance issues on a regular basis. Feedback either reinforces performance strengths, or provides the opportunity to discuss resolution of performance deficiencies.

Administrative Uses of Performance Appraisal: One other important use of performance appraisal is for the administration of salaries, promotions, retention/termination, and recognition of performance, layoffs and identification of poor performers. This greatly assists the management in taking important managerial decisions on these issues, Alonso (2017).

Performance History: Budhwar (2016) wrote that this provides performance history which is not dependent upon human memory, and which may be useful in the full range of personnel decisions, including compensation decision-making. Also, it is the review of past and present performance, identifying strengths and weaknesses.

Organizational Goals: It is also used to clarify, for the individual and organizational expectations. This provides an opportunity to view one's performance in the context of broader organizational goals and to assess future promotion prospects as well as set objectives for the next period, Alonso (2017).

2.4 Problems in Performance Appraisal

Performance appraisal as a human resource tool has been used by many organizations to achieve laudable objectives and goals of the organization (Hulin, 2019). However, the system is encumbered with certain problems, some of these problems are:

Problems with Leniency: The leniency bias crops when some raters have a tendency to be liberal in their rating by assigning higher rates consistently. Equally damaging one is assigning consistently low rates (Jackson, 2016).

Problems with Central Tendency: Some raters appraise all the employees around the middle point of the rating scale and they avoid rating the people higher or lower level. They follow play safe policy because of answer ability to management or lack of knowledge about the job and the person he is rating or least interest in his job (Moody, 2017).

Problems with Personal Prejudice: according to Becker (2018), if the rater dislikes any employee, he may rate them at the lower end and this may distort the rating purpose and affect the career of these employees.

Problems with Halo Effect: Huselid (2019) argued that to minimizing the halo effect, you should appraise all the employees by one trait before going to rate on the basis of another trait. A person outstanding in one area tends to receive outstanding or better than average ratings in other areas as well, even when such rating is undeserved.

Problems with Recent Performance Effect: In general, raters remember the recent appraisal of the employee and they usually follow appraisal results last time.

Manipulating the Evaluation: In some instances, supervisors control virtually every aspect of the appraisal process and are therefore in a position to manipulate the system.

Lack of Objectivity: A potential weakness of traditional methods of performance appraisal is that they lack objectivity. Some subjectivity will always exist in appraisal methods. However, the use of job-related factors does increase objectivity (Moody, 2017).

2.4.1 Prospects of Performance Appraisal

There are a number of prospects of organizational performance management conducting formal performance appraisals (Pas). There has been a general consensus in the belief that performance appraisals lead to positive implications of organizations. Furthermore, performance appraisals can benefit an organization's effectiveness. One way is performance appraisals can often lead to giving individual workers feedback about their job performance. From this may spawn several potential benefits such as the individual workers becoming more productive. Other potential prospects according to Yong (2017) include:

Facilitation of Communication: Communication in organizations is considered an essential function of worker motivation. It has been proposed that feedback from performance appraisals aid in minimizing employees' perceptions of uncertainty. Fundamentally, feedback and management-employee communication can serve as a guide in job performance.

Enhancement of Employee Focus through Promoting Trust: Behaviors, thoughts, and/or issues may distract employees from their work, and trust issues may be among these distracting factors. Such factors that consume psychological energy can lower job performance and cause workers to lose

sight of organizational goals. Properly constructed and utilized performance appraisals have the ability to lower distracting factors and encourage trust within the organization.

Goal Setting and Desired Performance Reinforcement: Organizations find it efficient to match individual worker's goals and performance with organizational goals. Performance appraisals 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.

Performance Improvement: Well-constructed performance appraisals can be valuable tools for communication with employees as pertaining to how their job performance stands with organizational expectations. "At the organizational level, numerous studies have reported positive relationships between human resource management (FIRM) practices" and performance improvement at both the individual and organizational levels.

Determination of Training Needs: Employee training and development are crucial components in helping an organization achieve strategic initiatives. It has been argued that for performance appraisals to truly be effective, post-appraisal opportunities for training and development in problem areas, as

determined by the appraisal, must be offered. Performance appraisals can especially be instrumental for identifying training needs of new employees. Finally, performance appraisals can help in the establishment and supervision of employees' career goals.

2.5 Performance Appraisal and Motivation

Information about one's performance is believed to influence work motivation in one of three ways. The first of these, formally expressed in contingency theory, is that it provides the basis for individuals to form beliefs about the causal connection between their performance and pay. According to contingency belief there is a degree of association between the person's own behavior and his or her performance. In Vroom's (1964:56) Expectancy X Valence model, these beliefs are labeled expectancies and described as subjective probabilities regarding the extent to which the person's actions relate to his or her performance.

Another believe of contingency theory is the belief about the degree of association between performance and pay. This belief is less about the person than it is about the extent to which the situation rewards or does not reward performance with pay, where performance is measured by whatever means is used in that setting. When these two contingencies are considered

together, so goes the theory, it is possible for the person to establish beliefs about the degree of association between his or her actions and pay, with performance as the mediating link between the two.

The second mechanism through which performance information is believed to affect motivation at work is that of intrinsic motivation. All theories of intrinsic motivation related to task performance (Deci, 2016; Hackman and Oldham, 2017) argued that tasks, to be intrinsically motivating, must provide the necessary conditions for the person performing the task to feel a sense of accomplishment. To gain a sense of accomplishment, the person needs to have some basis for judging his or her own performance. Performance evaluations provide one source for knowing how well the job was done and for subsequently experiencing a sense of accomplishment. This sense of accomplishment may be sufficient incentive for maintaining high performance during the period following the receipt of the evaluation.

The third mechanism served by the performance evaluation is that cueing the individual into the specific behaviors that are necessary to perform well. The receipt of a positive performance evaluation provides the person with information that suggests that whatever he or she did in the past on the job was that type of behavior that is valued and is likely to be valued in the future. As a result, the evaluation increases the probability that what was

done in the past will be repeated in the future. Likewise, a negative evaluation suggests that the past actions were not appropriate. Thus, from a motivational standpoint, the performance evaluation provides cues about the direction in which future efforts should or should not be directed.

The motivational possibilities of performance appraisal are qualified by several factors. Although the performance rating/evaluation is treated as the performance of the employee, it remains a judgment of one or more people about the performance of another with all the potential limitations of any judgment. The employee is clearly aware of its character, and furthermore, it is only one source of evaluation of his or her performance. Greller and Herold (2019) asked employees from a number of organizations to rate five kinds of information about their own performance as sources of information about how well they were doing their job: performance appraisals, informal interactions with their supervisors, talking with co-workers, specific indicators provided by the job itself, and their own personal feelings. Of the five, performance appraisals were seen as the least likely to be useful for learning about performance. To the extent that many other sources are available for judging performance and the appraisal information is not seen as a very accurate source of information, appraisals are unlikely to play

much of a role in encouraging desired employee behavior (Ilgen and Knowlton, 2017).

If employees are to be influenced by performance appraisals they must believe that the performance reported in the appraisal is a reasonable estimate of how they have performed during the time period covered by the appraisal. One key feature of accepting the appraisal is their belief in the credibility of the person or persons who completed the review with regard to their ability to accurately appraise the employee's performance.

2.6 Effects of Performance Appraisal on Staff Productivity

The performance appraisal is an important career development tool for the manager and employee. The manager can help guide the employee on the path to corporate advancement, and the employee gets a clearer understanding of what is expected of him or her from the daily job duties. Performance appraisals have a wide variety of effects on employees, these include among others:

Motivation: An employee performance appraisal can act as motivation for an employee to improve his productivity. When an employee sees his goals clearly defined, his performance challenges identified and career development solutions in place to help advance his or her career, the effect is

to motivate the employee to achieve those goals. Creating a comprehensive plan for employee development and giving employee achievements to strive for, will inspire a higher level of efficiency (Dattner, 2018).

Clarity: Employees perform their job duties to the best of their abilities throughout the year based on guidance from management. Part of a performance appraisal is when a manager and employee review the job description and compare the employee's performance with expectations. This gives the employee a feeling of clarity and understanding that will help him better perform his job duties (Giles and Crosiers, 2018).

Take Responsibility: To prepare for the annual review, a manager should keep notes of all of the employee's accomplishments and challenges throughout the year. When these are presented to the employee during the appraisal, it gives the employee the opportunity to benefit from her accomplishments and accept responsibility for the performance challenges. By claiming ownership of performance issues, the employee makes the process of career development a more personal commitment (Lepak, 2018).

Teamwork: During a performance appraisal, a manager needs to take time to show the employee how his performance affects the productivity of the entire organization. When employees understand how their performance

affects the ability of others to do their jobs, it helps put his job duties into an overall company context. It helps improve the notion of teamwork among the staff, and can also encourage cooperation to achieve corporate goals (Steers and Black, 2019).

2.7 Empirical Review of Related Study

Performance appraisal's influence related to worker's performance in some public sectors and also on workers' output in some private sectors. There is no consensus in the literature related to this topic leading to a divide among policy makers as to whether performance appraisal increases workers' performance or not. So many researches were done in relation to the topic of study. Remarkable among these studies are; Mollel-Eliphaz *et al.* (2017) who studied the influence of performance appraisal practices on staff productivity: A case of Muheza District, Tanzania. The researchers discovered that employee productivity in a company is affected by recognition and feedback. Similarly, Peleyeju and Ojebiyi (2013) studied the staff productivity of public universities in South-Western Nigeria related to lecturers' performance. They discovered a relationship quite significant and positive that exist between performance appraisal and staff productivity in the institutions. Similarly, Homayounizadpanah and Baqerkord (2015) looked into the performance appraisal and employee productivity, they

discovered that performance appraisal seems to be integral and an approach that is strategic in boosting staff and organizational productivity. Marsor (2017) investigated the performance appraisal and employee productivity, where he showed that structures that are laid properly may be reappraised and assume to be good in other parts in boosting the output of staff.

Odunayo *et al.* (2014) looked in to relationship modeling between organizational productivity and performance appraisal in the government own sector of Nigerian enterprises. They showed a relationship that is positive and significant that exists in performance appraisal and work output. Gichuhi *et al.* (2014) performed their research related to supermarkets in a Kenyan town of Nkuru. They saw a significant influence of staff productivity to performance criteria, feedback, and frequency. Again, Onyije (2015) looked at the concepts related to Nigerian University. He saw a relationship that is significant and positive in performance appraisal and staff productivity. But Hayford *et al.* (2016) digressed to look at “If performance appraisal is Anachronistic in tertiary institutions in Ghana”: Evidence from University of Cape Coast. Their result proved that university staff there saw reason for performance appraisal pointing at it being for administration or for development.

But Omusuebe and Kimcnichege (2013) collaboratively looked at the topic related to Mumias Sugar Company limited. They realized that between performance appraisal and employee productivity in a company a correlation really exists. In their own part Ajayi *et al.* (2015) scrutinized the topic related to South West Nigerian Universities’ academic staff. In their part they found out that a positive and significant relationship exists in the performance appraisal and employees’ productivity of the staff. Obiora (2017) investigated the topic as it relates to Nnamdi Azikiwe University, Awka and he came up with the realization of the existence of relationship between performance appraisal and staff productivity in the time of the study.

2.8 Theoretical Framework

2.8.1 Based Anchored Rating Scales (BARS)

According to Swan (1991) BARS is one of the most systematic and elaborative rating techniques. The system is usually costly as it involves in depth analysis of each job to which the system will be applied. The BARS scale used for a certain job is reached through a five step process as follows: Critical incidents, which refers to experts in the job listing specific examples of effective and ineffective behaviour, Performance dimensions developed

from the incidents arrived at in the critical incidents phase; Retranslation that occurs when a second group of knowledgeable individuals on the specific job validate and refine the performance dimensions; Scaling incidents which relates to the rating of the dimensions by the second group of individuals and the final instrument is the behavioural anchor in the BARS instrument.

The BARS instrument consists of a series of vertical scales that are anchored by the included incidents. Each incident is placed on the scales based on the rating determined in step four (Swan, 1991). The system is accurate in that it creates measures that are closely job-relevant and is highly legally defensible.

2.8.2 Trait Scales

The appraisal system contains a list of personality traits or qualities such as motivation, innovativeness and adaptability. The judge or manager performing the appraisal assigns a value or number to each trait, indicating the degree to which the employee owns the quality (Ibid.)A variation of this system requires the manager to evaluate the employee on each of several trait labels, with short definitions and along the line containing a variety of adjectives. In most cases the trait-rating scales are informally analysed to ascertain which personality traits should be included in the system.

The trait-rating scales may be broadly defined and the criteria such as meet requirements or exceed requirements are also not clearly defined. This makes the trait scales very difficult to legally defend because it is difficult to prove the job relevance. Without specific job related criteria, the system is vulnerable to rater error such as halo effect, positive or negative leniency and central tendency. The scales also make it difficult for a manager to identify training and development needs. The manager essentially asks the employee what they are and not what they do (Swan, 1991).

2.8.3 Management by Objectives (MBO)

Erasmus et al (2003) argue that this system concentrates on setting and aligning individual and organizational goals but it can also be used for evaluating performance. Participation in the setting of objectives allows managers to control and monitor the performance by measuring outcomes against the goals that the employees helped to set. Bagraim et al (2003) state that the MBO system should keep employees focused on the deliverables of their job and in this way, the organisation would have delivered on a strategic promise.

CHAPTER THREE

RESEARCH METHODOLOGY

3.1 Introduction

This chapter of the study presented the method and procedures used in collecting data for the study. It covered the research design, population of the study, sampling size and technique as well as the instrument used for the collection of data.

3.2 Research Design

The study adopted descriptive design, it was used for the collection and analysis of data in a manner that aims to combine relevance to this work and to what extent relationship exist between performance appraisal and productivity at United Bank for Africa (UBA) Refinery branch.

3.3 Area of the Study

The geographical location of this study is United Bank for Africa (UBA) Refinery branch, in Chikun Local Government Area of Kaduna State, Nigeria.

3.4 Population of the Study

The population of the study was the entire employee of the various directorates and respective departments in United Bank for Africa (UBA) Refinery branch. This is made up of senior staff, junior staff and casual staff. The total population of staff in United Bank for Africa (UBA) Refinery branch as at the time of conducting this study stood at 40 and made up of both senior, junior and casual staff.

3.5 Sample Size and Sampling Techniques

To determine the sample size for the population of this study, Yaro Yamani formula will be adopted to draw 36 out of a total population of 40 staff members of UBA. That is, 36 members were selected as sample size. The Yaro Yamani formula (shown below) is applicable for the sample size thus:

$$n = \frac{N}{1 + N(e)^2}$$

Where:

n = sample size (unknown)

N = population size (40 members)

e = sample error limit i.e. 5% or 0.05

Therefore;

$$n = \frac{40}{1 + 40(0.05)^2}$$

$$n = \frac{40}{1 + 40(0.0025)}$$

$$n = \frac{40}{1 + 0.1}$$

$$n = \frac{40}{1.1}$$

$$n = 36$$

$$n = \text{sample size} = \underline{\underline{36}}$$

In view of this, the stratified sampling of 36 staff representing the population of the study will be used. The sample size chosen provide knowledge which forms the basis for drawing conclusion and making possible recommendations at the end of this research work.

3.6 Instruments for Data Collection

Questionnaire was used as instrument for data collection. In this regard, various questions relevant to the objectives of this study were brought

together into a document called questionnaire. The questionnaire will be structured, using 5-point Likert scale of 5 – 1 respectively. For the purpose of simplicity, the researcher has decided to adopt the multiple choice of questionnaire format where the respondents can easily make their choice. The questionnaire checklist will be designed based on the areas that are relevant to the study.

3.7 Validation of Research Instrument

To obtain the validity of an instrument, three experts are required to vet and cross-check the items generated in the questionnaire in order to ensure accuracy and clarity of the instrument (Osuala, 2017). To this end, a copy of the questionnaire accompanied by a letter containing the purpose of the study and the research questions will be presented to the supervisor of this project, an expert from the department and two other lecturers from the Department of Business Administration and Management.

3.8 Reliability of Research Instrument

This has to do with consistency obtained from the result of the application of the instrument. An instrument is reliable if its consistency gives the same or similar result. A pilot test need be conducted on few respondents from an

organization to pretest the efficacy of the questionnaire; this is in conformity with the views of Osuala (2017).

Reliability was therefore obtained by giving some of the questionnaire to about twenty selected staff of the institution to see if the questionnaire was consistent in measuring what it ought to measure. Besides, the difficulties experienced by those used in the pilot study were noted and corrected accordingly.

3.9 Method of Data Analysis

In this sub-section, an attempt is made to clearly select an appropriate method of analyzing the data such that the conclusion needed at the end of the research will be meaningful and more representative. In this study, the statistical mean scores were used to analyze the five Likert questionnaires.

This method of data analysis is considered appropriate because it is very easy to interpret as well as allows the researcher to examine several variables and use multi-variant statistics to analyze data, it is also considered appropriate because it can be used to effectively investigate empirical problems in realistic settings. Besides, it facilitates a clear analysis devoid of ambiguity in a survey study of this kind. It is also one of the best statistical tools used in analyzing the five likert questionnaire.

The 5 point Likert scale is shown thus;

	SA	A	UD	D	SD
Grade Point	5	4	3	2	1
Range	4.5-5.0	3.5-4.4	2.5-3.4	1.5-2.4	0.5-1.4

Key:

SA = Strongly Agreed

A = Agreed

UD = Undecided

D = Disagreed

SD = Strongly Disagreed

3.0 is regarded as the cut-off point, any item that falls below 3.0 is considered Disagreed response while any item above 3.0 is considered as an Agreed response.

The cut-off point for the five-point scale is arrived at using the formula:

$$\frac{\sum fx}{N}$$

$$\frac{5+4+3+2+1}{5}$$

$$= \frac{15}{5}$$

$$= 3.0$$

Each value of the acronyms on the five-point scale is multiplied by the corresponding frequency of the variable. The frequency (f) column was obtained by dividing the sum total of (fx) by the sum of (f).

$$\text{Mean Score} = \frac{\sum fx}{N} \quad \text{or}$$

$$\frac{\sum fx}{f}$$

CHAPTER FOUR

DATA PRPRESENTATION AND ANALYSIS

4.1 Introduction

This chapter deals with the presentation and analysis of data collection from the respondents, that is, the employees of United Bank for Africa Plc. The researcher classified the respondent in terms of age, sex, and the level of education. Data collected through questionnaires were analyzed to arrive at concrete conclusion and provide a summary of the research finding and as well discuss such findings.

A total of 36 questionnaires were distributed to the staff, out of which 2 were badly damaged, while 34 were validly answered and returned by the respondents. The analysis of the data was subsequently presented using cross tabulation and likert scales. The 34 that were validly retrieved from the respondents represent 94.44% of the total questionnaires administered on the respondents, while the remaining 2 questionnaires that were not retrieved only accounted for about 5.56% of the total questionnaires.

4.2 Respondents' Characteristics and Classification

The research classified the respondents in terms of age, sex, and the level of education.

Table 4.2.1: Classification of Age

Option	No. of Questionnaire	Percentage (%)
18- 35 years	26	76.5
36-55 years	8	23.5
56 and above	0	0
Total	34	100

Source: Field Survey, 2022

Table 4.2.1 displays the demographic variable of respondents. The analysis shows that 26 workers representing 76.5% of the respondents are within the age bracket of 18-35 years, while 8 staff representing 23.5% of the respondents was aged 36-55 years, while no worker is above 56 years in the organization. This is an indication that most of the staff members are within the active and productive age of their career.

Table 4.2.2 Sex Distribution

Options	No. of Questionnaire	Percentage (%)
Male	17	50
Female	17	50
TOTAL	34	100

Source: Field Survey, 2022

The data in table 4.2.2 shows responses that 17 of the sampled staff representing 50% of the total respondents were female and 17 workers which represent 50% of the total respondent were male.

Table 4.2.3: Classification of Qualification

Options	No. of Respondents	Percentage (%)
MBA – Ph.D	9	26.5
B.Sc – HND	19	55.9
ND – Cert	6	17.6
SSCE – Below	0	0
Total	34	100

Source: Field Survey, 2022

Table 4.2.3: shows the educational qualification of respondents. The analysis shows that the category of Bachelor Degree/Higher National Diploma holders in United Bank for Africa have the highest percentage of 19 staff members representing 55.9% of the respondents, while National Diploma and Certificate holders were 17.6%, those with SSCE and below were 0% and the remaining 26.5% of the sampled respondents have professional Masters and Doctorate Degree. Based on this obvious situation, the workforces are highly educated.

4.3 Data Presentation and Analysis

Research Question 1: What are the approaches for improving the quality of performance appraisal ratings in United Bank for Africa?

Table 4.3.1: You understand the need for and use of performance appraisal in your institution.

	SA	A	UD	D	SD	Total	Mean	Remark
F	18	14	2	-	-	34		
X	5	4	3	2	1			
Fx	90	56	6	-	-	152	4.5	Strongly Agreed

Source: Field Survey, 2022.

$$\begin{aligned}
 \text{Mean score} &= \frac{\sum fx}{\sum f} \\
 &= \frac{152}{34} \\
 &= 4.5
 \end{aligned}$$

The analysis of data in table 4.3.1 above shows a mean score of 4.5 which specifies an adequate response from the respondents agreeing that they understand the need for performance appraisal in the institution.

Table 4.3.2: The best way to overcome performance appraisal error is to improve the skill of rater.

	SA	A	UD	D	SD	Total	Mean	Remark
F	20	5	-	5	4	34		
X	5	4	3	2	1			
Fx	100	20	-	10	4	134	3.9	Agreed

Source: Field Survey, 2022.

The above analysis of the data in table 4.3.2 with a mean score of 3.9 shows that the respondents agreed that the best way to overcome performance appraisal error is to improve the skill of rater.

Table 4.3.3: Performance of employees improves after the process of performance appraisal in an organization.

	SA	A	UD	D	SD	Total	Mean	Remarks
F	25	9	-	-	-	34		
X	5	4	3	2	1			
Fx	125	36	-	-	-	161	4.7	Strongly Agreed

Source: Field Survey, 2022.

The above analysis of the data in table 4.3.3 with a mean score of 4.7 shows that the respondents strongly agreed on the adequacy that performance of employees improves after the process of performance appraisal in an organization.

Table 4.3.4: The use of performance appraisal improves motivation and job satisfaction in an organization.

	SA	A	UD	D	SD	Total	Mean	Remarks
F	15	8	7	-	4	34		
X	5	4	3	2	1			
Fx	75	32	21	-	4	132	3.9	Agreed

Source: Field Survey, 2022.

Table 4.3.4 above shows an analysis of a mean score of 3.9 confirming that the respondents agreed that the use of performance appraisal improves motivation and job satisfaction in an organization.

Table 4.3.5: Performance appraisal helps to change the behavior of Employees.

	SA	A	UD	D	SD	Total	Mean	Remarks
F	19	6	3	6	-	34		
X	5	4	3	2	1			
fx	95	24	9	12	-	140	4.1	Agreed

Source: Field Survey, 2022.

From the above analysis, it is clear that with a mean score of 4.1, performance appraisal helps to change the behavior of Employees.

Research Question 2: What importance is performance appraisal to the United Bank for Africa generally?

Table 4.3.6: The yearly filling out of performance appraisal forms has helped you in performing your duties.

	SA	A	UD	D	SD	Total	Mean	Remarks
F	17	17	-	-	-	34		
X	5	4	3	2	1			
fx	85	68	-	-	-	153	4.5	Strongly Agreed

Source: Field Survey, 2022.

The mean score of 4.5 from the analysis of the data in table 4.3.6 above shows an adequacy of the question. That is, the yearly filling out of performance appraisal forms has helped them in performing their duties.

Table 4.3.7: Your organization used the result of performance appraisal in choosing employees for further training.

	SA	A	UD	D	SD	Total	Mean	Remarks
F	12	18	-	-	4	34		
X	5	4	3	2	1			
fx	60	72	-	-	4	136	4.0	Agreed

Source: Field Survey, 2022.

The above table 4.3.7 shows a mean score of 4.0 and which by extension shows adequacy of the subject matter, that the respondents agreed that the organization used the result of performance appraisal in choosing employees for further training.

Table 4.3.8: The use of performance appraisal has a huge impact on your organization.

	SA	A	UD	D	SD	Total	Mean	Remarks
F	17	10	3	2	2	34		
X	5	4	3	2	1			
fx	85	40	9	4	2	140	4.1	Agreed

Source: Field Survey, 2022.

The analysis in the table 4.3.8 above with a mean score of 4.1 shows that the respondents agreed that the use of performance appraisal has a huge impact on the organization.

Table 4.3.9: The use of performance appraisal in your organization helps in identifying the individual needs and work objectives of the workers.

	SA	A	UD	D	SD	Total	Mean	Remarks
F	14	10	10	-	-	34		
X	5	4	3	2	1			
fx	70	40	30	-	-	140	4.1	Agreed

Source: Field Survey, 2022.

Table 4.3.9 above which has a mean score of 4.1 shows analysis that the respondents agreed that the use of performance appraisal in the organization helps in identifying the individual needs and work objectives of the workers.

Research Question 3: What is the most effective appraisal method that will increase workers' productivity in United Bank for Africa?

Table 4.3.10: Performance appraisal increases the overall growth of employees in an organization.

	SA	A	UD	D	SD	Total	Mean	Remarks
F	14	10	10	-	-	34		
X	5	4	3	2	1			
fx	70	40	30	-	-	140	4.1	Agreed

Source: Field Survey, 2022.

With a mean of 4.1 from the above table 4.3.10 which is above the cut-off point of (3.0), the analysis shows that the respondent agreed that performance appraisal increases the overall growth of employees in an organization.

Table 4.3.11: The use performance appraisal increases the overall productivity of employees in your organization.

	SA	A	UD	D	SD	Total	Mean	Remarks
F	10	12	5	5	2	34		
X	5	4	3	2	1			
fx	50	48	15	10	2	125	3.7	Agreed

Source: Field Survey, 2022.

The analysis of the data in the above table 4.3.11 shows a mean of 3.7 and signifying that the respondents agreed that the use performance appraisal increases the overall productivity of employees in the organization.

Table 4.3.12: Performance appraisal system has a significant impact on the workers training needs.

	SA	A	UD	D	SD	Total	Mean	Remarks
F	13	12	7	-	2	34		
X	5	4	3	2	1			
fx	65	48	21	-	2	136	4.0	Agreed

Source: Field Survey, 2022.

The analysis of the data in the above table 4.3.12 shows a mean of 4.0 and signifying that the respondents agreed that performance appraisal system has a significant impact on the workers training needs.

Table 4.3.13: The organization's overall output is directly dependent on the yearly performance appraisal process.

	SA	A	UD	D	SD	Total	Mean	Remarks
F	20	4	5	5	-	34		
X	5	4	3	2	1			
fx	100	16	15	10	-	141	4.1	Agreed

Source: Field Survey, 2022.

The analysis of the data in the above table 4.3.13 shows a mean of 4.1 and signifying that the respondents agreed that the organization's overall output is directly dependent on the yearly performance appraisal process.

4.4 Research Findings

From the responses gotten from every respondent and based on some of the questions that were asked, the researcher made the following findings:

1. UBA has used work as a yard stick to conduct performance appraisal of its employees in order to increase the level of productivity of its staff.
2. The bank normally conduct appraisal on its staff to take appropriate as well crucial actions on employees due for promotion, those to be transferred, those to be sent on training as well as demotion of employees.
3. Some categories of staff also do not truly understand the purpose and use of appraisal system in the organization. They are mostly the staff with lower educational qualification and at the lowest level of management.
4. The bank also conducts appraisal to boost the performance of employees on monthly basis and the final result of appraisal is reviewed annually.
5. The use of performance appraisal in the organization increases the employees' productivity.

6. Some of the employees believed that supervisors are biased when assessing each employee during performance appraisal.
7. The result of performance appraisal is used to nominate employees for further training as well as for rewards which ranges from promotions, conversions and salary increment.
8. The success of any organization depends largely on the competency of the employees. High level of productivity can only be achieved by proper appraisal of employees.
9. Periodic appraisal of employees from time to time reminds them of their areas of weakness and strengths which can lead to increase in productivity.

4.5 Discussion of Findings

The analyzed data for this study is not just revealing but demand further discussion. In specific terms, the findings are discussed thus;

Research question 1: *What are the approaches for improving the quality of performance appraisal ratings in United Bank for Africa?*

In providing answer to the above research question, the data analyzed in table 4.3.1 to table 4.3.5 was utilized. The data in the selected tables show the adequacy of responses from the respondents to the effect that the approaches for improving the quality of performance appraisal ratings in United Bank for Africa is that performance of employees improves after the

process of performance appraisal in an organization. This is even so with the means scores of 4.5, 3.9, 4.7, 3.9 and 4.1 far greater than the cut-off point 3.0, showing that the respondents responses were in the affirmative to the research survey statements.

Research question 2: *What importance is performance appraisal to the United Bank for Africa generally?*

To provide answer to the above raised research question, the data analyzed in tables 4.3.6, 4.3.7, 4.3.8 and 4.3.9 were used by the researcher. The analysis shows that the importance of performance appraisal to the United Bank for Africa generally are the yearly filling out of performance appraisal forms that has helped employees in performing their duties and the use of performance appraisal in the organization which has helped in identifying the individual needs and work objectives of the employees.

Research question 3: *What is the most effective appraisal method that will increase workers' productivity in United Bank for Africa?*

The data analyzed in tables 4.3.10 to 4.3.13 were utilized in answering the research question raised above. The analysis revealed the mean scores of 4.1, 3.7, 4.0 and 4.1 greater than the cut-off point of 3.0, Hence, the respondents answered in the affirmative that the most effective appraisal

method that will increase employees' productivity in United Bank for Africa are that performance appraisal increases the overall growth of employees in an organization and that it also increases the overall productivity of employees in your organization.

CHAPTER FIVE

SUMMARY, CONCLUSION AND RECOMMENDATIONS

5.1 Summary

The introduction and application of performance appraisal system, which we understand to be an established system of review and evaluation of an individual employee or team's job performance has a significant impact on the productivity of employees in United Bank for Africa. From our survey and analysis of the questionnaires obtained from the employees, the use of performance appraisal has three effects; motivation stimulates a sense of responsibility and commitment.

Therefore, to achieve a balance and give a scholarly answer to the research work consisted of five chapters. In chapter one, the researcher explores the background of the study and an attempt is made to clarify the concept of performance appraisal and gives a working definition of the concept. This is hoped to give the readers a clear picture and assist in their comprehension. A statement of the problem associated with the use of appraisal system in an organization was stated. The objective of the study was also stated as well as its significance both to the organization and its personnel. The scope of the study is made known which is to examine the impact of performance

appraisal on personnel's productivity and how this affect the growth of an organization using the United Bank for Africa as a case study. The limitation of the study was also stated. In order to prove the viability or otherwise of the study, research question were formulated and stated and the data gathered was in an attempt to provide answers to the questions.

Chapter two is concerned with the examination of the existing literatures on the subject. It begins by tracing the origin of performance appraisal as well as giving a working definition of the concept. The chapter also looked at the types, benefits as well as uses of performance appraisal system. It further looks at the problems associated with performance appraisal and how it motivates the employees in carrying out their duties. It finally looks at the effect of performance appraisal on workers' productivity.

Chapter three is basically concerned with the methodology used in obtaining the data needed for the study.

The collaborative nature of activities surrounding the performance appraisal system is the focus of chapter four. Here, the study examined the questionnaires given and an analysis of the questions answered by the respondents. The data were presented in tables and analysis was done by using mean statistics to give a proper understanding of the data.

5.2 Conclusion

Based on the finding of the study, the researcher drawn the following conclusions:

Performance appraisal is the periodic evaluation of an employee's performance during a specific period which is measured against the job's presumed requirements. It is a basic human tendency to make judgments about those one is working with, as well as about oneself. Appraisal, it seems, is both inevitable and universal. In the absence of a carefully structured system of appraisal, people will tend to judge the work performance of others, including subordinates, naturally, informally and arbitrarily.

Performance appraisals generally review each individual's performance against objectives and standards for the year. Performance appraisals are also essential for career and succession planning. Performance appraisals are important for employee motivation, attitude and behavior development, communicating organizational aims, and fostering positive relationships between management and employees. Performance appraisals provide a formal, recorded, regular review of an individual's performance, and a plan

for future development. In short, performance and job appraisals are vital for managing the performance of people and organizations.

Little consideration, if any, was given to the developmental possibilities of appraisal. It was felt that a cut in pay, or a rise, should provide the only required impetus for an employee to either improve or continue to perform well. Sometimes this basic system succeeded in getting the results that were intended; but more often than not, it failed.

Many of the employees are motivated by the use of performance appraisal. This is because rewards like promotions, annual increment, lateral and horizontal conversions and recommendation for further training are done after the appraisal exercise.

The use of appraisal system in the institution has its negative effects on the staff like bias by supervisor in assessing some employees during appraisal exercise, yet performance appraisal has a positive impact on the overall performance of employees.

5.3 Recommendations

It is based on the finding of the study that the researcher makes the following recommendations:

- i. It is highly recommended for the management team at United Bank for Africa that when the performance review meeting occurs, the individuals whose performances are to be measured should be actively involved in setting performance goals and such goals and how they will be measured should also be mutually agreed upon by both of the supervisors and subordinates.
- ii. It is also recommend to the management of the bank that those who manage employees should ensure regular feedback and support to the employees; also ensure adequate coaching, counseling and motivation; as well as ensure that the whole organization is aligned in accordance with the strategic objectives of the organization.
- iii. It is recommended that management and those who manage others, undergo training in performance management. This is of utmost importance.
- iv. Management is advised to apply the 360 degree type of performance analysis principle.
- v. Both senior and management employees should consider a mechanism for rewarding top performance. The current system does not allow enough leverage for managers to reward excellent performance. They should therefore consider rewarding performance by paying people at different levels within the salary range based on the individual's performance.

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APPENDIX I

Department of Business Administration,
College of Business and Mgt. Studies,
Kaduna Polytechnic,
Kaduna.

13th April, 2022

The Branch Manager,
UBA Plc, Refinery Branch
Kaduna.

Dear Sir/Madam,

LETTER OF INTRODUCTION/QUESTIONNAIRE

Lynda Ewunyo Joel is a student of Kaduna polytechnic in the department of Business Administration, undertaking a research on the topic: “Impact of Performance Appraisal on Employee Productivity in United Bank for Africa, Kaduna” in partial fulfillment of the requirements for the award of Higher National Diploma in Business Administration and Management. I solicit your kind cooperation in answering the questions presented for the purpose of making an informed analysis of the project work.

Please be assured that the information you will provide will be handled with confidentiality and is purely for academic purpose.

Thank you for your anticipated cooperation and accept my esteemed personal regard and consideration.

Yours Sincerely,

LYNDA EWUNYO JOEL

Researcher

APPENDIX II

QUESTIONNAIRE TO THE STAFF OF UNITED BANK FOR AFRICA, KADUNA

Instruction: please tick the appropriate answer in the provided

Section 1: characteristics of Respondents

(1) How old are you?

a. 18 – 35 Years [] b. 36- 55 Years [] c. 56 Years and above []

(2) What is your sex?

a. Male [] b. Female []

(3) Your Educational Qualification:

a. Professional MBA/PhD [] b. B. Sc – HND []

c. ND – Cert [] d. SSCE – Below []

Section 2: General Question on Performance Appraisal and Staff Productivity

(please, tick [✓] as appropriate)

Research Question 1: What are the approaches for improving the quality of performance appraisal ratings in United Bank for Africa?

S/N	Variables	SA	A	UD	D	SD
1.	You understand the need for and use of performance appraisal in an organization.					
2.	The best way to overcome performance appraisal error is to improve the skill of rater.					
3.	Performance of employees improves after the process of performance appraisal in an organization.					
4.	The use of performance appraisal improves motivation and job satisfaction in an organization.					
5.	Performance appraisal helps to change the behavior of Employees.					

Research Question 2: What importance is performance appraisal to the United Bank for Africa generally?

S/N	Variables	SA	A	UD	D	SD
6.	The yearly filling out of performance appraisal forms has helped you in performing your duties					
7.	Your organization used the result of performance appraisal in choosing employees for further training.					
8.	The use of performance appraisal has a huge impact on your organization.					
9.	The use of performance appraisal in your organization helps in identifying the individual needs and work objectives of the workers.					

Research Question 3: What is the most effective appraisal method that will increase workers' productivity in United Bank for Africa?

S/N	Variables	SA	A	UD	D	SD
10.	Performance appraisal increases the overall growth of employees in an organization.					
11.	The use performance appraisal increase the overall productivity of employees in your organization					
12.	Performance appraisal system has a significant impact on the workers training needs.					
13.	The organization's overall output is directly dependent on the yearly performance appraisal process.					

