



## RESULT-BASED MANAGEMENT SYSTEM: A MEDIATING FACTOR FOR EMPLOYEES' PERFORMANCE

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**ABSTRACT:** *In any organization, human resources stand as vital assets for success; these are to be highly valued in order to achieve the competitive edge. Therefore, human capital policies and practices should be tied to organizational goals. The impact of practices of HRM can be the channel that fuels sustained competitive advantage; therefore, enhancement of organizational performance should be the focus for an organization. Performance management comprises setting expectations, assessing behaviors and results of the employee, giving coaching and feedback, and performance evaluation over time to use in decision making. The aim is to line up individual efforts to achieve organizational goals. To this end, this study attempts to examine result-based management which is synonymous with performance management system, and how it drives employees' productivity. Utilising the purposive sampling technique, staff within an educational institution were selected in Lagos. It was revealed that setting targets and performance standards would engender the desired productivity in employees. The study therefore recommends a comprehensive performance management system which should also be automated in order to capture key performance indicators of employees.*

**KEYWORDS:** Performance Management System, Educational Institution, Human Resource Management, Employee Productivity, Capacity Building



## INTRODUCTION

Though available research and information on performance management transformation are motivating organizations to critically assess their processes, this has often resulted in more questions than answers. For instance, a lot of organizational leaders are intrigued by the thought of replacing reviews which are often cumbersome with conversations that are empowering, but the challenge has been how to achieve this goal while still ensuring that employees are fairly rewarded. This is a peculiar challenge, especially for small and mid-sized organizations which often do not have the means to acquire costly technology or training programs to sustain massive changes (Dorsey & Mueller-Hanson, 2017).

Various challenges arise in the practice of performance appraisal activities; the fairness of the evaluation decision is one major issue in the practice of performance appraisal activity. The raters seem to have a problem properly evaluating the performance appraisal, and employees can become dissatisfied with the system when their performance is not measured accurately. A common cause of this is that raters are not knowledgeable, and they lack the required skills. This will affect the evaluation process as there are bound to be biases, unreliability, and unfairness will occur. Though there are sets of forms to be filled and sets of standards and procedures to be followed, employees tend not to trust the tool of evaluation (Ahmad & Bujang, 2013).

Scholars had predicted that future jobs would be programmed less rigidly and more flexibly unique than ones in the traditional organizational forms (Motowidlo & Schmit, 1999). The uniqueness of a job, together with a business environment that is rapidly changing the business environment, brings about difficult challenges in the designing and implementation of an effective performance management system in organizations. As for human resource practitioners, these challenges most times have to do with vital elements of the performance management system. A performance management system is made up of three (3) major elements; the setting, evaluation, and feedback of performance. Any organization that wants maximization of results for its performance management, proper attention must be paid on these three (3) elements by their managers and HR practitioners who would be eager to attain organizational goals (Bae, 2006).

There is the problem of subjectivity in performance evaluation in the public and private sector. Although the process is stated in black and white to be as objective as possible, nevertheless, during the implementation, the evaluation becomes subjective. When employees notice this subjectivity in the evaluation, it discourages them from supporting the measurement of performance appraisal. Consequently, the purpose of the performance appraisal is not achieved. Also, there is the quota system, practiced in some organization which creates dissatisfaction among employees. This is a case where only a small portion of the employees get increment in salary, even when the employee performs well, they do not get a reward due to the quota system. This can lead to a decrease in work performance and loyalty to the organization.

Having an effective performance management system helps the organization to achieve its goals and objectives. Performance management tracks how well an employee is doing on his/her duties. Employee's productivity in an organization can be tied to the ability of top management to set and ensure that there is a proper performance management system in place; productivity may be assessed in terms of output of an employee during a particular period (Owolabi and Ajibose, 2019). To this end, this study attempts to examine how performance



management systems can be improved to drive employees' productivity. Specifically, it aims to identify how performance appraisal systems are done in the educational sector, the need for improved performance management systems in the educational sector and the recommendations that can be made to enhance effective performance management systems.

This study would be beneficial to the leadership of various educational units. The implementations of the outcomes of this study would ensure improved employee performance and productivity, which would ultimately impact the effectiveness of the organization.

## REVIEW OF LITERATURE

Job can be referred to as special task; though job and performance are used in various ways, either as two different actions or sometimes both together, e.g., "job is performed", "job performance has to be evaluated", and it can be said that when an employee understands and completes a given job, he performs a good job. He develops, evolves, fulfils, and gets satisfaction when s/he performs the job rather than just doing the job (Punitha, 2014). In the form of performance assessment and management, job performance is an essential part of effective HR management, and it is, for the most part, a sought-after developmental intervention in human resources portfolio (Bateman & Snell, 2007; Fay & Luhrmann, 2004).

Job Performance can be broken down into two distinct types: **Task Performance**, which relates to the actions that directly convert raw materials to goods and services – they are the things that are usually included in job descriptions, e.g., *selling clothes, teaching class in a school, drilling holes*. Secondly, **Contextual Performance** which refers to the behaviours that contribute to the overall effectiveness through supporting the social and psychological climate where work is done, e.g., *cooperating with teammates, cleaning up the conference room, diffusing conflict* (Bullock, 2013).

There are four main resources of any organization. They include; money, material, machines and men. In all these M's, men play in all the other three areas. Men are the one who manages money, they procure materials, and again, it is men that have to convert the materials into products through machines. But what is interesting is that these men, who manage other M's have to be managed as well by men. Men and Management. In an organization, the men who manage other men are referred to as Human Resources Manager. Human Resource in any organization is the source of knowledge, skill, creative abilities, talents, and growth. Employees keep the organization fresh and alive (Punitha, 2014).

In a broader view, an organizational goal can only be achieved with the human resource in the organization aligning their goals to them. The individual's goal frequently revolves around the improvement of skills and knowledge s/he possesses. If this knowledge and skills can be enhanced through training or motivation or any other methods, the organizational performance improves and finds it easier to attain their goal. The tough task is making the employee recognize the needs of his own self. Performance management is said to be successful when the interests of the employee are understood by the employer, and the employer renders a helping hand to nurture the employee's career as well as his/her performance. Secondly, performance management is said to be successful when the employee has an understanding of the requirements of the organization, cooperates and accepts the employer's helping hand to increase his/her performance level and this him/herself (Punitha, 2014).



It's a bit difficult tracing the exact antecedent of formal performance appraisal. But, according to Kohli & Deb, (2008), it appears that performance appraisals of employees on an annual basis began with the arrival of the industrial revolution in the late eighteenth (18<sup>th</sup>) century. The basic reason was to evaluate the productivity of a worker. The rating of performance began in the 1920s. The focus of appraisal changed to evaluating the personality traits of employees after the Hawthorne Studies. And it introduced a merit rating system for assessing the performance. However, this technique came under intense criticism as it focused more on personality traits (Panda, 2011). The term of performance management was first used in 1976 by Beer and Ruh. (Kohli & Deb, 2008). This concept has been the most noteworthy development in the HRM field in current times. The emphasis has been changing from commanding, controlling, and vigilant system to commitment-based system (Panda, 2011).

The real concept of performance management seeks to enhance the performance of both individuals and the organization (Fletcher, 1993). This is because the performance of the employees or workers is very important for the organization to be more efficient and competitive in comparison with other organizations (Ahmad & Bujang, 2013). For present-day organization, improvement of productivity is a central issue.

Dorsey & Mueller-Hanson, (2017) defined performance management as that wide range of activities which are designed to take full advantage of individual and, by extension, organizational performance. It comprises setting expectations, assessing behaviors and results of the employee, giving coaching and feedback, and performance evaluation over time to use in decision making. The aim is to line up individual efforts to achieve organizational goals.

Productivity resulting from job performance stands as an extensively researched area in the literature of organizational behaviour (OB) and human resource (HR) development (Bommer, Johnson, Rich, Podsakoff, & MacKenzie, 1995; Lawler & Worley, 2006; Schiemann, 2009). In order to fully utilize HR and add to organizational success, an effective employee performance management system is essential for a business organization. The performance-driven goal is expected to be in line with the organizational policies so that the whole process shifts away from being event-driven to become more strategic and a people-centric outlook (Jena, & Pradhan, 2014; London, 2003; Mone, & London, 2009)

Employees play a vital role in every organization in determining its survival (Ahmad, 2007a). Therefore, an employee is seen as a vital or valuable asset to an organization and is the key factor that ensures the operation of the organization or factory runs as planned. Employees become the heartbeat of the organization and really significant to determine the needs and expectancies of the client or customers (Abdul Karim, 1999). This is in line with the reason for performance appraisal in the contemporary approach that emphasizes on workers that have full potentials that can be discovered and expanded. Employees can be utilized positively to uphold the service or product quality of the organization. This is connected with the roles and tasks of the employees to perform at the highest echelon of their work competencies. Performance appraisal becomes more productive, and therefore, the growth of the employees is improved (Ahmad, 2007 b). With the accomplishment of the organization's vision and mission, employees can work as one collaboratively with the organization based on the win-win basis. In this perspective, performance appraisal can turn out to be a good tool to plan a better career path for the employees (Ahmad & Bujang, 2013).



Productivity, in general sense, can be defined as the ratio between a measure of input and output. The productivity of employees can, therefore, be measured as the output such as unit produced or sales, in relation to an input such as the cost of labour or the number of staff-hours utilized. Labour productivity is traditionally derived from cumulative measures at the firm level. To account for differences between labour inputs, this measure has often been disaggregated according to different labour types, e.g., high, medium, and low skilled labour.

Nevertheless, even at the disaggregated level, evaluations of labour productivity can mask considerable variations in relations to employees' underlying productivity, either between employees or overtime.

At the individual employee level, studies regularly utilize input measures, such as employees' wages, as a measure of productivity. Even though associated with the underlying productivity of the individual employee, there are various reasons why wages do not directly reflect the employee's actual productivity. For example, institutional settings, like those that result from collective agreements, most times make wages dependent on tenure or age rather than productivity. This is further complicated by the fact that most data do not have information hourly wages, but rather monthly wages. Differences in monthly wages might not only reflect variations in productivity but also in working hour's numbers. Also, the wage increase is often determined by supervisor evaluations that might reflect bias due to gender or migration background (Sauermann, 2016).

Employee productivity improvement has been one of the most significant objectives for quite a lot of organizations. The reason for this is because upper levels of worker's productivity provide an organization and its workers with various advantages. For example, higher productivity would drive favourable economic growth, better returns on investments, and better social progress (Sharma & Sharma, 2014). Also, productive employees can obtain better wages/ salaries, improved working conditions, and favourable employment opportunities. Additionally, higher productivity tends to maximize organizational competitive advantage in the form of reductions of cost and improvement in high output quality (Baily, et al., 2005; Hill, Jones, & Schilling, 2014; Wright, 2004). These benefits made employee productivity worthy of attention. Therefore, looking at its antecedents is very important to ensure long term success and organizational survival (Hanaysha, 2016).

According to Burke & Esen (2005), the number one factor cited by employees as negatively impacting their productivity at work is poor management. Other factors, like a lack of defined goals and a lack of accountability, could be interconnected with poor management. Training of all employees that manage others, in addition to monitoring the performance of managers, and morale of their subordinates, are positive steps Human Resource professionals can take to better productivity at their organizations

There is a key set of characteristics that ought to be met when assessing measures of employees' productivity (Sauermann, 2016):

- Objectivity - measures must show objectivity, as against being subjective, concerning supervisor or peer ratings.
- Availability - measures are required to be available at the individual (employee) level not on collective levels such as team or firm level.





- Comparability – measurement, and tasks ought to be the same across employees and time.
- Quality and controllability – Employees must have sufficient weight on the outcome, i.e., by choosing their own effort levels.

The precise measurement of performance across workers and overtime allows policymakers to address important economic questions, such as how incentives affect workers' behaviour, how the presence of peers affects workers' productivity, or how workers accumulate human capital in firms.

### ***Basic Principles of Effective Performance Management System (PMS)***

According to Punitha (2014), Performance management can bring quality and effectiveness in an organization only when certain vital and fundamental principles are followed. These include:

- Transparency  
The system should be free from partiality, bias and discrimination and it should be transparent among the employees. If not, the system itself would have no foundation to build anything upon. E.g., if work allocation, transfers, promotions, incentives, and bonus are based on Performance management, then the system must be transparent and provides no room for employees to complain.
- Employee Empowerment  
Empowered employees are participative and they take their responsibilities well because recognizing and rewarding employees tend to bring them together to work and achieve and they have a sense of belongingness towards the organization.
- Organizational Values and Culture  
A fair treatment, ensuring due satisfaction, empathy and trust, respect and treating people equally – are all the fundamentals for the development of the Culture and values of the organization, which reflects in overall output.
- Amicable Workplace  
The principle is for the work environment to be attractive to the employee rather than the employee looking forward to weekends to be away from the workplace. The workplace should be warm, harmonious, and amicable to the employees. This will help in the improvement of the quality of work-life and balancing work life.

### ***Causes of Performance Management Failures***

According to Dorsey & Mueller-Hanson, (2017) organizations tend to invest significant amount of time and money into performance management systems, yet the results are not commensurate with the investments made as there are usually complaints among employees, managers and executives of either the system is not rewarding high performances or that it's too time-consuming or that the ratings are not a true reflection of actual performance. Below are some reason further stated by Dorsey & Mueller-Hanson as the reasons for performance management failures;



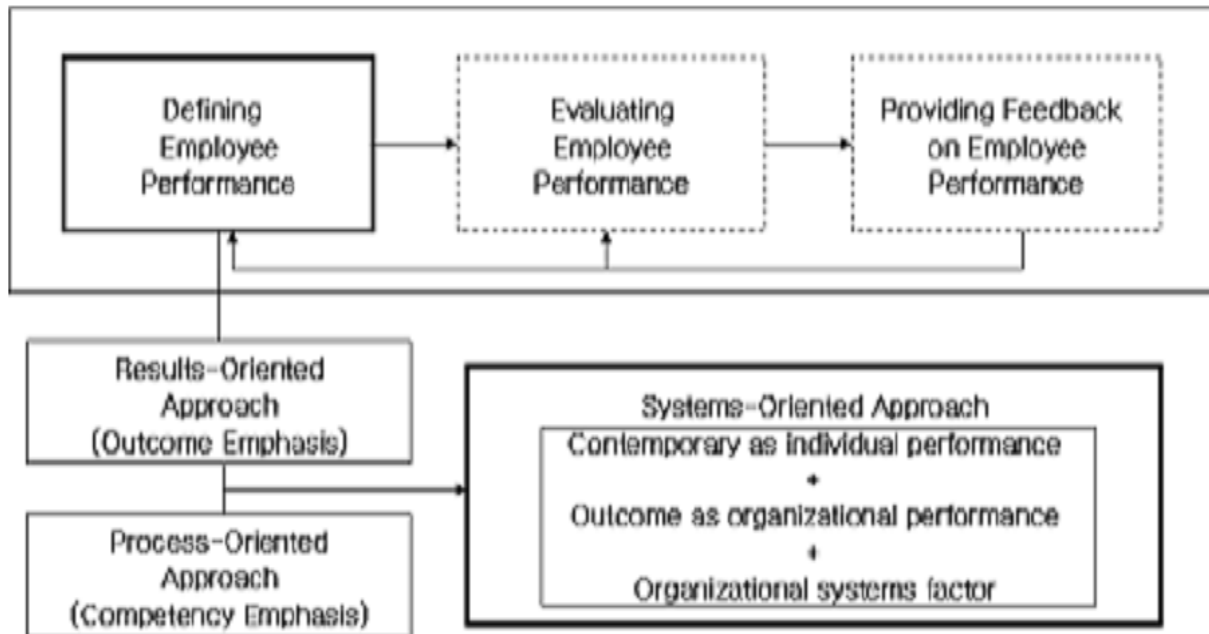
- It tries to serve too many purposes - providing a basis for decisions on talent, enhancing communications and relationships, fostering career development, and providing documents for legal issues are all that performance management systems try to meet with a single approach. Though these goals are important, they serve fundamentally different interests and often conflict with each other.
- It's based on a foundation of mistrust - for instance, the belief that managers tend to play favouritism results in the system having a lot of in-built controls, documentation and monitoring to ensure the right thing is done. This erodes the value the system is meant for and rather makes it complicated.
- It's based on assumptions that are faulty – the belief and idea that honest performance ratings would motivate workers to improve their performance is a faulty assumption about human behaviour and motivations.
- It often emphasizes rules and processes – virtually all performance management approaches focus on the steps to complete, forms to fill out and rules to follow. However, these elements have a minimal impact on actual performance. Features that actually have an impact are effective relationships and communication between managers and employees, though these are harder to achieve
- Implementation is often done poorly – this results in a lack of buy-in from employees and managers.

## THEORETICAL FRAMEWORK

The study employed a system-oriented approach as put forward by Bae (2006). The system identifies a strategic process which the performance management system must pass through. It begins with defining employee performance. In the performance management process, identifying performance measures which are necessary for appraisal determines performance standards as stages of performance which match up to predesignated levels of both individual and organizational effectiveness. From the point of view of the rater, performance standards form the basis of reference upon which to ascertain a ratee's performance. Likewise, also, from a ratee's point of view, it becomes an essential method to communicate with employees what the organization expects of them. Therefore, it is essential that a clear understanding of what performance management exactly means is developed before designing a performance management system. Performance is usually described as anticipated results, attitudes, behaviours, or traits. Some state that performance denotes the final result as that which gets accomplished. Others argue that performance refers to the behaviours exhibited by people in the line of producing results and with their basic abilities or competencies needed to perform various aspects of the job. (Bae, 2006).

To avoid a situation where productivity increase and financial goals are seen only as the performance measures in organizations, performance must be defined and spelt out to highlight both outcome and competency features of performance (Owolabi and Amisu, 2016). This means that performance should be viewed as the blend of competency as it relates to individual performance measure and outcome as it relates to organizational performance measure, linked up with organizational values, cultures, strategy, and business needs as systems factors.

Incorporating the systems factors in job performance is very essential to define and evaluate performance because it will elucidate their effects on measuring performance (Bae, 2006). This indicates that job performance ought to be viewed as a broader concept as shown in Figure 1.



**Figure 1: A Systems-Oriented Approach**

*Source (Bae, 2006)*

Secondly is evaluating employee performance. In general, performance evaluation, which is a critical part of a performance management system is directed toward the attainment of performance information which can be utilized for administrative and development purposes. Organizations should realize that the attitude of the employees towards performance evaluation is affected by the employees' perceptions of its purpose. It is predicted generally that ratings done for administrative purposes like promotions, termination, transfers, and compensation, more often tend to be lenient and less accurate than the one obtained for feedback, research, or employee development purposes (Jawahar & Williams, 1997). This is based on the ground that raters' bias ratings collected for some reasons versus others (Cleveland & Murphy, 1992). Raters could purposely bias administrative ratings to avoid giving feedback that are negative so as to motivate a poor performer or obtain other positive consequences. In contrast, ratings done for the purpose of staff training and development are likely to drive raters to honestly record their "true" evaluations of ratees' performance at work (Bae, 2006).

For performance management results to be maximized, it is essential that a fair and accurate evaluation process is set up, which reduces the dissatisfaction and discomfort that raters and ratees have with the process (Bae, 2006; Owolabi and Adeosun, 2021). An all-inclusive





employee performance evaluation process often consists of various evaluation techniques to assist in judging an employee's performance. Utilizing multiple methods can help the rater get a broader perspective of the aspects where the ratees need to improve and the steps the rater can take to support the growth of the ratees.

As opposed to the widespread belief, the performance evaluation process of an employee is not only valuable to the organization, but also for the employees. This process includes the following (Shepherd, 2019):

*Peer reviews* – This involves obtaining anonymous feedback from employees' colleagues', peers, and teammates, on particular aspects of an employee's performance.

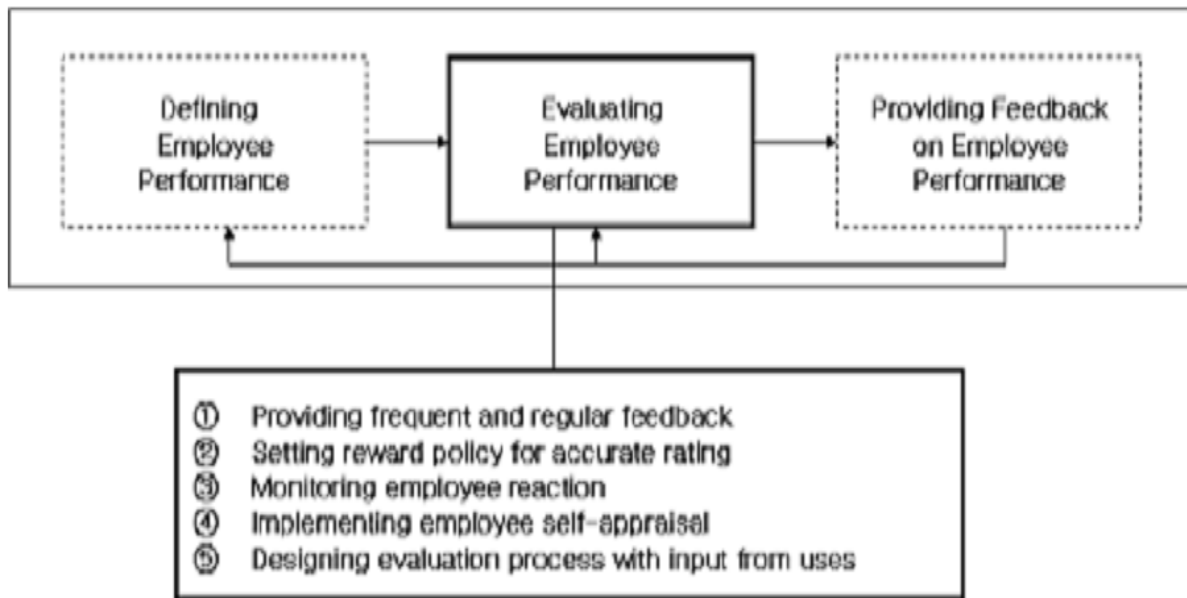
*Self-evaluation* – this is an essential activity to help make the appraisal process more efficient. When properly done, several key inputs can be provided to the organization. This method gives employees the opportunity to play active roles in their evaluation process. Hence, instead of just being the recipient of management's feedback, the employees are given a voice.

*Quantitative evaluation* – this is based upon statistics and utilizes various standards to track productivity. The process starts with formulating company standards against which employee's data can be measured. It is vital for the standards to be laid out in clear and precise terms without ambiguity, leaving no room for misinterpretation.

*360-degree feedback* – this is an appraisal method that allows the employee to be rated by his/her subordinates, colleagues, supervisors, and clients and customers

*Competency on scale* – this technique is the most commonly used in performance evaluation; it allows for measuring individual performances of an employee in various job duties to be graded on a scale. A wide range of criteria can be considered, which might include; productivity, teamwork, customer service, quality of work, concern for safety, etc. This method allows employers to evaluate several employees simultaneously.

As shown in figure 4 below, an evaluation process that is fair and accurate can be designed and implemented such that raters provide frequent feedback at regular intervals throughout the appraisal period, hold raters liable for the ratings they give to their ratees by setting policy for accurate ratings, monitoring reactions of ratees to evaluation processes, allowing ratees to conduct self-appraisal, and looking into the disparity between raters and ratees evaluation, and also allowing raters and ratees to both partake in designing the evaluation process, and development of a multi-source and multi-rater evaluation system (Bae, 2006).



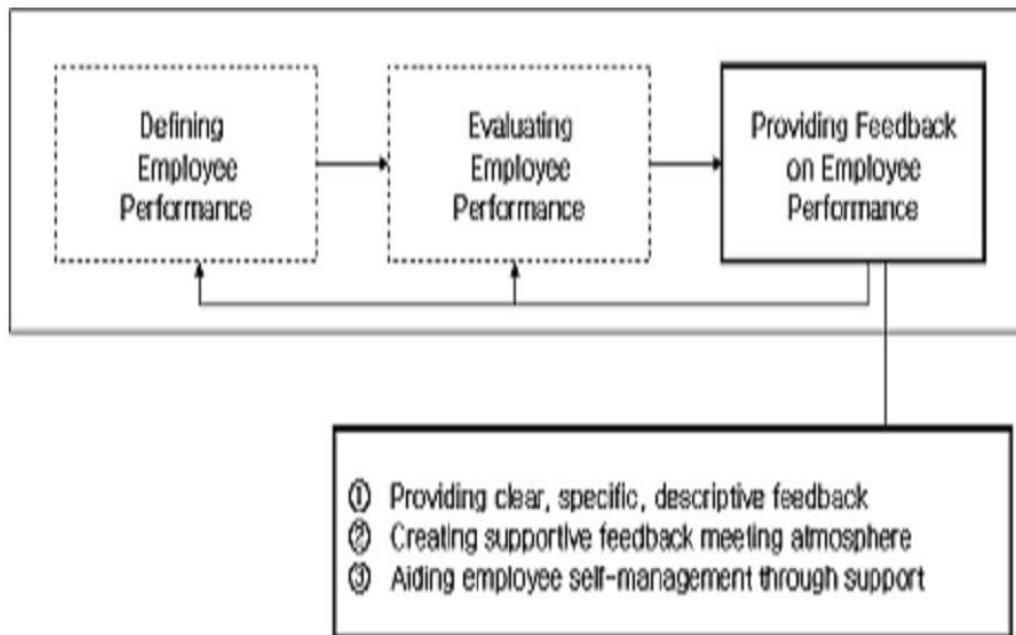
**Figure 2: Evaluating Performance: Fair and Accurate Processes**

*Source (Bae, 2006)*

Thirdly is providing feedback on employees' performance. Feedback plays a very important role in the performance management system, both for motivational and informational purposes, and for better rater-ratee communications. For example, supportive feedback can lead to greater work motivation for employees and feedback discussions about pay and advancement can lead to greater employee satisfaction with performance management processes (Bae, 2006)

Performance feedback has an indirect outcome on productivity via human capital systems such as compensation, training, job design, and career planning. Conversely, there are also direct personal effects of performance feedback which are; helping to reduce the ambiguity of performance, facilitating the achievement of goals for the employee, development of manager-subordinate relationships, personal development, and adaptation to change (Kaymaz, 2011).

In effect, a feedback process should be a vital part of the performance management system that influences individual and organizational goals. It is therefore imperative to set up and implement a feedback process which offers specific, clear, and descriptive feedback, provides feedback in a supportive and non-threatening manner, engage employees in deliberations about their career development opportunities and decisions, and provides support for good performance (Figure 5) (Bae, 2006).

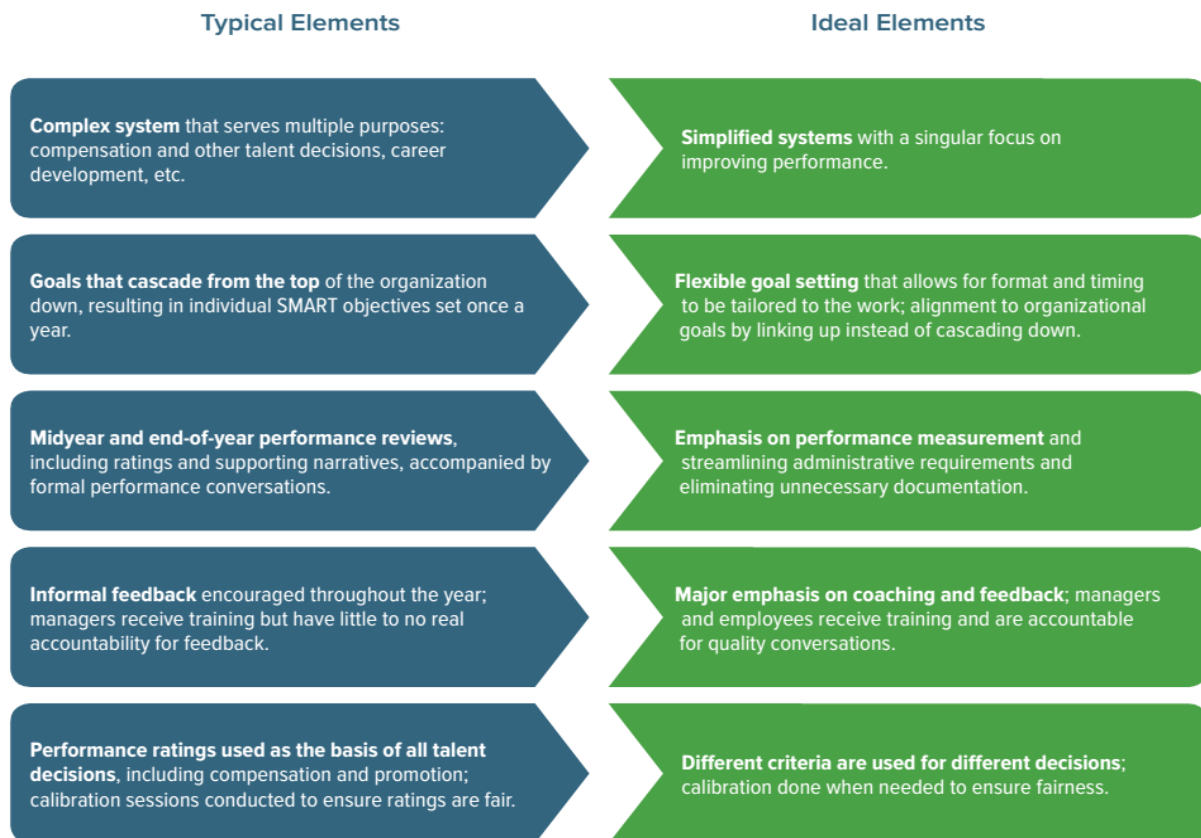


**Figure 3: Providing Feedback on Employee Performance: Effective and Supportive Methods**

*Source (Bae, 2006)*

### ***Designing a Strategic Performance Management Approach***

A strategic performance management approach as described by Dorsey & Mueller-Hanson (2017), is one that requires several shifts from the traditional approach to embracing new ways of thinking. The emphasis of these shifts involves simplicity, flexibility, communication and relationships and it de-emphasizes complexity, rigidity and blind adherence to policies and procedures. For instance, rather than needing extensive narrative documents to justify ratings for employees, checklists and other simple tools can be provided by organizations to make documentation easier. Also, for employees who are meeting expectations minimal to little written narrative can be required, while more documentation for those with lower ratings. Figure 6 below illustrates these major shifts, as explained by Dorsey & Mueller-Hanson.



**Figure 4: Typical vs Recommended elements of Performance Management System**

*Source: (Dorsey & Mueller-Hanson, 2017)*

## LIMITATIONS AND GAPS

It is apparent that there is no general measure of workers' productivity. Instead, different measures capture workers' performance in their particular settings. Though this has the advantage of permitting a highly detailed analysis of the determinants of employees' productivity, it comes at a cost (Sauermann, 2016).

First, even when performance can be measured for a broad range of occupations, the measures utilized are focused on single workplaces, which are not representative of the entire sector or economy. Though these data permits comparisons between workers doing the same tasks or occupation, it is hardly ever possible to make direct comparisons of employees' performance across various occupations. It is, nonetheless, probable to compare estimates based on several studies to draw more representative conclusions (Sauermann, 2016).

Secondly, the specificity of many performance measures allows comparisons across multiple countries or over a long period of time. While performance measures normally allow for the evaluation of day-to-day or week-to-week variations of employee behaviour, they are in general only available for rather short periods (De Grip & Sauermann, 2012; Bandiera,



Barankay, & Rasul, 2010). Only very few studies exploited longer sets of data involving several years that allow for the analysis of trends (Chetty, Friedman, & Rockoff, 2014). Because of these reasons, direct measures of workers' productivity are not always appropriate. Instead, other measures, such as firm value-added or wages, may be more useful.

Lastly, although many professions comprise some measures of performance, these often capture only one aspect. In some cases, for example, when designing and evaluating incentive schemes, observing only one measure of performance could hide important aspects of workers' behaviour, due to the multidimensional nature of productivity (Sauermann, 2016).

### **Research Methodology**

Data collection was done qualitatively with the use of a structured interview guide. An educational institution located in Lagos, Nigeria was selected using the purposive sample. Total academic and non-academic staff are twelve (11); the CEO, eight (8) core staff members, and three (3) domestic staff. The target population included the core staff members and the CEO. Due to the small size of the population, a census survey is done. Data is collected by doing a face-to-face interviewing of the staff. Data was analyzed by organizing them in meaningful categories from which inferences and deductions were made.

### **RESULTS AND DISCUSSION**

With regards to the first objective of the study which attempted to understand how performance appraisal is done in the organization; two of the respondents indicated that performance appraisals are done on a quarterly basis, while three indicated that it is done quarterly and on an annual basis. Four respondents indicated that the appraisals are result-focused and two further explained that the focus is usually on targets achieved and revenue generated. One of the respondents revealed that targets are created at the end of the year or at the beginning of the year, which are monitored and reviewed quarterly by the chief monitoring officer (CMO). The CEO then holds a quarterly meeting to arrive at a mutual performance written, which determines the amount of bonus to be paid for that quarter. Six of the respondents indicated that appraisals are result oriented in the institution, while the other three stated that they are both results and process focused.

The second objective which tried to know if there is a need for an improved performance management system. The responses indicate that the goals/objectives of the institution's appraisal systems according to the responses received indicate that they are for staff motivation to ensure better performance, to measure staff performance in terms of targets achieved and also measure organizational performances. It's also a means of setting actionable plans in meeting organizational goals and objectives. It is also used to drive productivity, commitment and flexibility as well as an opportunity for coaching and self-appraisal

Eight out of the nine respondents agreed that the current performance appraisal process is not sufficient in adequately appraising performances of employees as well as insufficient in meeting the management's goals and objective of setting up the appraisal system in the first place. One respondent indicated that though the system is sufficient, employees are not satisfied with the mode and manner in which the appraisal is being implemented.





The third objective attempted to present recommendations that can be made to improve performance management. The respondents stated that to improve the current appraisal system, there should be better compensation and recognition to motivate staff. This was indicated by four of the nine respondents. Provision of resources necessary to assist staff with the information needed to achieve their targets. This was stated by four of the respondents. Three of the respondents stated that improved work-life balance could also be used in improving the performance management system at the institution. A 360-degree approach to the appraisal system, creation of a system or process for training in areas of deficiencies and introduction of performance appraisal software to adequately monitor employee performance and progress made.

The responses from the respondents indicate that for performance appraisal at the institution, targets are set at the end of the year against the upcoming year or are done at the beginning of the New Year. These targets form the performance standards against which the employee's performance would be measured. This is in line with the statement made by Bae (2006) which states that performance standards form the basis of reference upon which to ascertain a ratee's performance, and it becomes an essential method to communicate with employees what the organization expects of them. None of the respondents indicated whether these targets were jointly agreed or established by the rater and the ratee. Sauermann, (2016) stated that in accessing measures of employees productivity, one of the important characteristics is quality and controllability which means employees' must have sufficient weight on the outcome, i.e., by choosing their own effort levels.

The appraisals are done quarterly, and there is a chief monitoring officer who monitors the whole process. At the end of the quarterly appraisals, the CEO holds a meeting with the staff to arrive at a mutually agreed performance written, which goes to determine how much bonus is due to the staff for that quarter. Majority of the respondents indicated that performance appraisals at the institution are result-oriented, i.e., the focus is only on the outcome. According to Bae (2006), to avoid a situation where productivity increase and financial goals are seen only as the performance measures in organizations, performance must be defined and spelt out to highlight both outcome and competency features of performance. This means that performance should be viewed as the blend of competency as it relates to individual performance measure and outcome as it relates to organizational performance measure, linked up with organizational values, cultures, strategy, and business needs as systems factors. Punitha (2014) stated that performance management is said to be successful when the interests of the employee are understood by the employer, and the employer renders a helping hand to nurture the employee's career as well as his/her performance.

According to Bae (2006), an evaluation process that is fair and accurate can be designed and implemented such that raters provide frequent feedback at regular intervals throughout the appraisal period. The study shows that employees in this institution receive feedback at regular intervals of every three months. Bae also indicated that ratees, that is, the employees should be allowed to conduct self-appraisal and any disparity in the raters and the ratees evaluation should be looked into. Shepherd (2019) indicated that self-evaluation helps the process to be more efficient and it gives employees the opportunity to play active roles in their own evaluation process and hence has a voice instead of just being the recipient of management's feedback. Bae also mentioned that it's important for both raters and ratees to be involved in the designing of the evaluation process. None of the respondents indicated that they are opportune to self-



appraise in the course of the appraisal or are they involved in the design of the evaluation process.

The study further reveals that the goals and objective of the appraisal system in the institution is to drive productivity, commitment and flexibility and to be an avenue for coaching and self-appraisal. They are intended to be used to motivate staff for better performance and measure performances in terms of individual targets and organization goals and objectives. This is in line with Dorsey & Mueller-Hanson, (2017) statement, which stated that performance management's aim is to line up individual efforts to achieve organizational goals. But eight of the nine respondents noted that these objectives are not being achieved and that the current appraisal system in the institution is not sufficient in adequately measuring performances of employees.

In this study location, employees believe that the compensation, recognitions and awards attached to the appraisal are not encouraging. According to Punitha (2014), empowered employees are participative and they take their responsibilities well because recognizing and rewarding employees tend to bring them together to work and achieve and they have a sense of belongingness towards the organization.

The study also reveals that employees of this institution want the management to provide training, necessary resources and information that could assist them in better achieving their targets. Punitha (2014) stated that organizational goals could only be achieved with the human resource in the organization aligning their goals to them. The individual's goal frequently revolves around the improvement of skills and knowledge s/he possesses. If this knowledge and skills can be enhanced through training or motivation or any other methods, the organizational performance improves and easier to attain the goal. And Sharma & Sharma (2014), states that upper levels of worker's productivity provide an organization and its workers with various advantages. For example, higher productivity would drive favourable economic growth, better returns on investments, and better social progress.

Employees also requested for a 360-degree approach to the appraisal system. According to Shepherd, (2019), this is an appraisal method that allows the employee to be rated by his/her subordinates, colleagues, supervisors, clients and customers.

One of the responses also indicated that the introduction of a performance appraisal software would be helpful in adequately monitoring performances and progress made. This may mean that the current process is mostly done manually, and manual record-keeping of appraisals is becoming cumbersome or not correctly done.

## CONCLUSION

The study reveals that the educational institution sets performance standards against which the employees' performances are measured and is used as a means to communicate to them what the organization expects of them. The study also reveals that at this organisation, there are regular feedbacks given to employees as it relates to their performances and it's also shown that there are an established goal and objective for the performance appraisals in this institution whose aim is to motivate individual staff in achieving organizational goals.



The study also reveals that the management of this institution are not achieving the set goals and objectives of the performance appraisals and there are needs for improvements; such as providing resources and material to aid in achieving of appraisal goals, improved recognitions, awards and compensation, allow for self-appraisals, performances should be rated both in term of competency as it relates to individual performances and outcome as it relates to organizational performance and all these should be linked to organizational values, culture, strategy and business needs, and allowing a 360 degree approach to appraisals.

The next chapter gives the researchers' recommendations and the best alternative for solving the problem.

Based on this, it is recommended that a performance management system should be automated. That is, taking into account the performance framework as demonstrated by Bae (2006) and the performance management approach as mentioned by Dorsey & Mueller-Hanson (2017). i.e. performance management should emphasise on simplicity, flexibility, communication and relationships and it should de-emphasizes complexity, rigidity and blind adherence to policies and procedures.

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