

**UNIVERSITY OF CAPE COAST**

**EMPLOYEE PERCEPTION ABOUT PERFORMANCE APPRAISAL  
SYSTEM IN ST. THERESA'S HOSPITAL, NANDOM**

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**2019**

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SYSTEM IN ST. THERESA'S HOSPITAL, NANDOM

BY

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Dissertation submitted to the Department of Human Resource Management of the School of Business, College of Humanities and Legal Studies, University of Cape Coast in partial fulfilment of the requirements for the award of Master of Business Administration degree in Human Resource Management.

MAY 2019

## DECLARATION

### Candidate's Declaration

I hereby declare that this dissertation is the result of my own original work and that no part of it has been presented for another degree in this university or elsewhere.

Candidate's Signature..... Date.....

Name: Beatrice Naamwinzie

### Supervisor's Declaration

I hereby declare that the preparation and presentation of the dissertation were supervised in accordance with the guidelines on supervision laid down by the University of Cape Coast.

Supervisor's Signature..... Date.....

Name: Mrs. Elizabeth Cornelia Annan-Prah

## ABSTRACT

Performance appraisal is considered as one of the key human resource practices in recent times since it covers a variety of activities through which organisations seek to assess employees and develop their competences in order to enhance their performances. The study sought to examine health workers' perception of the performance appraisal system in St. Theresa's Hospital, Nandom in the Upper West region of Ghana. The study employed the quantitative approach and descriptive research design. The study randomly sampled 186 out of 360 health workers from the hospital and administered structured questionnaires to them. The study employed descriptive tools including frequencies and percentages in analysing the data. The study found that, health workers at the hospital were satisfied with the nature and purpose of the performance appraisal system. In a bid to improve upon health workers' current level of satisfaction with the system, the study recommended that, authorities at St. Theresa's Hospital should regularly review the performance appraisal system in order to improve upon its content. The study also recommended that, the hospital authorities should adopt more innovative strategies and techniques in order to make the system more purposeful. These strategies could include regular formal training programmes to help reduce subjective errors and ensure constant interaction between authorities and the health workers.

**KEY WORDS**

Employee perception

Performance Appraisal

Performance Appraisal Systems

## ACKNOWLEDGEMENT

I am grateful to my supervisor, Mrs. Elizabeth Annan-Prah, for her support and guidance. It's her immense scrutiny and criticism that has pushed me to refine this work to its current state.

I will like to also thank all my lecturers and colleagues, whose mentorship has been of immense help to me. My immense gratitude goes to all the management and health workers of St. Theresa's hospital for their assistance in obtaining the needed information for the study. My final gratitude goes to all my family members and friends for their support and care throughout my programme.

**DEDICATION**

To my family

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**LIST OF ACRONYMS**

|     |                               |
|-----|-------------------------------|
| PA  | Performance Appraisal         |
| PAS | Performance Appraisal Systems |

## CHAPTER ONE

### INTRODUCTION

Performance appraisal is considered as one of the key human resource practices in recent times since it covers a variety of activities through which organisations seek to assess employees and develop their competences in order to enhance their performances (Long, Kowang, Ismail & Rasid, 2016). Organisations can only remain competitive by managing their human resource well and this can be constrained without effective performance appraisal (PA) systems. In most health institutions, for instance, PA systems have been aligned to their overall objectives in order to constantly monitor and measure the performances of human resource. However, PA systems generally suffer from problems such as the subjectivity and irrelevancy of its criteria. This assertion has been supported by the expectancy and goal setting theories. Based on the diverse perceptions towards the system, it is relevant to identify health workers of St. Theresa's hospital perception towards existing PA system.

#### **Background to the Study**

Performance appraisal is regarded as one of the significant human resource practices in recent times since it covers a variety of activities through which organisations seek to assess employees and develop their competences in order to enhance their performances (Armstrong, 2006; Long *et al.*, 2016). Organisations can only remain competitive by managing their human resource well and this can never be achieved without effective performance appraisal (PA) systems (Aguinis, 2010). On the other hand, an organisation's human

resource can become more efficient if a valid and accurate appraisal system is used for rating their performances.

Performance appraisal (PA) contributes immensely to the success of any organisation which seeks to realise its strategic purpose and enhance effective working process through continuous improvement of individual's performances and processes coupled with focusing on weak improvable points (Chughtai, 2008). They are implemented in order to allocate rewards to employees, provide development advice in addition to obtaining their actual perceptions about their jobs, supervisors and the organisation as a whole (Frimpomaa, 2014). PA is one of the key parts of organisational life and it could comprise several organisational processes such as measuring employee performance, setting objectives and reward management (Dechev, 2010).

Performance Appraisal is a systematic and periodic assessment of individual employee's job performance and productivity in relation to certain pre-established criteria and organisational objectives (Doleh & Wier, 2007). It aids supervisors in making key decisions in relation to promotions, financial rewards, demotions, transfer, among others (Prasad & Vaidya, 2016). It is therefore considered as the most vital and indispensable part of critical human resource practice in health institutions. This study was underpinned by the expectancy theory and goal setting theory because they provide in-depth explanation of employee perception about performance appraisal.

According to the expectancy theory, for instance, a worker believes that the effort he/she puts into whatever he/she does (work performance) will help him/her achieve a desired level of performance, which Vroom (2005) calls

expectancy, and the performance he/she achieves will be adequately rewarded. As such, the rewards will be valuable enough to match the efforts dedicated to the task (Chiang & Jang, 2008). Linking the theory to the study, an employee who perceives that putting in much effort will help him/her achieve a desired level of performance which will earn him/her favourable PA result is likely to put in much effort. Also, the goal setting theory assumes that, employees tend to give out their best performances when they are aware of getting a reward after accomplishing a given goal. Assessing whether this goal has been achieved or not is highly dependent on performance appraisal system.

Also, if the worker holds positive perception about the rewards attached to good PA results, he/she is likely to put in greater effort to attain appraisal results that will yield these rewards (Chiang & Jang, 2008). Simply put, the perception of the workers toward an appraisal system will influence his/her job performances in any organisation. According to Long *et al.* (2016), employees in the past had the misconception that the PA system was simply about filling out forms designed by their organisations, but, currently, it is seen as a rather flexible and continuous process used to evaluate an employee's performance on a regular basis and not a rigid one to be completed annually.

An effective PA system can drive employees and the organisation to greater heights (Arbaiy & Suradi, 2007), whereas “an ineffective system can create chaos and render the organisation unproductive” (Capadosa, 2013, p.2). Ahmad, Ramzan, Mohammed and Islam (2011) added that, negative employee perceptions about a PA system can affect their commitment, job satisfaction, trust in management, increase job stress, theft and turnover intentions.

The contributions of healthcare providers to an economy can never be overemphasised since they are primary providers of healthcare services (Armstrong & Taylor, 2014). Furthermore, they can never achieve their goals in isolation thus require human resource management activity such as performance appraisal (Daily, Bishop & Massoud, 2012). In most health institutions, for instance, PA systems have been aligned to their overall objectives (Desler, 2011) in order to constantly monitor and measure the performances of human resource. Boichuk and Menguc (2013) revealed that, about 97.5 percent of healthcare providers in developed countries like China, Germany, USA, England and Russia have reliable, structured and effective PA systems which have contributed to their enormous successes.

Performance appraisal is also important in developing countries including Ghana, Nigeria, India, and Kenya. Healthcare providers have also adopted various PA systems which they use as a customary way of measuring employees' performance in order to establish relevant policies and strategies to increase performances (Esu & Inyang, 2009; Mahajan & Benson, 2013). In Ghana, for instance, perception of employees in the health sector about targets, outcomes and effectiveness of PA results would be beneficial (Adofo, 2011, Wafula, 2015). Employees are more likely to be receptive and supportive of an existing PA system if they perceive that it provides an opportunity for promotion, personal development opportunities, opportunity to be visible and exhibit skills and abilities and opportunity to network with others (Adofo, 2011; Dechev, 2010).

On the other hand, if health workers perceive the PA system as an unreasonable attempt by management to exercise stricter supervision and

control over their duties, various negative reactions such as disengagement, dissatisfaction and disappointment may arise and render the system a failure and in turn affect their performances (Idemobi & Onyeizugbe, 2011). As such, it is equally important for authorities to be abreast with their employees' perceptions towards existing PA systems and this would enable them to improve upon them, if necessary (Armstrong, 2009).

In Ghana, for instance, health workers have been found to mostly discuss about the issues associated with their respective PA systems informally (Adofo, 2011; Aduama, 2016). In this regard, various management have struggled to clearly identify and document their health workers' perception (positive or negative) towards existing PA systems (Aduama, 2016; Manoharan, Muralidharan & Deshmukh, 2009; Mujeeb, Masood & Ahmad, 2011). Ochieng (2016) revealed that, the continuous decline of health workers' performances in rural areas in sub-Saharan Africa like Kenya and Ghana could be attributed to various factors, but, perception toward existing PA systems can never be neglected. As such, it is relevant to identify health workers' perception towards existing PA systems in rural areas in Ghana focusing on St. Theresa's Hospital, the largest hospital in Nandom district, Upper West region.

### **Statement of the Problem**

The general performances of health workers in most Ghanaian public hospitals, in recent times, have declined and this has been attributed to factors including poor motivational incentives, poor access to finance, poor infrastructural development, work-life-imbalance, unfavourable health worker-patient ratio leading to high job stress, poor development practices, among

others (Aseweh Abor, Abekah-Nkrumah & Abor, 2008; Akosua Akortsu & Seweh Abor, 2011). This current menace is not any different from happenings at the St. Theresa's hospital. This has negatively contributed to delays in delivering quality healthcare to patients. In a bid to address these challenges, the Ghana Health Service (GHS) in conjunction with various stakeholders provide regular workshops and increased employee assistance programmes, among others (Adisah-Atta, 2017).

Despite these strategies, performances of health workers in the public hospitals have still not met expectations (Sakyi, Atinga & Adzei, 2012; Yeboah *et al.*, 2014). However, this situation is similar to St. Theresa's hospital. This could be because, equal attention has not been paid to assessing health workers' perception towards the hospital's performance appraisal system (St. Theresa Hospital report, 2018). Studies have revealed that, workers' perception toward an existing PAS directly influences their behaviour and invariably performance (Alwadaei, 2010; Warokka, Gallato & Moorthy, 2012). As such, a health worker with a negative perception of an existing appraisal system could negatively influence their outputs and in turn affect overall performance of the health institution. This has made health workers' perception of an appraisal system an important subject of interest to scholars in recent times (Alwadaei, 2009; Ochieng, 2016).

Although extensive studies have been conducted on Performance Appraisal system in several countries (Alwadaei, 2009; Dechev, 2010; Warokka, Gallato & Moorthy, 2012; Ochieng, 2016), their findings cannot be generalised basically due to cultural and geographical differences. However, few studies related to Ghana have also focused on sectors other than the health

sector (Aduama, 2016; Boachie-Mensah, 2012). Arguably, Ghanaian health workers' poor performances could be attributed to perceived dissatisfaction current appraisal system. Also, previous studies have focused on organisations (Mithila & Parab, 2008; Saeed, 2011; Warokka, Gallato & Moorthy, 2012) other than St. Theresa's hospital despite the prevalence of poor work outcomes primarily resulting from employees' perceptions toward existing performance appraisal. This study sought to address this gap by examining health perception of appraisal system at the St. Theresa's hospital in Nandom, Ghana.

### **Purpose of the Study**

The purpose of the study was to examine health workers' perception of the performance appraisal system in St. Theresa's Hospital, Nandom in the Upper West Region of Ghana. Specifically, the following objectives were developed to:

1. assess health workers' perception of the nature of the performance appraisal system.
2. examine health workers' perception of the purpose of the performance appraisal system.
3. explore the extent to which health workers are satisfied with the performance appraisal system.

### **Research Questions**

The study was guided by the following research questions:

1. What are the perceptions health workers of the nature of the performance appraisal system?

2. What are the perceptions of health workers of the purpose of the performance appraisal system?
3. To what extent are health workers satisfied with the performance appraisal system of St. Theresa's hospital?

### **Significance of the Study**

The outcome of the research would be useful to key stakeholders such as management, policy makers and researchers. With management, for instance, the study's outcome is expected to provide them with in-depth knowledge with regard to their workers' perception or opinion about the existing PA system and this would enable them formulate relevant strategies and structures geared towards improving the system. Also, policy makers such as Ministry of Health could also rely on the study's findings to formulate policies which are capable of ensuring effective performance appraisal systems in the various health institutions in Ghana and more precisely, those located in the remote areas like Nandom.

Finally, the outcome of the study is expected to contribute to existing literature in relation to health workers' perception toward performance appraisal systems. This could therefore provide researchers with adequate support in conducting their respective studies on this topic. The findings are also expected to provide grounds for prospective researchers to either support or disapprove their findings.

### **Delimitations**

The study was conducted within the scope of examining health workers' perceptions of performance appraisal (PA) system. As such, the study focused on perceptions in relation to nature, purpose and satisfaction with the PA system thus other issues in relation to challenges and effectiveness, for instance, were not included in the study. Also, health workers' other than those in St. Theresa's hospital were not included in the study. Specifically, in terms of geographical area, the study was limited to St. Theresa's hospital which is located in Nandom district of Upper West region in Ghana. As such, the study's findings would be more useful to management of the hospital although other health institutions, especially those in rural areas, could also benefit from the study's findings.

### **Limitations**

In every research, the approach employed comes with some weaknesses which affect the study's findings. The study employed the quantitative research approach and thus improper representation of the target population could affect the study's findings. Also, quantitative approach involves structured questionnaire with close ended questions and this led to limited outcomes since the results could not represent the actual occurring. Further, the inability to control the environment (respondents) because of the use structured questionnaires affected the study's findings. This is because, responses depended on health workers' conditions during the time questionnaires were administered to them.

## **Definition of Terms**

This section presented the definitions of terms employed in the study:

*Perception* is a process by which individuals organise and interpret their sensory impressions to give meaning to their environment.

*Performance Appraisal* is the processes involved in evaluating how well employees perform their jobs when compared to a set of standards in order to provide feedbacks to them.

*Performance Appraisal Systems* are systems or formal structures which are put in place to evaluate employees' job performance.

## **Organisation of the Study**

The study comprises five chapters of which, chapter one presents the introduction of the study in relation to background to the study, statement of the problem, purpose, objectives, research questions, significance of the study, delimitation, limitation of the study, definition of terms as well as organisation of the study. Chapter two also deals with literature review which discussed the theoretical and empirical reviews and explanation of key concepts such as perception and performance appraisal. Chapter three discusses the research methods of the study which covers research design, population, sampling procedure, data collection instrument and procedure, ethical considerations, data processing and analysis. Further, chapter four covers results' and discussion of the study and finally, chapter five discusses the summary, conclusions and recommendations of the study. The chapter concluded with suggestion for further research.

## **Chapter Summary**

This chapter presented the introduction to the study. It specifically focused on the background to the study, statement of the problem, research objectives and questions, delimitation and limitation as well as organisation of the study. This chapter made a case for assessing health workers' perception performance appraisal focusing on public health institutions in Ghana specifically St. Theresa's hospital. The expectancy and goal setting theories were briefly discussed in a bid to provide theoretical foundations for the study. the next chapter presents the literature review of the study.

## CHAPTER TWO

### LITERATURE REVIEW

#### **Introduction**

The purpose of the study was to examine health workers' perception of the performance appraisal system in St. Theresa's Hospital, Nandom in the Upper West Region of Ghana. The chapter presents and reviews of literature related to the study. It discusses the theoretical review, empirical review and explanation of key concepts related to the study's objectives.

#### **Theoretical review**

The expectancy theory and goal setting theory were used to underpin the study due to their relevance to the study's research objectives.

#### **Expectancy Theory**

The Expectancy theory was propounded by Victor Vroom in 1964 (De Simone, 2015). The theory posits that people hold a belief that a strong relationship exists among three processes; the effort they put at work, the performance they achieve from that effort and the rewards they receive from their effort and performance. Thus, people will be motivated to put in greater effort at work if they believe that maximum effort will yield good performance and good performance will yield the desired rewards (Vroom, 2005; De Simone, 2015). The expectancy theory is built on three fundamental elements; expectancy, instrumentality, and valence (Vroom, 2005). These three elements

come together to determine an individual's level of motivation and hence the effort the person will put in whatever he or she does.

Expectancy is a person's estimate of the probability that effort that is dedicated to a specific job will help him achieve a given level of performance (Borders, Earleywine & Huey, 2004). They further explained that, employees usually rate expectancy between two extremes, thus zero (0) to one (1). Therefore, if an employee believes that no matter the efforts he or she put in his or her work, the desired level of performance will not be achieved then his or her level of expectancy is zero (0). On the other hand, if a worker believes that his or her efforts will yield the needed level of performance, his or her expectancy level is one (1).

Instrumentality according to Vroom (2005), is when the worker estimates that if he or she is able to achieve the desired level of performance or outcome, there are various rewards that he or she stands to receive. Instrumentality like expectancy also lies between zero (0) and one (1). In this sense, an employee who believes that a good performance outcome will always result in a promotion increase shall have the value of instrumentality of one (1). Whereas, instrumentality is zero (0) if the worker believes that adequate efforts to achieve a desired level of performance will not lead to any reward (Borders *et al.*, 2004).

Valence, the third element, refers to the preference that a worker attaches to a particular reward (Borders *et al.*, 2004). Different employees may attach different values to rewards such as promotion, peer acceptance, recognition by supervisors and these could have more or less value to individual employees

(Chiang & Jang, 2008). Unlike expectancy and instrumentality, valence can be either positive or negative. If a worker attaches great value to a specific reward, the valence for that reward is positive and if an employee is indifferent to a reward, valence is zero (0). Whereas, if an employee does not attach any value to the reward, valence is negative. Chiang and Jang (2008) revealed that, total range is generally from '-1' to '+1'.

The expectancy theory is underpinned by some assumptions (Vroom, 2005). The first is that, people join organisations with various expectations concerning needs, motivations, past experiences and these expectations impact on how they react towards the organisation. The next assumption is that, an individual can consciously alter or change his or her behaviour based on his or her expectations. In view of this, an individual can choose different behaviours usually based on expectations. The third assumption according to Vroom is that, people have different expectations from the organisation which include good salary, job security, career advancement, and challenge. The final assumption is that, people make choices with regard to various alternatives in order to maximise their personal outcomes (Vroom, 2005; Lunenburg, 2011).

Linking the theory to the study, an employee who perceives that putting in much effort will help him achieve a desired level of performance which will earn him or her favourable performance appraisal result is likely to put in much effort. Furthermore, if the employee perceives that achieving a desired level of performance will help him or her attract favourable appraisal results which could lead to various satisfactory rewards such as career advancement, praises from supervisors, pay increase amongst others, he or she is likely to put in much effort in his or her job performance (Chiang & Jang, 2008).

Also, if the worker holds a positive perception about the rewards attached to good performance appraisal results, he or she is likely to put in greater effort to attain appraisal results that will yield these rewards (Chiang & Jang, 2008). On the other hand, if the employee perceives that no amount of effort will make him or her achieve the desired level of performance likely to attract favourable performance appraisal results, he or she is likely to put in less effort in his work performance. This is likely to happen to employees who perceive that their supervisors or appraisers do not like them or their supervisors hold some prejudicial judgements about them. Likewise, employees who hold negative perceptions about performance appraisal rewards are likely to put in less effort in their job performance even if they can put in much efforts to attain the desired level of performance that will attract favourable appraisal rewards (Lunenburg, 2011).

It can therefore be seen that, performance appraisal has a significant impact on the motivation of employees as such, their perception towards an existing appraisal system could influence their motivation and eventually performance levels. As such, the use of expectancy theory in health institutions is very vital since it will expose management to various behaviours or reactions of employees based on latter's perceptions toward an existing performance appraisal system (Suciu, Mortan & Lazar, 2013).

### **Goal setting theory**

The goal setting theory can be attributed to the works of Latham and Locke (1979) and it suggests that, human beings (employees) are more motivated to perform when there is a reward after completing a task or behaviour and as such, the reward should be clearly stated to them. Akuoko

(2012) indicated that, goal setting helps in motivating and enhancing performance especially when those goals are challenging but accepted by employees and feedback is constantly communicated to them.

According to the theory, an efficient goal must have four components: proximity, difficulty, specificity and feedback (De Sanctis, 1983). A goal is said to have proximity when the time between the reaching out and the end state is close. It is moderate in difficulty, neither too easy to carry out, thus presents some challenges, nor too difficult, so that success will seem possible. The specificity of the goal implies that, the employee must understand what he/she is supposed to do in order to perform and accomplish the goal. A specific goal provides direction of focus and moves away from interferences. Feedback is vital for measuring progress towards the goal because it creates the possibility for the employee to know whether the level of efforts is adequate and in the right direction or requires corrections.

Moreover, this theory reflects on four mechanisms that link goal to performance outcomes (De Sanctis, 1983). First, goals direct the attention of employees to priorities and this occurs when specific goals are set for employees. These goals drive them to focus on the priorities of accomplishing the goals. Secondly, goals stimulate the efforts of employees, thus, when set goals are attached to specific reward system it inspires employees to work better and effectively. Third, goals challenge employees to bring their knowledge and skills to bear to increase their likelihoods of success in the organisation. Finally, when a goal is more challenging enough, more employees are induced to showcase their abundant inherent skills (Locke & Latham, 2006; Akuoko, 2012).

The significance of goal theory to this study is that, it reveals why health workers at St. Theresa's hospital tend to give out their best performances when they are aware of getting a reward after accomplishing a given goal. Therefore, these health workers are motivated to put up a said behaviour when there is a reward after performing the goal or behaviours expected of them. These rewards also influence their perception towards existing performance appraisal systems. This is because, when employees are expectant of rewards, they expect that any feedback given to them after appraisal exercises should assist them achieve those goals and ultimately get their rewards (Akuoko, 20102).

In view of this, they also expect the nature and content of the appraisal system to be in line with the goals set for them. Arguably, health workers could perform poor when they perceive the system as poor and irrelevant and vice versa. This theory plays vital roles in identifying perceptions of employees of an appraisal system which help contributes to policy and practices.

### **Concept of Performance Appraisal**

Various authors have defined the performance appraisal in various ways. Grote (2002), for instance, defined it as a formal management system that enables an organisation to evaluate the quality of an individual's performance. Samnani and Singh (2014) also defined performance appraisal as the processes involved in evaluating how well employees perform their jobs when compared to a set of standards in order to provide feedbacks to them. Abu-Doleh and Wier (2007) suggested that performance appraisal is a systematic and periodic assessment of individual employee's job performance and productivity in relation to certain pre-established criteria and organisational objectives. Also,

Nzuve and Njeru (2013) define performance appraisal as a means of evaluating employees work performance over a given period of time.

Over the years, organisations have developed and are still developing new ways to improve the performance of their employees as this goes a long way to ensure that the organisation achieves its goals and gains competitive advantage (Armstrong, 2006). Performance appraisal is one of the many ways' organisations try to assess and reward the performance of their employees for them to continue to give their best towards the achievement of organisational and individual goals.

Performance appraisal has not always been an easy task for managers and employees alike. Dessler and Varrkey (2011) label PA as the most problematic human resource activity which both managers and human resource departments try to avoid. According to Brown, Hyatt and Benson, (2010: 378), performance appraisal, even though it is a very important human resource management area, it has performed unsatisfactorily for years. this is because, both managers and employees tend to approach appraisal feedback sessions with fear and loathing. As per Dechev (2010), performance appraisal has been seen as a deadly disease that hinders an organisation from performing at its very best.

Idemobi and Onyeizugbe (2011) indicated that, employees are usually hostile to the PA process because their views and suggestions are normally not incorporated in the design of the appraisal forms and the processes as well, and that management do not act upon the proposals for change that come out of the appraisal process. They emphasised that, managers and subordinates do not like

to give and receive negative feedbacks respectively because unfavourable PA ratings have negative effects on their careers and perception, they develop concerns concerning their managers. Also, some managers oppose the PA process because they do not receive anything valuable in return for the time, they spend conducting an appraisal (Idemobi & Onyeizugbe, 2011).

### **Historical development of Performance Appraisal**

Performance appraisal began to gain prominence during the Industrial Revolution era and it was a tool used to monitor and improve organisational output and was also normally used to punish workers who performed poorly (Aguinis, 2010). However, as organisations evolved overtime, the concept also evolved in a similar manner (Dargham, 2010). According to Dargham (2009), most organisations have steadily adopted more refined methods in quest for improvement in their employees' performances. Similarly, Kondrasuk (2011: 59) found that, "organisations are eventually championing rewards over punishment, forsaking the stick for the carrot, arguing that performance should not only be appraised but also managed, and devising new and sometimes complex methods to improve performance".

In its earliest use, according to Arbaiy and Suradi (2007), PA was a basic process whereby a manager or a supervisor completes an annual report on the performance of a subordinate and organises an interview in which the performance of the subordinate is discussed. Though many organisations still go with this method of appraisal, many organisations have also incorporated new ways of appraising employees. They continued that, organisations have developed diverse ways and incorporated various activities through which they

assess employees and develop their competence to enhance performance and distribute rewards.

Performance appraisal is seen as one of the sure ways of monitoring the performance of employees; correcting poor performance and increasing good performance (Hussin, 2011). Additionally, the system helps an organisation to develop its' human resource, enhance the performance of the organisation and aid decision making but, only few organisations use PA systems effectively (Alwadaei, 2010). As per Ahmed, Ramzan, Mohammed and Islam (2011), PA systems play a crucial role in shaping employees' perception which influences their behaviour and performance and hence, the performance of the entire organisation. In this world of never-ending competition, organisations need an effective way of harnessing employees' capabilities to ensure increase in productivity, growth and survival.

It is for this reason that Kim and Holzer (2016) highlighted that, there is the need for a system that will monitor the performance of employees to help improve the effectiveness and productivity of the organisation. They stressed that, providing accurate and adequate feedback to employees concerning their performance is regarded as being very critical to employee's ability and serves as a source of motivation to perform effectively in an organisation. A well-implemented performance appraisal system can help in timely assessment and analysis of the performance of the employees, discussion and explanation of performance of employees and provision of adequate feedback for further improvement (Hussin, 2011).

Dechev (2010) emphasises the need for an appraisal system because it can help in identifying an individual's strengths and weaknesses and provide measures on how the strengths can be enhanced and the weaknesses minimised. He stressed that, organisations can hardly survive without an appraisal system. As such, the PA system is very crucial and are regarded as one of the most crucial aspect of organisational success and continuity. A number of studies have concluded that an effective PA system is the basis for giving out supplementary pay and it helps to remunerate competent work force and enhance their inspiration and overall commitments (Ahmad & Bujang, 2013; Nikpeyma, Abed\_Saeedi, Azargashb & Alavi\_Majd, 2014).

Ahmad and Bujang (2013), for instance, stressed that a PA system helps to reveal an employee's strengths and weaknesses which help to make relevant and meaningful decisions about the employee. According to Grote (2010), PA systems have the greatest impact on the career and work lives of employees than any other management process. A performance appraisal system thus has the advantage of making an organisation more efficient and increases the motivation of workers. Periodic evaluation of the performance of employees helps to reveal where employees excel, where they can improve, and the extent to which the employees are working in line with goals and objectives of the organisation (Kondrasuk, 2011).

Giangreco *et al.* (2012) argue that, a PA system is one of the significant functions of human resource management (HRM) in any organisation. In the developed world, as highlighted by (Kadiresan, Selamat, Selladurai, Ramendran & Mohamed, 2015), this system is one of the very essential sub systems of human resource management. As Lah and Perry (2008) noted, about 93.3

percent of Organisation for Economic Cooperation and Development (OECD) countries have adopted and used individual PA system to assess the performance of individuals. On the contrary, a number of studies have also refuted the need and importance of an appraisal system.

Levy and Williams (2004) labelled the appraisal system as being of no use and evil. They continued that PA systems do not readily improve employees' performance but sees it as a step of firing process. They believed that, a best PA system is one that is carried out on a daily basis. Likewise, Liu and Dong (2012) also argued that, appraisals are designed to perform too many functions including feedback, coaching, goal setting, skill development, pay determination, legal documentation, employee comparison and layoff selection, hence no PA system can provide all these ends.

Also, according to Esu and Inyang (2009), the inability of a manger or a supervisor to provide adequate and sufficient feedback on employee performance will only yield to the appraisal system having a negative impact. Kuvaas (2009) also argued that, it may not always be appropriate for managers to assess the performance of employees. He highlighted that, managers usually have so many subordinates, hence they cannot always know the performance and development needs of all their employees. Also, managers may be occupied with too many responsibilities to effectively provide adequate appraisal on the performance of its employees.

Chubb, Reilly and Brown (2011) highlighted a number of reasons why PA system is not an effective method of assessing employee performance. First, they argue that one cannot objectively and fairly measure an employees'

performance. Thus, no matter the amount of evidence and how meticulous a manager can be in assessing an employee's performance, objectives are not equally hard to achieve and do not cover all aspects of the job. They continued that, achieving an accurate measurement of an employee's performance is a delusion.

Chubb *et al.* (2011) added that the manager may perceive wrongly what the performance of the employee is because they may not have enough information and may not have a general view of all the aspects the employee's performance. Affection towards some employees and prejudice may also cloud the manager's judgements during performance. Their third argument was that; managers may not have the needed skills in providing judgment concerning employees' performance or handling difficult conversations with employees whose performance do not meet standards.

Moreover, Saeed and Shahbaz (2011) argued that, an appraisal system mostly relies on vital measures, which they believe are unsuitable and unreasonable, especially to the representatives whose performance is being evaluated. They also stressed that, a PA system has too many objectives to accomplish such as setting targets, giving performance feedback, assessing potential, discussing development needs and determining performance-related pay increases. They continued that, with all these objectives that this system seeks to accomplish, it takes a considerable commitment in terms of organisational resources for its implementation.

In relation to the study, it could be seen that PA systems are very vital to the development of health institutions in Ghana, especially St. Theresa's

hospital, Nandom. However, despite their importance and benefits, there are also numerous arguments about the negative effects of the system on both management and health workers. Like any reward system, an appraisal system cannot be free from individual judgements and biases; however, the most important aspect of the system is the ability to give the needed feedback to improve individual performance in the health institution. Though, arguments against an organisation having an appraisal system is concrete and substantial, one thing that is true is, an organisation is better off having one than having none (Dessler, 2011). As such, it is important to examine the perceptions of health workers at St. Theresa's hospital towards their existing PA system.

### **Employee Perception**

Perception is one of the key components when it comes to evaluation and assessment processes in any human endeavour. Perception can go a long way to influence the success or failure of any human activity. According to Lee, Park and Lee (2013), perception is the process through which people choose, organise and interpret information in order to form a meaningful picture of the world. Erwin and Garman (2010) also defined perception as the process whereby a person seeks to understand the environment and it involves organisation and interpretation of stimuli in a psychological experience.

As per Burnes and Jackson (2011), perception is an internal process that allows us to choose, organise, and interpret stimuli from our environment. Williamson and Williams (2011) also explains the concept as a process by which individuals organise and interpret their sensory impressions to give meaning to their environment. Thus, perception can be said to play a key role

in enhancing and improving understanding with respect to a specific phenomenon or concept under study. Studies show that, employees' perception have greater influence on their performance as such, a positive perception depicts commitment and enhanced performance whereas, a negative perception depicts dissatisfaction and poor performance.

In health institutions, for instance, what employees perceive about an activity or process within his or her health centre could either negatively or positively affect them and this could greatly impact on their ability to save lives (Rodwell & Teo, 2008). As such, health workers are expected to have positive perceptions of all procedures and systems within their institution so as to induce them to enhance their performances in bid to save lives and also ensure organisational development and success (Ahmed & Bujang, 2013; Kumar, Bakshi & Rani, 2009; Masri, 2009).

### **Employee Perception and Performance Appraisal System**

The main aim of a PA system is evaluating employee fairness but because people operate in these systems, there can be no guarantee of total objectiveness Hence, employees' perception goes a long way to determine and influence the success or failure of an existing PA system. As highlighted by Karriker and Williams (2009), employees' perception is an essential component of any appraisal system, but rarely considered when an appraisal system is being developed. As Prasetya and Kato (2011) rightly concluded, perception influences and shapes how a person behaves. For any PA system to perform as it is supposed to, management can never ignore the perception of the employees whose performance is being assessed. Bekele, Shigutu & Tensay (2014) found

that, the perception of employees about their organisation's performance appraisal practice had positive and significant impact on their work performance and affective organisational commitment.

Several factors come into play to determine the perception of employees with respect to PA system and these include employees' attitudes, personality, motives, interest, past experiences and their expectations from the organisation, and these could go a long way to determine whether the appraisal system will be successful or not (Warokka, Gallato, Thamendren & Moorthy, 2012). Ahmed *et al.* (2011) highlights that employees' perception with regards to an appraisal system has a direct relationship with employees' satisfaction and performance. Previous studies on the subject have revealed that when employees perceive the PA system as fair, they readily accept it and are satisfied with it (Bekele, Shigutu & Tensay, 2014).

As highlighted by Arbaiy and Suradi (2007), if employees perceive the system to be fair, it helps to create a positive working environment in the organisation, while a negative perception is likely to have negative effects on the performance of the organisation. According to Awosanya and Ademola (2012), employees' perception of unfairness can hinder the benefits that performance appraisal systems are made to produce and in the long run diminish rather than enhance employee's positive attitudes and performance. Thus, if employees perceive an appraisal system and procedures to be unfair, it can have adverse consequences on their organisational commitment, job satisfaction, trust in management, performance as well as their work-related stress, organisation citizenship behaviour, theft, and inclination to litigate against their employer (Bekele, Shigutu & Tensay 2014; Kandula, 2011).

Fakharyan, Jalilvand, Dini and Dehafarin (2012) conducted a study on the moderating role of motivation in the relationship between performance appraisal satisfaction and employees' outcomes in work place of Tehran, Iran. The study found that, there is a significant positive relationship between performance appraisal satisfaction and work performance of employees on the significance level of  $p \leq 0.05$  ( $r=0.15$ ,  $\text{sig}=0.001$ ) and performance appraisal satisfaction and turn over intention was significant on the level of  $p \leq 0.05$  ( $r=-0.77$ ,  $\text{sig}=0.001$ ). However, the regression analysis result shows that performance appraisal satisfaction has a direct but little ( $\text{beta} = 0.08$ ) impact on work performance.

In relation to the study, perception of health workers is undeniably a fundamental element in any health institution. Employees have been classified as the lifeblood of every organisation thus, the success or failure of any health institution, to a greater extent, lies on its health workers (Berman & Bitran, 2011). Hence, management will be putting their health institution in danger if they do not pay head to what the employees think basically about their appraisal system. In view of this, they need to ensure that, their existing PA systems are effective in order to induce health workers to have positive perceptions towards it because studies have found a positive relationship between them (Awosanya & Ademola, 2012; Fakharyan *et al.*, 2012).

## **Empirical Review**

This section discusses the reviews of extensive literatures related to the study's purpose and objectives.

### **Employee Perception about the Nature of the PA System**

How an appraisal system or program should be structured is an area that has been studied by various authors (Abu-Musa, 2008; Awosanya & Ademola, 2012; Sanjeev & Singh, 2014). The topic has also lent itself to similar and sometimes conflicting arguments. The ability to coin an appropriate framework to assess the performance of employees has always been a headache for managers. Awosanya and Ademola (2012) argued that, a PA system will be more effective when there is a higher degree of transparency thus conducted in a flexible and participatory manner and the motive of the system is clearly explained to the employees or appraisees. Abu-Musa (2008) therefore argued that, an appraisal system should be transparent in nature, have everyone on board and also employees' need to be involved in the development process.

As buttressed by Sanjeev and Singh (2014), insufficient consultation and dialogue, no room for suggestions and recommendations in the PA system and inadequate or lack of employee education may lead to an appraisal system producing unwanted results. In a meta-analysis by Le *et al.* (2011) using 27 respondents for the studies, they found that employees or appraisees readily accept the results and demonstrate satisfaction with performance appraisal if they are included and effectively participate in the performance appraisal process than when their views and concerns are ignored during the process. They also stressed that, the nature of the PA system should be such that it is

conducted formally, educate employees on how to answer appraisal questions and information provided by the system should be in line with employees' expectations.

Kondrasuk (2011) sees an ideal appraisal performance appraisal system from three perspectives; the supervisor, the employee and the society. He continued that, supervisors will appreciate and embrace an appraisal system if it is helpful in improving the employee's job performance and also relevant in making administrative decisions concerning the employee. The employee also sees an effective appraisal system one would captures all the relevant contributions the employee has made to the organisation in terms of his or her work. From the perspective of the society, a good appraisal system is one that evaluates an employee's performance without any bias and is used justly in the employment situation to make the organization more useful to society.

The nature of performance appraisal is mostly organisation-specific. Thus, every organisation develops an appraisal system that will be well suited to its operations and the goals, objectives and targets that they have set for their employees. General Mills, one of the largest cereal manufacturers in the world use the traditional and widely used performance appraisal method (Shultz & Adam, 2007). They found that, nature of the company's PA system starts by setting job objectives in June, set individual development plans in August/September, gather feedback all year round, undertake a mid-year PA in the fall, and hold the annual performance review interviews in June/July.

Similarly, Umpqua Bank, a highly ranked bank also undertakes an online performance appraisal procedure in which it normally evaluates nine core

competencies of its employees (Rupp, 2010). The nature of the bank's appraisal system is to begin with employees conducting their own self evaluations and afterwards the supervisor conducts an analysis on the self-evaluations done by employees and writes the final appraisal before a personal interview with each employee about the manager's evaluation of that employee.

The ideal appraisal system according to Kondrasuk (2011) should have the following elements which are synonymous with already existing appraisal systems and they are; establishing expectations for employee performance, allowing the employee the resources to perform the job, appraising that employee's job performance, reviewing the appraisal process, and continuing the cycle of steps. Additionally, Rupp (2010) suggested another six (6) aspects that must be incorporated in an ideal appraisal system which are: performing the recommended changes recently recommended, clarifying the goals and role of performance appraisal, focusing on both results and behaviours, adding an appraisal category, properly timing the PA process, and involving more constituencies in the process.

Additionally, Ishaq, Iqbal and Zaheer (2009) conducted a study on the effectiveness of performance appraisal: its outcomes and detriments in Pakistani organisations. They conducted a quantitative study and found that, perceptions of employees about the nature of an existing performance appraisal systems in respective Pakistani organisations influence their performance. They concluded that, negative perceptions of employees toward their organisations' PA systems are primarily because they are poorly developed, are unfair and inflexible to employees and this eventually affect their job performance.

It can be deduced from the above reviews that, employees in most organisations are influenced by their perceptions in relation to the nature of their organisation's PA system. They tend to perform poorly if they have negative perceptions towards their organisation's PA system and vice versa. It is therefore wealthy to identify employees' perceptions in relation to the nature of the PA system in St. Theresa's hospital, Nandom in order to inform policy for development.

### **Employee Perception about the Purpose of the PA System**

Within and across organisations, employees hold diverse views with respect to the reason and the need for performance appraisal systems (Ishaq *et al.*, 2009). Employees' perception with regards to the purpose of an appraisal may lead to employees' reception or employee alienation to an appraisal system (Awang *et al.*, 2009). A number of authors have sought to identify the purpose(s) of a performance appraisal system (Ahmed *et al.*, 2011; Nzuve & Ng'ang, 2012; Awang *et al.*, 2009). Though the various authors argue from diverse perspectives, they all seem to agree on some specific purposes.

As Ahmed *et al.* (2011) noted, the purpose of performance appraisal can be looked from two different angles; thus, it helps in improving the work performance of employees in that it aids them realise and utilise their full potential in the completion of work assignments to achieve the firm's mission and it also provides employees and managers with relevant information in decision making. Elaborating further, they argue that the purpose of an appraisal system should, first of all, help employees to make decisions with regards to their work in order to perform better and also aids in identifying and weeding

out low or poor performers and also assist in training, transfer or discipline of workers and serve as a basis for merit increases. Thus, the performance appraisal system provides relevant information for designing a formal organisational reward and punishment system.

Moreover, appraisals systems provide adequate feedback to employees with regards to their performance which influences personal and career development (Lira, 2014). Appraisals also assist in designing suitable training programmes to cater for the training needs of employees. Also, as a result of the specification of performance levels, appraisals can aid in revealing and providing solutions to organisational problems, it serves as a tool for promotion, transfer, retention exercise and it serves as a basis for distributing rewards (Omboi, 2011). Thus, appraisals help management to identify training needs, knowledge, abilities, skills and other characteristics that is needed to ensure satisfactory performance of employees (Nzuve & Ng'ang, 2012). They stressed that, PA systems also provide a basis for distinguishing between effective and ineffective performers, tool for setting and measuring goals, provide feedback and used to encourage performance improvements.

Kondrasuk, Crowell, Dillon, Kilzer, and Teeley (2008) also highlighted that, there are two main purposes of performance appraisal which are developmental and administrative. With the developmental purpose, they emphasised that, the main aim of an appraisal is to discover what the employee does well and where the employee falls short so as to help the employee to improve her job performance. Thus, the appraiser in this context normally functions as a counsellor. The administrative purpose of an appraisal is that it aids in making decisions with regards the salary levels and possibilities of

increase in salaries, training needs of employees to help boost employees' performance and other uses such as test validation criteria. Here, the supervisor performs the role of a judge. As indicated by Kondrasuk *et al.* (2008), the supervisor is supposed to accomplish both purposes.

Grubb (2007) indicated that, effective performance of both tasks by supervisors have proven to be very difficult. Also, an employee in the appraisal process will readily open up about his or her shortcomings to a counsellor in order to seek needed help to improve job performance rather than a judge who is likely to reduce his or her salary or prevent him from accessing promotional opportunities or in some cases cause him or her to be fired. Grubb (2007), therefore, suggested that PA systems could be used to encourage performance management, it can be used as a tool for determining current performance and it can also be used to assess punctuality at work.

The review show that, the major purposes why organisations undertake performance appraisals are to identify differences in work performance of employees, structure an effective reward system, identify areas of employee performance that may require training needs and also for promotion purposes (Grubb, 2007; Kondrasuk *et al.*, 2008). These are actually the major factors driving organisations to undertake performance appraisal. It can however be summarised that, the purposes of PA systems are to build up the employees for them to contribute to the development of their organisation as such, they need to have positive perceptions in relation to the purpose of the system. It is therefore important for management of St. Theresa's hospital to identify its employees' perceptions towards existing PA system in order to inform policy.

## **Employee Satisfaction with the PA System**

Satisfaction with performance appraisal program and results is a topic that has been open to various and sometimes conflicting findings. However, employee satisfaction or dissatisfaction with appraisal is mostly related to numerous reasons from the perspective of the employee. Mullins (2005) argued that, employees may be more accommodating and supportive of a PA system if per their imagination, the system provides them with adequate feedback to help them improve their performance, it is used to evaluate and rate performances and it truly reflects how well employees are performing within a given time frame.

Likewise, employees are likely to embrace an appraisal program if it is likely to provide them with rewards, truly reflect their performances within a given period and also help them to develop their personal potentials (Jabeen, 2011). In an organisation-wide study conducted by Jansirani, Hatrikrishnan and Saisathya (2013) at Wipro Infrastructure Engineering Pvt Ltd, Chennai. they found that most of the employees were of the view that the PA system used by the organisation is comfortable and satisfactory. The employees believed that the appraisal system helped them to enrich their knowledge concerning the work since it enhances their capacities to improve, provides them timely feedback, the results are accurate and hence, they held positive view about the organisation's performance appraisal system.

Bekele, Shigutu and Tensay (2014) conducted a study to assess the perception of performance appraisal practice of ANRS office of the auditor general and its effect on employees' work outcomes, in the form of work performance, affective commitment and turn over intention as well. The study

revealed that, because employees were satisfied with the organisation's PA system, it had a positive impact on their work performance and organisational commitment. They continued that, employees who showed satisfaction with respect to the organisation's appraisal practice showed low intentions of turnover. These satisfactions stemmed from the fact that, majority of the employees perceived that the organisation's existing PA systems are taken seriously by their managers, management provides them with feedback after appraising them and they also perceive that the PA system is periodically reviewed and changed as and when necessary.

In an Indian study conducted by Sanjeev and Singh (2014), they found that most of the employees revealed satisfaction with the organisation's performance appraisal system as they believe that there are numerous benefits associated with the performance appraisal system especially the fact that it enhances their chances of promotion, it truly reflects how well they are performing within a given period, it enhances employees capacity to improve and it is also a fair and unbiased tool used for assessing all employees equitably.

Moreover, in a Romanian study using a sample of 458 civil servants from five cities in the country, Suciu *et al.* (2013) found that, majority of the employees expressed satisfaction with performance appraisal and they felt that performance appraisal is very important in their work. About (64%) of the respondents believed that performance appraisal is very relevant in their work. They further highlighted that, the employees' belief about the importance and satisfaction of performance appraisal comes from the fact that it helps them to know their superiors' opinion about their work, ways in which they can improve

on their job performance, it is fair and unbiased and it also allows employees to obtain a more real image about their professional performance.

However, other scholars have found that majority of employees in some organisations are dissatisfied with their current PA systems because of the negative perceptions they have (Ahmed, Hussan, Ahmed & Akbar, 2010; Monis & Sreedhara, 2010). For instance, Ahmed *et al.* (2011) conducted a study on performance appraisal impact on attitudinal outcomes and organisational performance using a descriptive research design. They found that, majority of employees were dissatisfied with existing PA systems in respective organisations because they perceive that it does not truly reflect how well they perform within a given period, supervisors do not take the system more seriously and feedbacks are usually not given after the appraisal. They therefore concluded that, attitudes of most employees were bad because they had negative perceptions in relation to their satisfactions about existing PA systems and negatively impact on organisational performance.

Similarly, a study carried out by Monis and Sreedhara (2010) on correlates of employee satisfaction with performance appraisal system in foreign MNC BPOS operating in India. They conducted a quantitative study using a descriptive design and found that, majority of employees were dissatisfied with existing PA system because it has been used for a long time without any modifications, it also does not reflect their performances over a period of time. They therefore recommended that, management should consider reviewing their current PA system so as to create positive perception about it in order to enhance employee satisfaction and eventually performance.

The review reveals that, employees are mostly satisfied with performance appraisal if they perceive that appraisal helps or is likely to help them to attract a number of positive rewards related to their work and career. Most of the employees who expressed satisfaction with their organisation's PA system cite greater knowledge with respect to job performance, possibilities for career advancement, ability to learn and promotion as the main reasons behind their satisfaction (Bekele, Shigutu & Tensay, 2014; Jabeen, 2011).

### **Chapter Summary**

The chapter presented reviews of literatures related to the study. It was also underpinned by the expectancy theory due to its relatedness to the study's objectives. Empirical reviews conducted revealed that, employees in most organisations hold diverse perceptions in relation to the nature, purpose and satisfaction with existing performance appraisal system and this could influence their job performance. As such, management of St. Theresa's Hospital need to be mindful of perceptions employees have about its current PA system so as to make relevant reviews regarding the appraisal system.

## CHAPTER THREE

### RESEARCH METHODS

#### Introduction

The purpose of the study was to examine health workers' perception about the performance appraisal system in St. Theresa's Hospital, Nandom in the Upper West region of Ghana. Specifically, this chapter described the methods employed to collect, manage and analyse the data in the research process. The chapter generally discussed the research design, study area, study population, sampling procedure, data collection instrument, data collection procedure, ethical considerations and data processing and analysis of the study.

#### Study Organisation

The study was conducted at the St. Theresa's hospital, Nandom within the Upper West Region of Ghana. The hospital was started by the Fr. Julien Chantereau as a medical care for the people of North-western part of Ghana in 1929. In 1961, the Convention People's Party (CPP) Government felt the need for a health centre to be established in Nandom and as such provided funds to upgrade the then 'medical care centre' into an ultra-modern hospital. The hospital was then completed in 1965 and its official opening took place in April, 1966. The hospital commenced with a bed capacity of 55 and 40 cots, admitting 60-70 inpatient and 80-90 deliveries a month. The hospital currently caters for about 60,000 people including citizens of neighbouring Burkina Faso. Expansion projects have also led to an increase in the bed capacity to 168.

Additionally, the hospital to date has strengthened its infrastructure and other services to comprise outreaches for integrated service, orthopedic services (54 bed capacity), neuro surgery, ophthalmology, daily OPD and 24hr ambulance services. From 2004 to date, the hospital has collaborated with Northampton General Hospital, UK in its quest to improve healthcare. In 2016, the hospital was adjudged the best performing hospital under the annual peer review of all hospitals and polyclinics in the Upper West Region. This performance could never have been achieved without the immense contributions of health workers.

The vision of the hospital is to be a world class hospital offering quality, holistic healthcare, teaching and referral services responsive to the needs of time. Clearly, the vision of the hospital can never be achieved without the involvement of its health workers. In the same vein, health workers require constant evaluation of their performances in a bid to constantly improve as the hospital constantly thrives to improve overall performances. It was, therefore, equally relevant to examine existing performance appraisal system (PAS) in the hospital. This is because, health workers' perception towards PAS have been found to have immense impacts on their performances (Alwadaei, 2009; Warokka, Gallato & Moorthy, 2012).

### **Research Philosophy**

The study adopted the positivism philosophy which primarily involves collection and conversion of data into numerical form to allow statistical calculations to be made and objective conclusions to be drawn (Creswell & Creswell, 2017). This philosophy assumes that all authentic knowledge is

obtained only through scientific means. It, therefore, favours the quantitative approach to the qualitative approach.

### **Research Approach**

Research approach is defined as a plan and procedure that comprise the relevant steps of broad assumptions to detailed data collection methods, analysis and interpretation (Hair, Black, Babin, Anderson & Tatham, 2010). It is generally reliant on the nature of the research problem needed to be addressed. Scholars have revealed three major forms of research approach: quantitative, qualitative and mixed approaches respectively (Haer & Becher, 2012; Hair *et al.*, 2010; Saunders, Lewis & Thornhill, 2015). With regards to the research problem and the objectives of the study, the quantitative approach was adopted. This was because, a quantitative approach allows the use of quantitative techniques (descriptive and inferential) in describing issues in the study.

The quantitative approach enables the collection and analysis of data in quantitative terms in bid to attain its purpose and also aids generalisation of outcomes (Creswell, 2014). This approach was suitable for examining perception about existing performance appraisal system (PAS) of an organisation. This is because, values can be assigned to responses and analysed using descriptive tools in order to achieve the study's purpose objectively.

### **Research Design**

According to Connaway and Powell (2010), the choice of a research design is basically dependent on the approach employed in the study. With regards to this approach, the study adopted the descriptive research design. The

choice of this design was prompted by the research problem, research objectives and the size of the target population. According to Hair *et al.* (2010), a descriptive design is a design for which the purpose is to produce an accurate representation of persons, events or situations. The design has an advantage of producing good amount of responses from a wide range of people (Creswell, 2014), and it can also be used with greater confidence with regards to particular questions of special interest or values to a study (Saunders *et al.*, 2015).

However, this design has some weaknesses such as time consuming when ensuring a representative sample and when trying to ensure a good response rate (Best & Khan, 2016). Also, there is a limit to the number of questions that any questionnaire can contain for respondents and responses obtained are based on respondents' own opinions thus could be biased (Robson & McCartan, 2016; Wildemuth, 2016). In spite of these weaknesses, the descriptive survey design was considered the most appropriate for the study.

### **Population**

Leedy and Ormrod (2010) defined a population as a target group which is of interest to a study. As such, the study's population consisted of health workers in St. Theresa's hospital, Nandom in the Upper West Region of Ghana. Specifically, the hospital has a population of 360 permanent and casual health workers. Permanent workers are regular workers at the hospital who have been directly employed and do not have a permanent end date to their employments. They are also entitled to full employee benefits at the hospital and they currently consist of 290 workers. For the purpose of the study, the casual workers are

those who have been temporarily employed and have worked for over 2 years with the hospital. They currently consist of 70 workers.

### **Sampling Procedure**

The study chose a sample to represent the population due to its large size and the difficulties associated with obtaining data from each of them. The sample size was chosen using the Krejcie and Morgan (1970) sample size determination table and it consisted of 186 health workers. This sampling table provides a scientific justification for choosing the sample size of study. Moreover, respondents from the population were randomly selected to form the sample and invariably participate in the collection exercise.

The simple random technique was chosen because it is a probabilistic technique that is used for selecting respondents in a quantitative study (Robson & McCartan, 2016). This technique gives every member an equal chance of being selected (Newman, 2014) and thus selection is not based on subjectivities. It is also considered as a fair way of choosing members and easy to use. The simple random sampling was done by using the lottery method. With the lottery method, each member of the population was assigned a number. The numbers were then shuffled and randomly drawn without replacement until the sample size was met.

### **Data Collection Instrument**

According to Newman (2014), the choice of a data collection instrument is highly dependent on the research problem, research questions and the research approach. As such, the study employed the structured questionnaire, a

primary tool, as its data collection instrument. This is because, a questionnaire is regarded as an efficient way of collecting statistically 'quantifiable data' and it could also be used to obtain responses from a large number within a short space of time (Leedy & Ormrod, 2010). It is seen as less expensive and less time consuming than with the other methods. The questionnaire was structured in relation to the objectives of the study and thus contained only close-ended items. Specifically, the questionnaire was made up of four sections with Section A soliciting for demographic characteristics of respondents.

Section B contained eight items which were geared towards obtaining data on employee perception about the nature of PAS (objective one). Section C also consisted of eight items in relation to the second objective of the study and finally, Section D had eight items in order to obtain data on employee perception of satisfaction with PAS. Items in Sections B-D were put on a 5-point likert scale with 1 representing Strongly Disagree, 2-Disagree, 3-Uncertain, 4-Agree and 5- Strongly Agree respectively. Also, each item on the questionnaire was obtained from literature review section of the study.

### **Validation and Pre-testing of Instruments**

Validity in data collection means that one's finding is true representation of the phenomenon under study (Creswell, 2014). It explains how well the data collection instrument measures what it is intended to measure. As such, validity of this study's instrument was ensured by giving the drafted questionnaire to the supervisor who had in-depth knowledge in the research field in the University. The supervisor then painstakingly read and assisted with all the necessary corrections of the questionnaire before undertaking the pre-testing exercise.

Moreover, the pre-test exercise was carried out in the Tumu Municipal Hospital in the Sissala East of the Upper West Region of Ghana.

### **Pre-test result**

The study obtained data from 20 permanent health workers in bid to test the reliability of question items in the research instrument. Cronbach Alpha ( $\alpha$ ), on a scale of 0 to 1, was used to test the reliability of instrument. A variable is considered reliable if it attains an  $\alpha$  of 0.7 and above. Thus, the closer the value to 1, the better its reliability. After conducting the reliability test based on the 26 question items, an  $\alpha$  of 0.903 was obtained. This implies that, all the indicators used to measure the study's objectives: perceived nature and purpose of Performance Appraisal System (PAS) and perceived satisfaction with PAS were reliable. Specifically, in terms of perceived nature of PAS (9 items), an  $\alpha$  of 0.906 was obtained. In terms of perceived purpose of PAS (8 items), an  $\alpha$  of 0.916 was obtained and finally, in terms of perceived satisfaction with PAS (8 items), an  $\alpha$  of 0.907 was obtained indicating reliability.

### **Data Collection Procedures**

Prior to the data collection exercise, permission was sought from the appropriate authority of the hospital through a permission letter endorsed by the Head of Department of Human Resource Management, University of Cape Coast. After permission was granted to carry out the collection exercise, care was taken not to disturb the activities of the respondents. This was achieved by administering the questionnaires at appropriate time such as lunch time which

normally takes place between 12:30noon and 1:30pm were used. Also, respondents who had inflexible schedules were allowed to indicate their own free times in order not to interfere in their activities. As such, time after work between 5:00 pm and 6:30 pm were sometimes used as well. The exercise took eight working days (13<sup>th</sup> – 24<sup>th</sup> August, 2018) to complete due to the respondents' nature of work and also to enable them provide relevant responses.

Major problems encountered in collecting data included some respondents' reluctance to provide relevant information for fear of being punished for relieving personal information. Also, availability of persons to answer questions after close of work was also a problem because tiredness made staff to feel like going home to rest than to waste any time to provide information. However, necessary arrangements such as persuasions and allowing some respondents to fill their questionnaires at home (convenience) were put in place to have a good job done.

### **Ethical Considerations**

Ethical considerations are noted as the various ethical standards every researcher is expected to ensure (Patten & Newhart, 2017). A study by Patten and Newhart (2017) revealed the major ethical issues that need to be considered in every research. These major ethical issues consist of voluntary participation, right to privacy, anonymity and confidentiality of information. As such, all efforts were geared towards ensuring that all these ethical issues were attended to. For instance, with voluntary participation, every respondent was allowed to participate in the data collection exercise on his/her own free will. Also, the possible issues of right to privacy was realised by allowing respondents to

answer the questionnaires on their own and unclear questions were appropriately attended to through their own convenient medium.

Further, the issue of anonymity was ensured by restricting respondents from providing detailed information about themselves on the questionnaire in relation to names, contact numbers and personal addresses. Respondents were also assured that none of their identities would be leaked to the public domain nor used for purposes other than this study. Finally, the study ensured confidentiality of information by assuring respondents that all information provided would be kept confidential. They were also assured that, none of the information provided would be used against them nor found in the public domain. In summary, the study ensured that all major ethical issues/considerations were appropriately attended to.

### **Data Processing and Analysis**

After the collection exercise, data obtained underwent rigorous scrutiny to ensure that any possible error arising from incomplete and wrongly filled questionnaires were eliminated or minimised. The error-free data were then carefully coded and edited to avoid missing values (if any). The data were then entered and processed using IBM SPSS Statistics version 22 software and the results attained were then displayed in tables. The processed data were analysed using descriptive statistical tools including frequencies, percentages. The choice of this statistical tool was based on the research objectives of the study.

## **Chapter Summary**

The chapter dealt with the research methods employed to achieve the purpose of the study. Key elements discussed were study area, research design, population, sampling procedure, data collection instrument, data collection procedure, ethical considerations and data processing and analysis. The quantitative approach and descriptive research design were adopted in the study. Also, descriptive statistical tools such as percentages, frequencies, means and standard deviations were used to analyse the data from structured questionnaires in bid to answer the research questions of the study.

## CHAPTER FOUR

### RESULTS AND DISCUSSION

#### **Introduction**

This chapter discusses the results and presents the findings of the study. These results are guided by data collected through questionnaires. This chapter specifically entails sections in relation to: socio-demographic characteristics of respondents, perception about the nature of performance appraisal system, purpose and satisfaction with performance appraisal system of health workers in St. Theresa's Hospital, Nandom, Upper West Region of Ghana.

#### **Socio-demographic Characteristics of Respondents**

This section presents the specific personal characteristics of the respondents. These background data include sex, level of education, employment status and number of years in the service. The results were presented in Table 1.

From the table, in relation to sex, majority (115) of the respondents representing 61.8 percent were males while 38.2 percent were females. The result revealed that, there is high gender inequality in the hospital. This implies that, more females need to be employed or transferred to the hospital to promote the goal of gender equality. In terms of level of education, majority of the respondents, (40.9%) were diploma certificate holders. This was followed by

certificate holders who were 37.1 percent. Also, 19.9 percent of the respondents were degree holders while 2.2 percent of them were Master's degree holders. This means that, all of the respondents were academically inclined and thus can provide relevant information.

**Table 1: Socio-demographic Characteristics of Respondents (N=186)**

|                             | Frequency | Percent |
|-----------------------------|-----------|---------|
| <b>Sex</b>                  |           |         |
| Male                        | 115       | 61.8    |
| Female                      | 71        | 38.2    |
| Total                       | 186       | 100.0   |
| <b>Level of Education</b>   |           |         |
| Certificate                 | 69        | 37.1    |
| Diploma                     | 76        | 40.9    |
| Degree                      | 37        | 19.9    |
| Master's degree             | 4         | 2.2     |
| Total                       | 186       | 100.0   |
| <b>Employment Status</b>    |           |         |
| Professional Nurses         | 108       | 58.1    |
| Ward Assistants             | 7         | 3.8     |
| Doctors/Physician Assistant | 6         | 3.2     |
| Pharmacy Staff              | 5         | 2.7     |
| Laboratory Assistants       | 5         | 2.7     |
| Administrative Staff        | 55        | 29.6    |
| Total                       | 186       | 100.0   |
| <b>Years in Service</b>     |           |         |
| Below 5 years               | 103       | 55.4    |
| 5– 10 years                 | 43        | 23.1    |
| 11 – 15 years               | 25        | 13.4    |
| 16 – 20 years               | 8         | 4.3     |
| Over 20 years               | 7         | 3.8     |
| Total                       | 186       | 100.0   |

Source: Field Survey, Naamwinzie (2019)

Moreover, in terms of employment status, majority (108) of the respondents representing 58.1 percent were nurses and midwives. This was followed by 29.6 percent of the respondents being administrative staff at the hospital. The administrative staff comprised secretaries, record keepers, account officers, human resource managers, revenue collectors, customer care assistants. This was followed by 3.8 percent of the respondents who were ward assistants, while 3.2 percent were doctors and physician assistants, 2.7 percent were Pharmacy staff and finally, 2.7 percent were laboratory staff. This implies that, majority of the respondents were professional nurses due to the large number of patients who may require urgent assistance (first aids).

Finally, in terms of number of years in the service, it was revealed that, majority (103) of the respondents representing 55.4 percent had worked for less than 5 years, 23.1 percent have worked for between 5-10 years, 13.4 percent have worked for between 11-15 years, 4.3 percent have worked between for 16-20 years while 3.8 percent have worked for over 20 years. This implies that, the level of experience of the health workers is low which could affect their ability to handle some peculiar health-related issues.

### **Perception about the nature of Performance Appraisal System (PAS)**

This section presented the study's discussion in relation to the first research objective on health workers' perception about the nature of the performance appraisal system at St. Theresa's Hospital, Nandom in the Upper West Region of Ghana. The results were presented in Table 2 and discussed thereafter.

From Table 2, the study revealed that, 12.9 percent strongly agreed that the performance appraisal system (PAS) was conducted in a participatory manner. This was followed by 54.3 percent who agreed to this statement while 20.4 percent remained neutral. Also, 6.5 percent disagreed and finally, 5.9 percent strongly disagreed. This result meant that, majority of the employees agree that the PA system at the hospital was carried out in a participatory manner. This study was in line with studies by Awosanya and Ademola (2012) and Robins and Judge (2007). Robins and Judge (2007) for instance, concluded that, involving employees in the PA process helps in improving the nature of the PA system.

**Table 2: Nature of Performance Appraisal System**

|                                               | SA        | A          | Un        | D         | SD       |
|-----------------------------------------------|-----------|------------|-----------|-----------|----------|
|                                               | F (%)     | F (%)      | F (%)     | F (%)     | F (%)    |
| Participatory manner                          | 24 (12.9) | 101 (54.3) | 38 (20.4) | 12 (6.5)  | 11 (5.9) |
| Covers how objectives<br>are individually met | 35 (18.8) | 89 (47.9)  | 43 (23.1) | 13 (7.0)  | 6 (3.2)  |
| Fair to all workers                           | 34 (18.3) | 84 (45.2)  | 48 (25.8) | 12 (6.5)  | 8 (4.2)  |
| Meet expectations                             | 29 (15.1) | 93 (50.0)  | 44 (23.7) | 12 (6.5)  | 9 (4.7)  |
| Accepts suggestions<br>and recommendations    | 33 (17.7) | 89 (47.8)  | 40 (21.5) | 12 (6.5)  | 12 (6.5) |
| Employee<br>involvement                       | 24 (12.9) | 72 (38.7)  | 53 (28.5) | 21 (11.3) | 16 (8.6) |
| Employee education                            | 26 (14.0) | 63 (33.9)  | 48 (25.8) | 33 (17.7) | 16 (8.6) |
| Conducted formally                            | 37 (19.9) | 88 (47.3)  | 38 (20.4) | 15 (8.1)  | 8 (4.3)  |
| Flexible                                      | 39 (21.0) | 78 (41.9)  | 40 (21.5) | 16 (8.6)  | 13 (7.0) |

Strongly Agree= SA, Agree = A, Uncertain = Un, Disagree = D and Strongly Disagree = SD

Source: Field Survey, Naamwinzie (2019)

Moreover, the table revealed that, 18.8 percent strongly agreed that the performance appraisal system (PAS) covered how the hospital's objectives were individually met. This was followed 47.9 percent who agreed to this statement, 23.1 percent remained neutral, 7.0 percent disagreed 3.2 percent strongly disagreed. This means that, majority of the respondents agreed that the current PA system covers how the hospital's objectives are individually met. This implies that, the nature of the appraisal system would be perceived as poor had it not covered how the hospital's objectives were met. According to Sanjeev and Singh (2014), the nature of an appraisal system should be such that, it exposes employees to how organisational objectives were individually met within a given period of time. This in turn helps the employees to appraise their performance in line with the hospital's objectives.

In relation to fairness of the PAS to the health workers, 45.2 percent agreed that the PAS was fair to all, 18.3 percent strongly agreed, 25.8 percent remained neutral, 6.5 percent disagreed and finally, 4.3 percent strongly disagreed. This means that, majority (71%) of the respondents agree that the PA system is fair to all the health workers. This implies that, majority of the health workers are likely to accept the results and feedback they receive from appraisal system. This also implies that; management need to constantly ensure that the PA system is devoid of biasness and unfairness.

Also, employees would therefore attach more importance to the system if it is fair and unbiased in nature. This finding was in line with a study by Ishaq, Iqbal and Zaheer (2009) who found that, majority of employees' have negative perceptions about an appraisal system when it is unfair to them. They concluded

that, such employees usually exhibit gross dissatisfaction which the system which could negative impact on their performances.

Furthermore, in relation to whether the PAS meets health workers' expectations, 50.0 percent agreed that the PAS meets health workers' expectations, 15.1 percent strongly agreed, 23.7 percent remained neutral, 6.5 percent disagreed and finally, 4.8 percent strongly disagreed. With about 65.1% of the respondents generally agreeing that the PAS meet their expectations implies that about 34.9% disagree that the PAS meets their expectations which should be a cause for concern to management. This is because, having about 34.9% arguing that the PAS does not meet their expectations could induce them to disregard the significance of its feedback system which could invariably affect their performances. According to Kondrasuk (2011), an appraisal system should meet the expectations of employees. These employees would therefore accept the outcomes from the appraisal system if it matches their expectations.

Also, the respondents were asked if the PAS gave room for suggestions and recommendations. Majority (89) of the respondents representing 47.8 percent agreed, 21.5 percent remained neutral, 17.7 percent strongly agreed while 6.5 percent and 6.5 percent disagreed and strongly disagreed respectively. This means that, majority (65.5%) of the respondents agreed that the PAS gave room for suggestions and recommendations. The implication is that, about 34.5% of the health workers may not have access to the suggestions and recommendations of the PAS and this could make them perceive it as ineffective. This is because, a good PAS should provide suggestions and recommendations on performance to all employees. This finding contradicts a

study by Kondrasuk (2011) who found that, an ideal appraisal system is one that provides suggestions to help improve employee's job performance.

In terms of employees' involvement in developing the Performance Appraisal System (PAS), majority (72) of the respondents representing 38.7 percent agreed to this statement, 12.9 percent strongly agreed, 28.5 percent remained neutral, 11.3 percent disagreed while 8.6 percent strongly disagreed. This means that, majority (67.2%) of the respondents agreed that they were involved in developing the PAS. With about 21.5% disagreeing to this assertion implies that, involving employees during the design stage of an appraisal system makes it valuable. This finding was in line with a study by Robins and Judge (2007) who concluded that, employees or appraisees readily accept the results and demonstrate satisfaction with performance appraisal if they are included and effectively participate in the performance appraisal process. Also, Awosanya and Ademola (2012) revealed that, employees hold positive perceptions about PAS if employees participate in the development process.

In terms of whether employees are educated on how to respond to questions on PAS, majority (63) of the respondents representing 33.9 percent agreed to this statement, 14 percent strongly agreed, 33.9 percent remained neutral, 17.7 percent disagreed while 8.6 percent strongly disagreed. This means that, majority of the health workers agree that management provide various educational platforms to educate them on the PAS. This implies that, some employees may be new to the appraisal system and may require education in bid to appreciate its content. The finding was in line with a study by Robins and Judge (2007) who concluded that, the nature of the PA system should be such that employees are educated on how to answer appraisal questions.

On the question of whether health workers perceived the appraisal system as formal or not, majority (88) of the respondents representing 47.3 percent agreed to this statement, 19.9 percent strongly agreed, 20.4 percent remained neutral, 8.1 percent disagreed while 4.3 percent strongly disagreed. This means that, majority of the health workers perceive the appraisal system as formal. This implies that, management should continuously ensure that the PAS is carried out in a formal way in a bid to maintain its value. This finding was in line with a study by Robins and Judge (2007) who stated that, the nature of the PA system should be such that it is conducted formally.

Finally, Table 2 presented the result on whether the PAS was flexible to all health workers. Majority (78) of the respondents representing 41.9 percent agreed that the system was flexible. This was followed 21.5 percent who remained neutral, 21 percent of them strongly agreed, 8.6 percent disagreed and finally, 7 percent strongly disagreed. This implies that, the flexibility of an appraisal system is very important as it should be able to easily measure performances in the face of changing trends. In Ishaq, Iqbal and Zaheer's (2009) study, they found that, negative perceptions of employees toward their organisations' PA systems are primarily because they are inflexible to them. Also, Awosanya and Ademola (2012) revealed that, employees hold positive perceptions about PAS when it is flexible to them.

From the above discussions, it could be deduced that majority of the health workers hold positive perceptions about the nature of the performance appraisal system at St. Theresa's hospital. This is because, majority of the respondents agreed that the current PAS is conducted in a participatory manner, it covers how the hospital's objectives were individually met, it is fair, it meets

expectations, it gives room for suggestions and recommendations and employees are involved in developing the system.

**Purpose of the Performance Appraisal System**

This section presented the study’s discussion in relation to the second research objective on health workers’ perception about the purpose of the Performance Appraisal System at St. Theresa’s Hospital, Nandom in the Upper West Region of Ghana. The results were presented in Table 3 and discussed thereafter.

From Table 3, the study revealed that, 22 percent of the respondents strongly agreed that the current performance appraisal system (PAS) served as a tool for determining their current performances. This was followed by 50 percent who agreed to this statement, 16.7 percent remained neutral, 7.5 percent of them disagreed and finally 3.8 percent of them strongly disagreed to the statement. This implies that, performance appraisal systems serve as important tools for determining current performances of workers. This finding was in line with a study by Kondrasuk *et al.* (2008) who found that, performance appraisal determines employees’ performances by discovering what they do well and where they fall short.

**Table 3: Purpose of Performance Appraisal System**

|                                         |  | SA        | A         | Un        | D        | SD      |
|-----------------------------------------|--|-----------|-----------|-----------|----------|---------|
|                                         |  | F (%)     | F (%)     | F (%)     | F (%)    | F (%)   |
| Determines current performance          |  | 41 (22.0) | 93 (50.0) | 31 (16.7) | 14 (7.5) | 7 (3.8) |
| Identify training and development needs |  | 52 (28.0) | 78 (41.9) | 34 (18.3) | 15 (8.1) | 7 (3.8) |

|                                            |           |           |           |           |          |
|--------------------------------------------|-----------|-----------|-----------|-----------|----------|
| Encourage performance improvement          | 44 (23.7) | 83 (44.6) | 37 (19.9) | 14 (7.5)  | 8 (4.3)  |
| As tool for promotion, retention exercises | 55 (29.6) | 68 (36.6) | 44 (23.7) | 12 (6.5)  | 7 (3.8)  |
| Distribution of rewards and salaries       | 33 (17.7) | 89 (47.8) | 40 (21.5) | 12 (6.5)  | 12 (6.5) |
| Assessing punctuality                      | 33 (17.7) | 69 (37.1) | 47 (25.3) | 24 (12.9) | 13 (7.0) |
| Performance Feedback                       | 31 (16.7) | 72 (38.7) | 52 (28.0) | 20 (10.8) | 11 (5.9) |
| Set and measure goals                      | 43 (23.1) | 73 (39.2) | 49 (26.3) | 13 (7.0)  | 8 (4.3)  |

Strongly Agree= SA, Agree = A, Uncertain = Un, Disagree = D and Strongly Disagree = SD

Source: Field survey, Naamwinzie (2019)

Also, the table revealed that, 28 percent of the respondents strongly agreed that the performance appraisal system (PAS) was used to identify their training and development needs. This was followed by 41.9 percent who agreed to this statement, 18.3 percent remained neutral, 8.1 percent disagreed while 3.8 percent of them strongly disagreed. This implies that, PAS is key to identifying the training and development needs employees. This study was in line with a study by Ali (2008) who found that, appraisals assist in designing suitable training programmes to cater for the training needs of employees. Also, Ahmed *et al.* (2011) found that, appraisal systems assist in training, transfer or discipline of workers and serve as a basis for merit increases.

Furthermore, respondents were asked whether the current PAS was used to encourage performance improvement, majority (83) of them representing 44.6 percent agreed to this statement, 23.7 percent of them strongly agreed, 19.9 percent remained neutral, 7.5 percent disagreed and finally, 4.3 percent strongly

disagreed. This implies that, one of the major strengths of any appraisal system is its ability to encourage performance improvement of employees. This finding was in line with a study by Ahmed *et al.* (2011) who found that, the purpose of an appraisal system is to encourage performance improvement of employees Nzuve and Ng'ang (2012) also concluded that, appraisal systems are deemed irrelevant if they are unable to achieve one of their main objectives, i.e. encourage performance improvement of employees.

In relation to whether the PAS serves as an assessment tool for promotion, transfer and retention exercises, majority (68) of the respondents representing 36.6 percent agreed, 29.6 percent strongly agreed, 23.7 percent remained neutral, 6.5 percent disagreed and finally, 3.8 percent strongly disagreed. This implies that, performance appraisals are key to conducting promotion, transfers and retention exercises in any organisation. This finding was in line with a study by Ali (2008) and Ombui (2011) who found that, an appraisal system serves as a tool for promotion, transfer, retention exercise. thus, it is key to evaluating performances of employees in order to reward or punish them.

Also, the respondents were asked whether the PAS served as means of distributing rewards and increasing salaries, majority (56) of them representing 30.1 percent remained neutral while 27.4 percent agreed to this statement. This was followed 18.3 percent who strongly agreed, 15.1 percent disagreed and finally, 9.1 percent strongly disagreed. This means that, majority of the respondents were not sure in terms of whether the PAS serves the purpose of distributing rewards and increasing salaries. This result contradicted a finding by Kondrasuk *et al.* (2008) who found that, the administrative purpose of an

appraisal is that it aids in making decisions with regards the salary levels and possibilities of increase in salaries.

In terms of respondents' perception on the statement, "PAS is used for assessing punctuality of health workers", majority (69) of the respondents representing 37.1 percent agreed to this statement, 17.7 percent strongly agreed, 25.3 percent remained neutral, 12.9 percent disagreed while 7 percent strongly disagreed. This implies that, in determining punctuality of employees, the appraisal system is key to achieving it. This finding was in line with a study by Nzuve and Ng'ang (2012) who found that, appraisals help management to identify punctuality and other characteristics that is needed to ensure satisfactory performance of employees.

Also, majority (72) of the respondents representing 38.7 percent agreed to the statement, "PAS serves as tool for providing feedback to the health workers on how they fared in meeting targets". This was followed 28 percent who remained neutral, 16.7 percent strongly agreed, 10.8 percent disagreed while 5.9 percent of them strongly disagreed. This result implies that, the feedback provided to employees after appraising their performances is a key component of the appraisal system. This finding was in line with a study by Khalid, Jusoff, Ali, Ismail, Kassim and Rahman (2009) who concluded that, appraisal systems should be geared towards providing feedback to appraisees in bid to help them identify their strengths and weaknesses after appraising them.

Finally, Table 3 revealed that, majority (73) of the respondents representing 39.2 percent agreed to the statement, "PAS is used to set and measure goals in the hospital". This was followed by 26.3 percent who remained neutral, 23.1 percent strongly agreed, 7.0 percent disagreed while 4.3 percent

strongly disagreed. This implies that, one of the purposes of an appraisal system is that it should set and measure goals. This finding was in line with a study by Ombui (2011) who concluded that, appraisal systems are key to setting and measuring goals in any organisation.

From the above discussions, it could be deduced that majority of the health workers hold positive perceptions about the purpose of the performance appraisal system at St. Theresa's hospital. This is because, majority of the respondents agreed to most of the statements in relation this objective. Specifically, majority of the health workers agreed that the PAS is used to determine current performances, identify training and development needs, encourage performance improvement, as an assessment tool for promotions, transfer, retention exercise and it sets and measures goals.

### **Employee Satisfaction with the Performance Appraisal System (PAS)**

This section presents the study's discussion in relation to the third research objective on health workers' satisfaction with the Performance Appraisal System at St. Theresa's Hospital, Nandom in the Upper West Region of Ghana. The results are displayed in Table 4 and discussed thereafter.

From Table 4, respondents were asked whether they were satisfied with the PAS because it was used to evaluate and rate performances. The study revealed that, majority (89) of the respondents representing 47.8 percent agreed to this statement, 21 percent remained neutral, 17.2 percent strongly agreed, 10.2 percent disagreed and finally, 3.8 percent strongly disagreed. This implies that, for employees to feel satisfied with an appraisal system, it should be geared towards evaluating and rating their performances. This finding was in line with

a study by Jabeen (2011) who concluded that, truly reflect their performances within a given period.

**Table 4: Employee Satisfaction with Performance Appraisal System**

|                                       | SA        | A         | Un        | D         | SD       |
|---------------------------------------|-----------|-----------|-----------|-----------|----------|
|                                       | F (%)     | F (%)     | F (%)     | F (%)     | F (%)    |
| Evaluates and rate performance        | 32 (17.2) | 89 (47.8) | 39 (21.0) | 19 (10.2) | 7 (3.8)  |
| Satisfied with results                | 26 (14.0) | 95 (51.1) | 43 (23.1) | 13 (7.0)  | 9 (4.8)  |
| Fair tool for assessing performances  | 28 (15.1) | 82 (44.1) | 51 (27.4) | 17 (9.1)  | 8 (4.3)  |
| Results are of interest to management | 35 (18.8) | 82 (44.1) | 41 (22.0) | 22 (11.8) | 6 (3.2)  |
| Enhances capacity improvement         | 40 (21.5) | 90 (48.4) | 36 (19.4) | 13 (7.0)  | 7 (3.8)  |
| Timely feedback                       | 27 (14.5) | 72 (38.7) | 45 (24.2) | 28 (15.1) | 14 (7.5) |
| Truly reflects current performances   | 35 (18.8) | 83 (44.6) | 38 (20.4) | 18 (9.7)  | 12 (6.5) |
| Periodically reviewed and changed     | 36 (19.4) | 73 (39.2) | 42 (22.6) | 25 (13.4) | 10 (5.4) |
| Unbiased tool                         | 35 (18.8) | 73 (39.2) | 45 (24.2) | 19 (10.2) | 14 (7.5) |

Strongly Agree= SA, Agree = A, Uncertain = Un, Disagree = D and Strongly Disagree = SD

Source: Field Survey, Naamwinzie (2019)

Also, Table 4 revealed that, majority (95) of the respondents representing 51.1 percent agreed that they are satisfied with PAS because they are satisfied with its results. This was followed by 23.1 percent who strongly agreed, 14 percent remained neutral, 7 percent disagreed while 4.8 percent strongly disagreed. This implies that, the outcome of an appraisal system is key to satisfying employees. Thus, focusing solely on other incentives could lead to dissatisfaction if attention is also not paid to the appraisal system. This finding was in support of a study by Suciu *et al.* (2013) who found that, majority of the

employees expressed satisfaction with performance appraisal and they felt that it is very important in their work because its result truly reflects their performances.

Moreover, respondents were asked whether they are satisfied with the current PAS because it is a fair tool for performance assessment, majority (82) of them representing 44.1 percent agreed to this statement, 27.4 percent remained neutral, 15.1 percent strongly agreed, 9.1 percent disagreed and finally, 4.3 percent strongly disagreed. This implies that, employees feel satisfied with an appraisal system when it is fair to them. This finding was supported by Bekele *et al.* (2011) who concluded that, the fairness of a performance appraisal system to appraisees could lead to their satisfaction.

In relation to whether respondents are satisfied with the current PAS because it is important to their management (authorities), majority (82) of the respondents representing 44.1 percent agreed. This was followed 22 percent who remained neutral, 18.8 percent strongly agreed, 11.8 percent disagreed and finally, 3.2 percent strongly disagreed. This implies that, the level of importance management attach to existing appraisal systems could determine the level of satisfaction of employees with the system. This finding was in line with a study by Bekele *et al.* (2014) who found that, majority of the employees were satisfied with their PA systems because they perceived that those systems were taken seriously by their managers.

In relation to respondents' perception on the statement, "PAS is effective in enhancing my capacity to improve", majority (90) of the respondents representing 48.4 percent agreed to this statement, 21.5 percent strongly agreed, 19.4 percent remained neutral, 7 percent disagreed while 3.8

percent strongly disagreed. This implies that, employees perceive the PAS as satisfactory when it is effective in improving their capacity. This finding was in line with a study by Jansirani *et al.* (2013) who found that, employees believed that the appraisal system helped them to enrich their knowledge concerning the work since it helps them to improve their capacities.

Also, majority (72) of the respondents representing 38.7 percent agreed to the statement, “I am satisfied with the way my hospital provides me with feedback after appraising me”. This was followed by 24.2 percent who remained neutral, 14.5 percent strongly agreed, 15.1 percent disagreed while 7.5 percent strongly disagreed. The implication of this result was that, failure to provide feedback after appraising their performances could make them feel dissatisfied and in turn affect their performances. This finding was in line with a study by Jansirani *et al.* (2013) who found that, employees believed that the appraisal system provides them timely feedback thus were satisfied with it.

Furthermore, in terms of respondents’ perception on the statement, “...because it truly reflects how well I do within a given period”, majority (83) of the respondents representing 44.6 percent agreed to this statement, 20.4 percent were uncertain, 18.8 percent strongly agreed, 9.7 percent disagreed while 6.5 percent strongly disagreed. This implies that, employees perceived the PAS as satisfactory when it truly reflects how well they perform within a given period. Sanjeev and Singh (2014) found that, employees revealed satisfaction with the organisation’s performance appraisal system as they believed it truly reflected how well they performed within a given period.

Table 4 also revealed that, majority (73) of the respondents representing 39.2 percent agreed to the statement, “...PAS is periodically reviewed and

changed to ensure its effectiveness”, this was followed 22.6 percent who were uncertain thus remained neutral, 19.4 percent strongly agreed, 13.4 percent disagreed while 5.4 percent strongly disagreed. This implies that, periodically reviewing and changing the contents of a PA system could lead to employee satisfaction in an organisation. This finding was in line with a study by Jansirani *et al.* (2013) who found that, employee satisfaction in an organisation could be enhanced when the contents of PA systems are periodically reviewed and/or changed.

Finally, Table 4 revealed that, majority (73) of the respondents representing 39.2 percent agreed to the statement, “...an unbiased tool for assessing all the employees in the hospital”. This was followed 24.2 percent who remained neutral, 18.8 percent strongly agreed, 10.2 percent disagreed while 7.5 percent strongly disagreed. This means that, employees are satisfied with an appraisal system when it is an unbiased tool for assessing them. This finding was in line with a study by Sanjeev and Singh (2014) who found that, most of the employees revealed satisfaction with the organisation’s performance appraisal system as they believe that it is an unbiased tool for assessing all employees equitably.

From the above discussions, it could be deduced that majority of the health workers are perceived satisfied with the performance appraisal system at St. Theresa’s hospital. This was because, majority of them agreed to most of the statements in relation this objective. Specifically, the health workers agreed that they are satisfied with the PAS because it was effectively used to evaluate and rate their performances, obtained satisfactory results, management took appraisal results seriously and it reflected how well one performs.

## **Chapter Summary**

This chapter presented the results and discussion of the study's data in relation to the objectives. The chapter also presented the demographic features of the respondents (health workers at St. Theresa's hospital). Specifically, the chapter presented discussion on health workers perception about the nature, purpose and satisfaction with the performance management system in the hospital. The next chapter presents the study's summary, conclusions and recommendations.

## CHAPTER FIVE

### SUMMARY, CONCLUSIONS AND RECOMMENDATIONS

#### **Introduction**

This chapter presents the summary of the main findings, conclusions drawn from the findings and recommendations for policy consideration and suggestions for further research.

#### **Summary**

The purpose of the study was to examine health workers' perception of the performance appraisal system in St. Theresa's Hospital, Nandom in the Upper West region of Ghana. Specifically, the following objectives were developed to: Assess health workers' perception about the nature of the performance appraisal system; Examine health workers' perception about the purpose of the performance appraisal system and Determine health workers' satisfaction with the performance appraisal system.

The study employed the quantitative research approach and the descriptive research design due to the purpose of the study. The structured questionnaire was used to gather data from a randomly sampled 186 members for a target population of 360 health workers of St. Theresa's hospital, Nandom, Upper West Region of Ghana. The data obtained was processed using IBM SPSS Statistics version 24 and analysed using descriptive tools including frequencies and percentages which were displayed in tables.

## Major findings

The following were the major findings of the study:

- In relation to the first objective, the study found that, majority of the health workers hold positive perceptions about the nature of the performance appraisal system at St. Theresa's hospital. This is because, majority of the respondents agreed that the current PAS involved all workers at its development stage, it is conducted in a participatory manner, it covers how the hospital's objectives were individually met, it gives room for suggestions and recommendations, it meets expectations and it is fair and flexible. This implies that, the nature of the PA system is generally acceptable to the health workers at the hospital.
- In relation to the second objective, the study found that, majority of the health workers hold positive perceptions about the purpose of the performance appraisal system at St. Theresa's hospital. This is because, majority of the respondents agreed to most of the statements in relation this objective and specifically, they agreed that the PAS is used to determine current performances, identify training and development needs, encourage performance improvement, as an assessment tool and it sets and measures goals. This implies that, the purpose of the PA system is generally acceptable to the health workers at the hospital.
- In relation to the third objective, the study found that majority of the health workers are satisfied with the performance appraisal system at St. Theresa's hospital. This is because, most of the respondents agreed that they are satisfied with the PAS because it produces satisfactory results, it is an effective tool for evaluating and rating performances, it reflects

how well they perform and management takes appraisal results seriously. The implication of the study's result is that, the health workers are generally satisfied with the current PA system.

### **Conclusions**

This study provided an overview and relevant discussion on performance appraisal system within academic literature. It has brought to bear relevant information that could inform policies in relation to Performance Appraisal System at St. Theresa's hospital, a reputable health institution within the Nandom municipality, Upper West Region of Ghana. Based on the findings of the study, the following conclusions are hereby drawn:

- The quality of a PA system is primarily centred on its ability to cover individual objectives, meet expectation, involve employees and conducted in a formal way. These four elements are to the success of any PA system and thus are also of keen interest to employees. The study's result supports previous empirical studies that indicate that, employees mostly have positive perceptions of a PA system if its nature meets these four requirements. On this note, the study concluded that, health workers perceive the nature of the PA system to cover the four key elements. Therefore, preparing PAS with unclear or irrelevant content could change the perceptions of the health workers and in turn affect their performances as well.
- The goal of a performance appraisal system is to measure employees' performance in the most appropriate manner. Thus, employees expect the purpose of the system to identify training needs, assess punctuality,

serve as tool for promotion and determine current performance. The study's result supports previous empirical studies that indicate that, employees could have positive perceptions of a PA system if its purpose meet these key requirements. The study concluded that, health workers would hold positive perceptions towards an appraisal system if its purpose meets their expectations.

- Finally, the overall effectiveness of a performance appraisal system is mainly dependent on workers' perceived satisfaction with its nature and purpose. Although an appraisal system is developed and implemented by management, its effectiveness is determined by workers perception toward it. The study's result supports previous empirical studies that indicate that workers perceived satisfaction with a PA system is as important as its preparation and implementation. Failure to satisfy users (health workers) could make the appraisal system irrelevant and ineffective. The study therefore concluded that, health workers perceived satisfaction with the performance appraisal system in the hospital is an indication that, they are overly satisfied with its outcomes.

### **Recommendations**

On the strength of the research findings and conclusions made, the following recommendations were made.

- Performance appraisal systems are generally regarded as effective tools for evaluating employee performance within a given period in a bid to ensure constant performance improvements. As such, the nature of any PA system is as important as the motivational packages provided to

employees. It is, therefore, important for management or authorities to identify the perception of their employees with regards to the nature of their organisations current PA systems. On this note, it is recommended that, hospital authorities should regularly review the PA system in order to improve upon its content. This can be done through employee participation in the preparation process while ensuring that the system is free from rater errors and bias.

- Performance management systems have serious implications for training, employee motivation and allocation of resources. Thus, failure to identify employees' perception of the purpose of the system could threaten their motivation and invariably performance levels. The study, therefore, recommends that, hospital authorities should adopt more innovative strategies to make the system more purposeful. These strategies could include organising regular training programmes and workshops to enlighten the health workers on the PA system. Also, reward incentives could be given to health workers who contribute effectively to the development of the PA system. This could help reduce the subjective errors and ensure constant interaction between authorities and the health workers.
- The extent to which employees are satisfied with a PA system could influence their performance levels to a large extent. Highly dissatisfied employees due to perceived poor PA system could pose threats to the survival of any organisation. The study, therefore, recommends that, hospital authorities should periodically review the PA system in a bid to make it more innovative, user friendly and generally acceptable. The

periodic review could be done on monthly or quarterly basis in order to constantly meet changing trends. This would help obtain maximum health workers' satisfaction with the PA system.

### **Suggestions for Further Research**

Although the study provides useful insight into performance management system in a health institution context, the results cannot be generalised to the entire health sector in Ghana. This is because, the study focused on perceptions of health workers in only one institution (St. Theresa's hospital) and thus their perceptions do not reflect the general state of affairs across other health institutions and sectors. The study therefore recommends that, future research should focus on a broader research by including other health institutions in the country.

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|   |                                                                                              |  |  |  |  |  |
|---|----------------------------------------------------------------------------------------------|--|--|--|--|--|
| 3 | The nature of the performance appraisal system is such that, it is fair to all employees     |  |  |  |  |  |
| 4 | Information provided by the performance appraisal system is in line with my expectations     |  |  |  |  |  |
| 5 | The performance appraisal system gives room for suggestions and recommendations              |  |  |  |  |  |
| 6 | My management involves employees in developing the performance appraisal system              |  |  |  |  |  |
| 7 | Employees are educated on how questions provided on the appraisal system can be answered     |  |  |  |  |  |
| 8 | The nature of the performance appraisal system is such that, it is conducted formally        |  |  |  |  |  |
| 9 | The nature of the performance appraisal system is such that, it is flexible to all employees |  |  |  |  |  |

**SECTION C: EMPLOYEE PERCEPTION ABOUT THE PURPOSE OF THE PERFORMANCE APPRAISAL SYSTEM**

6. On a scale of 1 – 5, please rate your perception about the purpose of the Performance Appraisal system in your hospital. **With 1 – Strongly Disagree, 2- Agree, 3- Uncertain, 4- Agree and 5 – Strongly Agree**

|   | <b>Factors</b>                                                                                                              | <b>1</b> | <b>2</b> | <b>3</b> | <b>4</b> | <b>5</b> |
|---|-----------------------------------------------------------------------------------------------------------------------------|----------|----------|----------|----------|----------|
| 1 | Performance appraisal serves a tool for determining my current performance                                                  |          |          |          |          |          |
| 2 | Performance appraisal is used for identifying my training and development needs                                             |          |          |          |          |          |
| 3 | The PA system is used to encourage performance improvement in my hospital                                                   |          |          |          |          |          |
| 4 | Performance appraisal serves as an assessment tool for promotion, transfer, retention exercises                             |          |          |          |          |          |
| 5 | Performance appraisal serves as a means for salary increment or distribution of rewards                                     |          |          |          |          |          |
| 6 | Performance appraisal is used in assessing my punctuality to work                                                           |          |          |          |          |          |
| 7 | The performance appraisal system serves as a tool for providing feedback to employees about how we fared in meeting targets |          |          |          |          |          |
| 8 | Performance appraisal is used to set and measure goals in my hospital                                                       |          |          |          |          |          |

**SECTION D: EMPLOYEE SATISFACTION WITH THE  
PERFORMANCE APPRAISAL SYSTEM**

7. On a scale of 1 – 5, please rate your satisfaction with the Performance Appraisal system in your hospital. **With 1 – Strongly Disagree, 2- Disagree, 3- Uncertain, 4- Agree and 5 – Strongly Agree**

|   | <b>Factors</b>                                                                                                                | <b>1</b> | <b>2</b> | <b>3</b> | <b>4</b> | <b>5</b> |
|---|-------------------------------------------------------------------------------------------------------------------------------|----------|----------|----------|----------|----------|
| 1 | I am satisfied with the way the performance appraisal system is used to evaluate and rate my performance                      |          |          |          |          |          |
| 2 | I am satisfied with the results I get from the appraisal system                                                               |          |          |          |          |          |
| 3 | I am satisfied with the current system because it is a fair tool for assessing all the employees in the hospital              |          |          |          |          |          |
| 4 | I am satisfied with the way my supervisor takes my performance appraisal results seriously                                    |          |          |          |          |          |
| 5 | The performance appraisal system has been effective in enhancing my capacity to improve                                       |          |          |          |          |          |
| 6 | I am satisfied with the way my hospital provides me with feedback after appraising me                                         |          |          |          |          |          |
| 7 | I am satisfied with the performance appraisal system because it truly reflects how well I do within a given period            |          |          |          |          |          |
| 8 | I am satisfied with the way the performance appraisal system is periodically reviewed and changed to ensure its effectiveness |          |          |          |          |          |
| 9 | I am satisfied with the current system because it is an unbiased tool for assessing all the employees in the hospital         |          |          |          |          |          |

**THANK YOU FOR YOUR PARTICIPATION**

## APPENDIX B

| Table 3.1                                                      |    |     |     |     |     |      |     |         |     |
|----------------------------------------------------------------|----|-----|-----|-----|-----|------|-----|---------|-----|
| <i>Table for Determining Sample Size of a Known Population</i> |    |     |     |     |     |      |     |         |     |
| N                                                              | S  | N   | S   | N   | S   | N    | S   | N       | S   |
| 10                                                             | 10 | 100 | 80  | 280 | 162 | 800  | 260 | 2800    | 338 |
| 15                                                             | 14 | 110 | 86  | 290 | 165 | 850  | 265 | 3000    | 341 |
| 20                                                             | 19 | 120 | 92  | 300 | 169 | 900  | 269 | 3500    | 346 |
| 25                                                             | 24 | 130 | 97  | 320 | 175 | 950  | 274 | 4000    | 351 |
| 30                                                             | 28 | 140 | 103 | 340 | 181 | 1000 | 278 | 4500    | 354 |
| 35                                                             | 32 | 150 | 108 | 360 | 186 | 1100 | 285 | 5000    | 357 |
| 40                                                             | 36 | 160 | 113 | 380 | 191 | 1200 | 291 | 6000    | 361 |
| 45                                                             | 40 | 170 | 118 | 400 | 196 | 1300 | 297 | 7000    | 364 |
| 50                                                             | 44 | 180 | 123 | 420 | 201 | 1400 | 302 | 8000    | 367 |
| 55                                                             | 48 | 190 | 127 | 440 | 205 | 1500 | 306 | 9000    | 368 |
| 60                                                             | 52 | 200 | 132 | 460 | 210 | 1600 | 310 | 10000   | 370 |
| 65                                                             | 56 | 210 | 136 | 480 | 214 | 1700 | 313 | 15000   | 375 |
| 70                                                             | 59 | 220 | 140 | 500 | 217 | 1800 | 317 | 20000   | 377 |
| 75                                                             | 63 | 230 | 144 | 550 | 226 | 1900 | 320 | 30000   | 379 |
| 80                                                             | 66 | 240 | 148 | 600 | 234 | 2000 | 322 | 40000   | 380 |
| 85                                                             | 70 | 250 | 152 | 650 | 242 | 2200 | 327 | 50000   | 381 |
| 90                                                             | 73 | 260 | 155 | 700 | 248 | 2400 | 331 | 75000   | 382 |
| 95                                                             | 76 | 270 | 159 | 750 | 254 | 2600 | 335 | 1000000 | 384 |

*Note: N is Population Size; S is Sample Size* *Source: Krejcie & Morgan, 1970*