UNIVERSITY OF CAPE COAST

EMPLOYEES PERCEPTION ON PERFORMANCE APPRAISAL SYSTEM
AND ORGANIZATIONATIONAL COMMITMENT: A STUDY AT
TECHIMAN MUNICIPAL NHIS.

BY

FAROUK AYISHETU TENI

Dissertation submitted to the Department of Human Resource of the School of
Business, University of Cape Coast, in partial fulfilment of the requirements
for the award of Master of Business Administration in Human Resource.

MARCH 2018
DECLARATION

Candidate’s Declaration

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

Candidate’s Signature …………………….. Date…………………

Name: Farouk Ayishetu Teni

Supervisor’s Declaration

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

Supervisor’s Signature ……………………..Date…………………

Name: Mrs. Elizabeth C. Annan-Prah
ABSTRACT

The Purpose of this study was to find out employees perception on Performance Appraisals and organizational commitment at Techiman Municipal NHIS. To achieve the objectives of the study, five research questions were administered to the employees at Techiman Municipal NHIS. The study adopted descriptive survey study design involving the entire fifty-two (52) employee. The main source of data for the study was primary data. Questionnaire was used to gather information from the employees. In analysing and interpreting the results, frequency distribution table whereas STATA version 13 was used to process the statistical results. Performance Appraisal system used at Techiman NHIS were rating scales, comparison method, self and team evaluation, management-by-objective (MBO), 360 degree feedback. From the findings, most workers felt proud to work with NHIS and were not ready to quit their job to any organization in the near future. Also, from the regression results performance appraisals leads to organizational commitment and there exist a positive and significant relationship between performance appraisals and organizational commitment.
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I would like to thank my supervisor, Mrs. Elizabeth C. Annan-Prah for her valuable time in giving comments, guidance and suggestions on how to accomplish this study.

I must also express my very profound gratitude to my parents Mr. and Mrs. Farouk, my brother Kamal Deen Musah, my sister Fati Farouk and my loving and caring husband Mr Sule Shaibu Assana and children-Yasmin, Haneefa, Abdul Basit and Abdul Waahid for providing me with unfailing support and continuous encouragement throughout my years of study and through the process of researching and writing this thesis. This accomplishment would not have been possible without them. Finally, I appreciate the support of my friend Oppong Yeboah for his time and kindness to me throughout my course. May Allah be praised.
DEDICATION

This work is dedicated to my Husband and Children.
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CHAPTER ONE

INTRODUCTION

Background to the Study

Globally, corporate institutions set goals and targets which they strive to achieve them. In spite of these, management of organisations are tasked to employ the use of practices and skills in the efficient planning, organizing, directing and controlling the operations to achieve set targets. The Human Resource Management (HRM) is concerned with the management of an organization’s workforce. Performance Appraisal in corporate institutions according to Flanagan (2013) dates backs as far as the era of industrial revolution functioned as a way of measuring efficiency of organisations. HRM practitioners in measuring organisations success, targets and goals use Performance Appraisals to measure the performance of their employees because their performance are very important towards the success of the organization (Collings & Wood, 2009).

According to Fletcher and Perry (2010), Performance Appraisal must be seen as a mechanism for developing and motivating people in order to ensure increased performance standards on the part of employees. As such, there should be a transparent appraisal system (Keeping & Levy, 2012). There is a general agreement between performance appraisal researchers and practitioners that assessment of appraisal reactions is essential (Keeping & Levy, 2012). Keeping and Levy (2012) pointed out that employees’ satisfaction with Performance Appraisal is the most frequently measured appraisal reaction.
In the field of academia, various researchers have published articles on the consequences and the failures of Performance Appraisals including Kokemuller (2012) and Rose (2014). All of these researchers have identified different results as to why Performance Appraisals fail. According to these researchers, psychometric mistakes are among the main reasons for the ineffectiveness of Performance Appraisal in various corporate institutions around the globe. These errors coupled with leniency, halo effect, restriction of range and contrast are ascribed to the psychological bias of the appraiser during the appraisal process (Appelbaum, 2011).

Rees and Power (2003) also agreed that a possible way to curtail psychometric errors in performance appraisal is by using a Multi-Rater system of evaluation. They also suggested self-performance appraisal as another method that can support the multi-rater system to decrease the occurrence of psychometric errors. As compared to the multi-rater system, very little research has been carried out related to the self-assessment appraisal method. However, most studies that were done on self-evaluation indicated positive results relating to the appraisal process. Jackson (2003) found in his study that employees who had a chance to rate themselves became more involved and committed to their personal goals.

In a related development, narrowing the discourse of Performance Appraisal to Africa. The Government of Kenya in 2002 pushed a policy for performance enhancement in the public service with the aim to increase output and improve in service delivery supported by results grounded management orientation in Kenya (Gatere, Keraro & Gakure, 2013). In the same vain, according to Kobia and Mohammed (2011) this policy of Performance
Appraisal introduced in the public service has resulted to performance contracts in Kenya currently. In Nigeria for instance, before there was the absence of effective performance appraisal system before the coming into existence of the 1988 Civil Service Reform. These Performance Appraisal systems were grounded on objective assessment, job performance measurement and professional competence with their respective rewards and punishment (Ekpe, Ekong & Martha, 2013).

In Ghana, before the 1990’s, performance of public service institutions were mainly assessed by the Annual Reports by the Auditor General whereas performances of individual employees were assessed by an Annual Confidential Report. The inception of the Civil Service Reform in 1988 and Ayida (2008) stimulated the introduction of setting of goals and Performance Appraisal system in all public sector organisations in Nigeria. This style of appraising workers was challenged with many setbacks and problems which brought its credibility and importance into disrepute. This method evaluated personal behavioural traits of employees at the expense of their actual job performance (Anderson, 2013).

The Public Service Commission of Ghana in a document titled “Performance Management Policy for Public Service of Ghana”, made it clear that, in 1997 a Performance Agreement System was introduced to provide and objective means of assessing the performance of senior managers of the civil service who in particular had being left out in the appraisal system. According to the Public Service commission, this was targeted at the Chief Directors in the Ministries and the Regional Coordinating Councils (RCCs). This policy elapsed in the year 2008 amidst problems such as absence of clearly defined,
articulated and enforceable implementation framework and lack of effective monitoring and annual reporting and feedback mechanism among others.

The New Performance Management System was also introduced. By the new system of measuring performance in Public services in Ghana, the underlying principle was that performance is an on-going process that takes place from the time an employee joins an organization until he/she leaves. This performance management system is used now in public institutions in Ghana to support and develop people through their employment with the organization. The Performance management for public Services provides it with a tool to increase excellence, transparency, accountability and communicates its values and objectives to employees (Ohemeng, 2009).

The Ghanaian Times of Friday, August 12, 2011 carried a story on its front page captioned ‘Public Service to be cleaned.’ In the story, the then President of the republic of Ghana made it clear that, among other things the Government of Ghana cannot pay people for doing nothing. According to the story a significant percentage of the government revenue goes into the payment of public sector salaries and the President believes Ghanaians must have their money’s worth. It is considered that, an effective Performance management, monitoring and evaluation system is a way of ensuring that Ghanaians have their money’s worth.

Performance Appraisals are indispensable for organizations in the light of making their employees aware of their performance improvements and growth, their abilities and their potentials as well. Performance appraisal system has a substantial impact on other aspects of Human Resource and the strategy of an organization in entirety. It is the effectiveness of Performance
Appraisals that lays bedrock for ensuring the success in matters relating to employees such as: selection, training, and employee motivation practices. It enables employees to build their own developmental goals which eventually culminate into an employee’s personal growth. Thus, there is very little doubt that a well-structured Performance Appraisal system serves in reconciling the needs of an organization and the needs of the organization’s employees (Grote, 2012).

Levy and Williams (2013) pointed out that there has been extensive research on the factors that influence the satisfaction of the employees towards the performance appraisal or other reactions in different contexts. However, there is a lack of enough empirical evidence on employees’ perception on Performance Appraisal and Organisational commitment. This may be caused by inadequate information. In this context, this research work attempts to identify, analyze and evaluate employees’ general perception on Performance Appraisals and Organisational Commitment.

Statement of the Problem

Performance Appraisal for decades has become an integral part and beneficial to most organization’s Human Resource Management globally. Notwithstanding its enormous contributions to the development of organisations the world over, Performance Appraisal usage has not as yet gone down well with a number of organisations most often Government institutions in Ghana of which National Health Insurance Authority cannot be left out. In the light of this, a number of inconsistencies have been found in the Performance Appraisal system processes being followed in government organisations in the country (Sackey, 2011).
Performance Appraisal is among the most important human resource practices and it is one of the more heavily researched topics (Fletcher, 2009). Performance Appraisal may now be seen as a generic term covering a variety of activities through which organizations seek to assess employees and develop their competence, enhance performance and distribute rewards (Fletcher, 2012). That is why, today, the focus of both practice and research has been moving towards developmental Performance Appraisal (Levy and Williams, 2013).

According to Fletcher (2012), the performance appraisal must be viewed as a mechanism for developing and motivating people. There is a general consensus among performance appraisal researchers and practitioners that assessment of appraisal reactions is important (Keeping & Levy, 2012). For instance, it is frequently argued that in order for Performance Appraisal to positively influence employee behaviour and future development, employees must experience positive appraisal reactions; if not, any appraisal system will be deemed to failure (Murphy & Cleveland, 2017).

The satisfaction with performance appraisal is the most frequently measured appraisal reaction and research have reported that there is a positive relationship between satisfaction with Performance Appraisal (PA) and overall job satisfaction (Judge, 2016). According to Judge (2016), this is attributed to the fact that job satisfaction is positively related to performance.

There has been an extensive research over the years on Performance Appraisals in state-owned and private organizations in Ghana. Instances can be made of Attiah (2012) investigations into staff PA in Local Government Service in Ghana and Opoku (2016) recent study PA on employees’ job
satisfaction and organizational commitment of Microfinance Companies in Ghana. These studies paid particular attention to the various staff Performance Appraisal system used and its impact on the organizational commitment. They failed to look at the employees’ general perception or view on Performance Appraisal System and their commitment in their respective institutions. This study would critically consider employees’ perceptions of Performance Appraisals and Organizational Commitment at National Health Insurance Scheme (NHIS) Techiman Municipal Office a wholly state-owned entity.

**Purpose of the Study**

The general objective of this research is to find out employees overall perception of performance appraisal and its influence on organizational commitment at National Health Insurance Authority (NHIA) Techiman Municipal Office.

**Specific Objectives**

The specific objectives of this research are:

1. To analyse the performance appraisal system of Techiman Municipal NHIS.
2. To examine the satisfaction of employees with the performance appraisal system at Techiman Municipal NHIS.
3. To assess employees perception of performance appraisal system in Techiman Municipal NHIS.
4. To assess whether employees’ perception of performance appraisal lead to organizational commitment.
Research Questions

In the study, attempts would be made to answer the following research questions to serve as a guide.

1. What is the performance appraisal system at Techiman Municipal NHIS?
2. What is the satisfaction level of employees of performance appraisal system at Techiman Municipal NHIS?
3. What are the perceptions of employees of performance appraisal system in Techiman Municipal NHIS?
4. Does employee’s perception on performance appraisal lead to employees’ organizational commitment?

Significance of the Study

The findings of this research would help management of Techiman Municipal NHIS to identify suitable appraisal method to be use at Techiman Municipal NHIS. Also the results would enable management rate the performance of employees and compensate them accordingly. Likewise, the study findings would also help improve and build upon the current appraisal system used by the National Health Insurance Scheme (NHIS). It would also serve as the basis for further research in organisations in Ghana and elsewhere and additionally add up to the existing literature on organization’s performance appraisal system.
Scope and Definition of the Study

In conducting the study, all the staff at National Health Insurance Scheme (NHIS) Techiman Municipal Office was considered to look at their perception on Performance Appraisal and organization commitment.

Organization of the Study

Chapter One is the introduction and covers sub-topics such as background to the study, problem statement, objectives and the research questions. Chapter Two consist the reviews of relevant literature and provides a comprehensive description of best practice performance appraisal and methodology as well as the problems associated with the practice. Chapter Three consists of methods used to collect and analyze data. Chapter Four consists of comprehensive discussion of the results or findings of the research. Chapter Five is the summary of the work, its conclusions and implications for policy changes and recommendations.

Chapter Summary

In this chapter a general background on Performance Appraisals systems was discussed alongside the statement of the problem. Basically the study main objective of finding out Performance Appraisals system used at Techiman Municipal NHIS and its influence on the employees commitment was also looked at. Four specific objectives as well as four research questions were adopted for the study. The significance of the study was also considered in this chapter while the scope of the study being Techiman Municipal NHIS was also not left out.
CHAPTER TWO

LITERATURE REVIEW

Introduction

This chapter reviews existing theoretical as well as empirical literature on the concept of Performance Appraisal and Organisational Commitment. Scholarly works done by other researchers in this area of Human Resource Management would also be reviewed in line with the objectives of the study. Basically the Literature would be reviewed under:

Theories that act as the base for Performance Appraisal system (Equity theory, Expectancy Theory and Goal theory)

Definition of Performance Appraisals

History of Performance Appraisals

Types of Appraisals systems

Performance Appraisals System tools

Problems in Performance Appraisals

Theoretical Concept of Organizational Commitment

Organizational Commitment defined

Models of Organizational Commitment

Factors affecting Organizational Commitment

Effects of Organizational Commitment
Theoretical Review

Performance Appraisal System

Performance Appraisal System has been under the constant investigation of academicians and human resource practitioners over the time and they perceive it as a valuable and useful management tool for managing employees across carders. However, unfortunately, developing and employing an effective performance appraisal system is a pragmatic task for both the managers as well as the employees because of the mental, motivational and behavioural aspects that influence the system (Horsoo, 2010).

The commonly used theories that act as the base for Performance Appraisal system are;

Equity Theory

This theory acknowledged that motivation can be affected through an individual's perception of fair treatment in social exchanges. When compared to other people, individuals want to be compensated fairly for their contributions in an organization (Stacey, 2011). Equity theory focuses on determining whether the distribution of resources is fair to both relational partners. It proposes that individuals who perceive themselves as either under-rewarded or over-rewarded will experience grief, and that this grief leads to struggles to reinstate equity within the relationship. It centres on defining whether the distribution of resources is fair to both relational partners. Equity is measured by comparing the ratios of contributions and benefits of each person within the relationship.
Partners do not have to receive equal benefits (such as receiving the same amount of love, care, and financial security) or make equal contributions (such as investing the same amount of effort, time, and financial resources), as long as the ratio between these benefits and contributions is similar. Much like other prevalent theories of motivation such as Maslow’s hierarchy of needs, equity theory acknowledges that refined and flexible individual factors affect each person’s assessment and perception of their relationship with their relational partners (Stacey, 2011). According to Adams (2017), anger is induced by underpayment unfairness and remorse is persuaded with overpayment equity (Spector 2008). Payment whether hourly wage or salary is the main concern and therefore the cause of equity or inequity in most cases.

Assumptions Underlying Equity Theory

The following assumptions applied to many organizations applications of the equity theory as outlined by Carrell and Dittrich (2011);

1. Employees demand from their employers a reasonable return from what they contribute to their jobs. This concept is termed as “Equity Norm”.

2. Employees determine what their equitable return should be after comparing their inputs and outcomes with those of their co-workers. This concept is referred to as "Social Comparison".

3. Employees who perceive themselves as being in an inequitable situation will seek to reduce the inequity either by changing inputs and/or outcomes in their own minds ("cognitive distortion"), by directly altering inputs and/or outputs, or by leaving the organization.
Criticisms against the Equity Theory

Criticism has been directed toward both the assumptions and practical application of equity theory. Scholars have questioned the simplicity of the model, arguing that a number of demographic and psychological variables affect people's perceptions of fairness and interactions with others. Much of the research supporting the basic propositions of equity theory has been conducted in laboratory settings, and thus has questionable applicability to real-world situations (Carrell & Dittrich, 2011). Critics have also argued that people might perceive equity/inequity not only in terms of the specific inputs and outcomes of a relationship, but also in terms of the overarching system that determines those inputs and outputs. Thus, in a business setting, one might feel that his or her compensation is equitable to other employees', but one might view the entire compensation system as unfair (Carrell & Dittrich, 2011).

The Expectancy Theory

The brain behind the expectancy theory is Vroom (2017). This theory was developed with direct application to work settings, which was later expanded and refined by Porter and Lawler (1968). By the expectancy theory there is a cognitive process theory of motivation that is based on the idea that people believe there are relationships between the effort they put forth at work, the performance they achieve from that effort, and the rewards they receive from their effort and performance. Thus, employees will be enthused if they consider that strong effort will lead to good performance and good performance will lead to desired rewards (Pinder, 2009).
Assumptions Underlying the Expectancy Theory

According to Vroom (2017) Expectancy theory is based on four assumptions. These are:

1. Individuals join organizations with expectations about their needs, motivations and past experiences. These influence how individuals react to the organization.

2. Individuals’ behavior is a result of conscious choice. That is, people are free to choose those behaviours suggested by their own expectancy calculations.

3. Individuals want different things from the organization such as good salary, security of job, advancement and challenge.

Criticisms of the Expectancy Theory

Critics of the expectancy model include O'Neil & Drillings (2014), where they criticised that the theory were based upon the expectancy model being too simplistic in nature; these critics started making adjustments to Vroom's model. Ordóñez, Schweitzer, Galinsky and Bazerman (2009) claimed that the simplicity of expectancy theory is deceptive because it assumes that if an employer makes a reward, such as a financial bonus or promotion enticing enough, employees will increase their productivity to obtain the reward. However, this only works if the employees believe the reward is beneficial to their immediate needs. For example, a $2 increase in salary may not be desirable to an employee if the increase pushes her into a tax bracket in which she believes her net pay is actually reduced, which is actually impossible in the United States with marginal tax brackets.
Similarly, a promotion that provides higher status but requires longer hours may be a deterrent to an employee who values evening and weekend time with their children. In addition to that, if anyone in the armed forces or security agencies is promoted, there is a must condition for such promotions, that he/she will be transferred to other locations. In such cases, if the new place is far from their permanent residence, where their family is residing, they will not be motivated by such promotions, and the results will be other way round. Because, the outcome, which this reward (promotion) will yield, may not be valued by those who are receiving it.

According to Lawler (2009) new proposal for expectancy theory is not against Vroom's theory. Lawler (2009) again argues that since there have been a variety of developments of expectancy theory since its creation in 1964; the expectancy model needs to be updated. Lawler's new model is based on four claims. These are;

1. Whenever there are a number of outcomes, individuals will usually have a preference among those outcomes.
2. There is a belief on the part of that individual that their action(s) will achieve the outcome they desire.
3. Any desired outcome was generated by the individual's behavior.
4. The actions generated by the individual were generated by the preferred outcome and expectation of the individual.

**The Goal Setting Theory**

The Goal Setting Theory was developed by Professor Edwin A Locke an American psychologist in 1968, in his attempt to explain specific human actions at the work situations. The theory argues that goals and
intentions are cognitive and wilful, and that they serve as intermediaries of human actions and that our needs and our goals are mediated by our values, which determine what is beneficial for us (Locke 2012). Locke and Latham (2017), leaders in goal-setting theory and research, combined nearly 400 studies about goals into a theory of goal setting and task performance.

The two most important findings of this theory are that setting specific goals such as I want to earn $1,000 a month will bring performance to a higher level than setting goals which are general such as I want to earn enough money. Thus goals that are hard to achieve are linearly and positively connected to performance. The harder the goal, the more a person will work to reach it (Locke, 2012). A goal according to Locke (2012) is defined simply as what the individual is wilfully trying to do. They further postulated that the form in which one experiences one’s value judgments is emotional. That is, one’s values create a desire to do things consistent with them. Goals also affect behavior (job performance) through other mechanisms. For Locke and Latham (2017), goals therefore direct attention and action.

Furthermore, challenging goals mobilize energy, lead to higher effort and increase persistent effort. Goals motivate people to develop strategies that will enable them to perform at the required goal levels. Finally, accomplishing the goal can lead to satisfaction and further motivation, or frustration and lower motivation if the goal is not accomplished.

Locke (2012) stated that "the goal setting theory was based on the premise that much human action is purposeful, in that it is directed by conscious goals" (O'Neil & Drillings, 2014). The decision to set a goal results from dissatisfaction with current performance levels. Setting a goal should
include setting a structure that directs actions and behaviours which improve the unsatisfactory performance (Locke, 2012). Setting a goal will change a person's behavior in order to work towards achieving the set goal. Goal-setting theory predicts that people will channel effort toward accomplishing their goals, which will in turn affect performance (Locke, 2012).

Locke and Latham (2002), found a direct linear relationship between goal difficulty, level of performance, and effort involved. This relationship will stay positive as long as the person is committed to the goal, has the requisite ability to attain it and doesn't have conflicting goals (Locke & Latham, 2006). Locke and Latham's goal setting theory states that several conditions are particularly important in successful goal achievement. These include goal acceptance and commitment, goal specificity, goal difficulty, and feedback (O'Neil & Drillings, 2014).

**Conditions for Setting Goal Theory**

There are necessary conditions that must be met to make goals effective in raising motivation through the goal setting mechanisms (Locke, 2012). These are;

1. Goal acceptance/goal commitment
2. Goal specificity
3. Goal difficulty
4. Feedback on progress toward the goal
**Goal Acceptance/Goal Commitment**

Before a goal can be motivating to an individual, one must accept the goal. Accepting a goal is the first step in creating motivation (Locke & Latham, 2006). Goal commitment is the degree of determination one uses to achieve an accepted goal. Two primary factors that help to enhance goal commitment are importance and self-efficacy (Locke, 2012). Importance refers to the factors that make attaining a goal important, including the expected outcomes whereas Self-efficacy is the belief that one can attain their goal (Locke, 2012). These factors can be as simple as making a public announcement about the commitment, or as complicated as a formal program of inspirational mentoring and leadership.

Importance and self-efficacy enhance the goal commitment by the individual. The individual must find the goal important and must believe they can achieve it (Locke & Latham, 2006). Making the importance of the goal personal provides the individual with the motivation to move beyond failure and maintain the path toward the goal. Setting one’s own goals result in a higher rate of acceptance due to the individual feeling of a sense of control over the goal setting process (Erez, Earley, & Hulin, 2011).

Locke (2012) determined that when the purpose or rationale of the goal is provided, performance between participative and assigned goals do not differ significantly, as long as the goal is accepted. Their explanation for the discrepancy lies in the way the goal was presented. If the objectives were clearly explained to the participants, motivation increased. Alternatively, if goals were briefly administered with little explanation, motivation was lower.
In other words, the goals need to be specific, which leads us to our next condition.

Klein, Wesson, Hollenbeck, Wright, and DeShon (2012), developed a five-item scale for assessing goal commitment. Responses are provided on a five-point Likert scale using "strongly disagree" to "strongly agree" end-points as shown below. Items followed by indicating that the item should be reverse-scored before analysis.

**Goal Commitment Scale**

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<td>1</td>
<td>It’s hard to take this goal seriously.</td>
</tr>
<tr>
<td>2</td>
<td>Quite frankly, I don’t care if I achieve this goal or not.</td>
</tr>
<tr>
<td>3</td>
<td>I am strongly committed to pursuing this goal.</td>
</tr>
<tr>
<td>4</td>
<td>It wouldn’t take much to make me abandon this goal.</td>
</tr>
<tr>
<td>5</td>
<td>I think this is a good goal to shoot for.</td>
</tr>
</tbody>
</table>

Source: Adapted from Klein, et al(2012)

**Goal Specificity**

A goal must be specific and measurable. It should answer the who, what, when, where, why, and how of the expectations of the goal. Specificity and measurability provide an external referent (such as time, space, increment, etc.) to gauge progress, whereas vague “do better” goals are ambiguous and often have little effect on motivation. Removing ambiguity allows one to focus on precise actions and behaviours related to goal achievement. The more specific the goal, the more explicitly performance will be affected. Specific goals lead to higher task performance by employees than do vague or abstract goals (Locke, 2012).
According to the Pennsylvania State University World Campus (2015) lessons on goal setting, an individual can set a general goal to sell more cars per month. However, setting a goal to sell two cars per day for the next thirty days is more specific and therefore more effective. These goals will be more motivating than the broad goals of just doing better. With a clear objective in mind people will be more dedicated to reaching their set goal. Goals without an external referent allow for a wide range of acceptable performance levels. In order for performance to increase, goals must be challenging, specific, and concrete (Locke, 2012). Goals should be Conceivable and achievable; one should ask them if given their strengths and weaknesses they can reach their desired goal (Locke, 2012).

**Goal Difficulty**

Goals are proven to be an effective motivation tactic if difficulty is taken into consideration. They should be set high enough to encourage high performance but low enough to be attainable (PSU WC, 2015). When this grey area is achieved, goals are proven to be effective. If goals are set too high or too difficult then motivation and commitment suffers as a result. Integrity is another cost that can ensue from setting high performance goals. Ordóñezet al., (2009) revealed that people have a tendency to be dishonest if they fall short of their goals. Enron’s book cooking, Ford’s combustible Pinto in the 1960s, and Sears, Roebuck and Company’s dishonourable business practices are all examples of highly publicized scandals that occurred as a result of setting goals too difficult to achieve.

In the case of Enron, executives schemed an elaborate cover-up to hide its bankruptcy from stockholders, many of whom were employees of Enron
and had their retirements invested in the company. Ford’s goal to gain relevance in the foreign economy car market compelled the company to cut corners to meet product deadlines and release the Pinto, which resulted in 53 consumer deaths. Mechanics at Sears, Reebuck and Co. engaged in unfair business practices by overcharging customers and performing unneeded repairs in order to meet sales goals. Here you can see that setting goals that are too high not only jeopardizes motivation and commitment but also can create a culture of corruption, dishonesty, and cutting corners (Bennett, 2009).

**Feedback**

Feedback is necessary in order for goals to remain effective and retain commitment. Without feedback people are unaware of their progression or regression; it also becomes difficult to gauge the level of effort required to pursue the goal effectively (Sorrentino, 2006). Additionally, feedback allows for individuals and teams to spot any weaknesses in their current goals which allow modifications to be made (Smith & Hitt, 2005). It is necessary for goals and the people making the goals to be flexible (Bennett, 2009). Feedback is most effective when it is directed at setting more challenging goals (Locke & Lantham, 2006). Effort and productivity will increase when performance falls short of goal achievement. For example, if a student receives feedback in the form of a progress report he or she may adjust study habits accordingly to achieve the desired goal.

However, without feedback, the student has nothing to gauge performance. Feedback can either be process oriented or outcome oriented. Process feedback provides specific tasks that must be performed to achieve the desired outcome. Outcome feedback is focused on the outcome of the goal and
offers no tangible information to utilize in goal attainment. When these types of feedback are combined it will give a clear sense of how someone is performing, and what they can do differently in order to perform better. Similar to goals, feedback must also be specific to offer constructive information on how to meet objectives (PSU WC, 2015). By receiving feedback, individuals will know that their work is being evaluated and that their contributions are being recognized.

**Criticisms of the Goal Setting Theory**

Latham (2004), in his attempt to criticize the goal setting theory pinpointed that when two separate goals are set at the same time, exerting too much focus on one may make it difficult to achieve the other (Latham, 2004). For example, if someone sets quantity and quality goals simultaneously; trying too hard for quantity may cause quality to be neglected (Latham, 2004). However, this can be fixed by prioritizing separate goals or finding a balance between goals directly dealing with each other. It is more important to have well thought out goals than to have too many and not be able to follow through on any one goal (Gergen & Vanourek, 2009).

Another criticism of the theory is with respect to goals and risks. During a computer game study, Knight (2011) found that participants who were given difficult performance goals increased risk strategies to improve performance. Additionally, a limitation that can occur is commonly referred to as tunnel vision. This is when employees focus so intently on their goals that they will ignore other aspects of their job (PSU WC, 2015). When attention is focused too narrowly on a goal, in attentional bias can occur. People became so focused on their task that they didn't notice a man in a gorilla suit on the
course. Concentrating too much on a specific task or goal can cause you to miss a major aspect of your environment (Simons & Chabris, 2017).

Goal Setting Theory also does not account for actions motivated by the subconscious; as the goal-setting theory focuses on cognition with no regard to the subconscious. On occasion, an individual can do something without being aware of what is motivating him/her. This cognitive quality of this theory makes it such that, much like other cognitive motivation theories, it takes for granted the fact that "people can take action without being aware of what is motivating them". More tangible and challenging goals would be much more difficult to pursue subconsciously, largely due to the amount of planning and forethought required accomplishing them. But subtler and more general goals could potentially be striven for and achieved subconsciously (PSU WC, 2015).

Finally, goal-setting theory focuses on how goals are related to job performance, but does not take into account the "why" now how this is related to increased job performance. This lack of defined translation between goals and job performance calls for future research to refine (PSU WC, 2015).

**Definition of Performance Appraisal**

Performance appraisal is said to be a human resource management tool used in determining and communicating to an employee his/her performance on an assigned job over a period, and essentially establishing a plan for improvement. The system seeks to unearth the employee’s strengths and weaknesses for appropriate management decisions such as training, promotion, transfer, layoffs and motivation to be taken, Bohlander et al (2012).

French and Bell (2015) put forward an elaborative and extensive definition on performance appraisal. To them, performance appraisal is the
formal assessment of how well employees are performing their jobs in relation to established standard and the communication of that assessment to the employees. This definition captures the salient points in the subject area which include formal assessment, performance, established standards and a feedback.

Anderson (2012) defines performance appraisal as involving the systematic review of the performance of staff on a written basis at regular time intervals and the holding of performance interview at which staff have opportunity to discuss performance issues, past, present and future, on a one-to-one basis with their immediate line manager.

Kreitner (2011) also defines performance appraisal as the process of evaluating individual job performance as a basis for making objective personnel decisions. Kreitner’s definition excludes day-to-day training in which a supervisor casually checks an employee’s work and gives immediate feedback. Although coaching personally is fundamental to better management, formally documented appraisal is also needed to ensure equitable distribution of opportunities and rewards and avoid prejudicial treatment of disadvantaged workers such as the physically challenged and women. But Anderson’s (2012) definition sets criteria for effective personnel performance appraisal.

From the above definitions, a number of issues can be derived. They include the following:

1. Performance appraisal is a comparison of an employee’s performance with performance standards.
2. A performance standard describes what the employee is expected to do in terms of behaviour’s” and results.
3. Performance appraisal is a systematic process and essentially must be related to the employee’s performance on the job.

4. Performance appraisal must also provide information to management about the workers’ strengths and weaknesses as far as their job performances are concerned and to help them develop their potentials.

5. Performance appraisal must also lead to a feedback to the employees to enable them know how they fare on the assessment scale for possible improvement.

6. Performance appraisal is also an evaluation of the staff’s potential for growth and development.

As a working definition, Performance Appraisal may be defined as a structured formal interaction between a subordinate and superior which usually takes the form of a periodic interview (annual or semi-annual), in which the work performance of the subordinate is examined and discussed with a view to identifying weaknesses and strengths as well as potential for growth and development.

**Types of Appraisal System**

There are several ways by which appraisal can be carried out. Belcourt (2014) identify seven different types used in performance appraisal. These are;

**Managerial / Supervisor Appraisal**

The managerial or supervisor appraisal has been the traditional approach to evaluating an employee’s performance. Belcourt (2014) and other writers such as Certo (2010) conclude that, in this appraisal, the superior appraises the subordinate and in most situations a review is done by the
supervisor’s superior. The reviews, according to them, reduce subjectivity, superficial and or biased evaluations. This appraisal style is more acceptable to staff than the others.

Self – Appraisal

Sometimes employees are asked to evaluate themselves on a self – appraisal form. This form of appraisal according to Belcourt (2014) is beneficial when managers seek to increase an employee’s involvement in the review process. This process gets the employees thinking about their strengths and weaknesses and may lead to discussions about barriers to effective performance. During the performance interview, the manager and employee discuss job performance and agree on a final appraisal. Critics of the style argue that self-raters are more lenient than managers in their assessments and may tend to present themselves in a highly favourable light. Used in conjunction with other methods, self-appraisal can be a valuable source of appraisal information.

Subordinate Appraisal

This is a system where managers give feedback on how their subordinates view them. Subordinate appraisals give employees power over their bosses, and this creates hesitation among managers to endorse such a system. Nevertheless, to avoid potential problems, appraisal should be submitted anonymously and combined across several individual raters (Bohlander et al; 2012).
Peer Appraisal

This is a process where individuals of equal rank who work together are asked to evaluate each other. Peers can readily identify leadership and personal skills along with other strengths and weaknesses of their co-workers. One advantage of peer appraisal is that it gives more accurate and valid information than appraisal from supervisors (Belcourt, 2014).

Team Appraisal

This is an extension of the peer appraisal while peers are on equal standing with one another, they may be seriously together. In a team setting, it may be nearly impossible to separate one individual contribution from the others. Critics such as Mathis and Jackson (2006), argue that in such situations appraisal can be dysfunctional since it cuts from the critical issues assessed by the customers. The organization develops a simple and user-friendly format that is used by the customers to rate the performances of the staff. This kind of appraisal also has the added advantage of truly identifying good and bad performers from yet another credible source. The information gathered is therefore analysed in conjunction with other relevant data for the overall rating of the staff.

Customer Appraisal

This is the situation where customers of the organization are asked to rate the performance of staff they come into contact with mostly. The belief behind this method is that overt behaviours exhibited by workers towards the clients can better be assessed by the customers (Paauwe, 2009). The organization develops a simple and user-friendly format that is used by the
customers to rate the performances of the staff. This kind of appraisal also has the added advantage of truly identifying good and bad performers from yet another credible source. The information gathered is therefore analysed in conjunction with other relevant data for the overall rating of the staff (Paauwe, 2009).

**Performance Appraisal System Tools**

Employee Performance Appraisal systems helps managers evaluate employee job performance and develop a fair system of pay increases and promotions. Appraisals in turn can help staff members improve performance and assist companies in devising or reorganizing job functions to better fit the position or the employee. In addition, employee appraisals may reveal outdated or inefficient business practices. Effective employee appraisal systems incorporate goals to help improve the employer as well as the employee, through the application of appropriate and timely feedback and training (Paauwe, 2009).

The following are some Performance Appraisal tools used by most organisations:

**Trait-Focused Performance Appraisal**

Belcourt (2014) discusses trait-rating whereby the centre piece of appraisal is a list of personality such as problem solving ability, cooperation, dependability and punctuality. Supervisors rate employees by indicating specific traits each employee exhibits. Most trait-focused systems use a simple checklist with ratings or similar options. This system is traditionally popular with customer service departments. These types of
evaluations are subject to the supervisor`s personal bias, and the majority of employees end up with marks which limits this reliability and accuracy.

**Alternation Ranking Method (ARM)**

Locke (2012), said that the method of ranking employees from the best to the worst on a trait is termed as Alternation Ranking Method (ARM). Since it is usually easier to distinguish between the worst and best employees, an alternation ranking method is most popular. First, list all subordinates to be rated and then cross out the names of any not known well enough to rank. Then, indicate the employee who is the highest on the characteristic being measured and also the one who is the lowest. Then choose the next highest and the next lowest, alternating between highest and lowest until all employees have been ranked.

**Behavioural Anchored Rating Scale (BARS)**

A behaviourally anchored rating scale combines the benefits of narratives, critical incidents and quantified scales, by fixing a rating scale with specific examples of behavioural activities for good or bad performance. Its supporters say it gives more equitable appraisal than do the other tools. Although Behavioural Anchored Rating Scales still present performance on a continuum; they provide specific behavioural anchors to help clarify the meaning of the performance dimensions and help calibrate the raters' definitions of what constitutes good and poor performance. Some supporters of behaviourally focused scales also claimed that they would remove unnecessary subjectivity (Latham, 2004). Behavioural Anchored Rating Scale is judged from a set of scales- one scale describes each job dimension, or broad types of duties, responsibilities, or activities of a job.
Placed on a scale are a set of statements clarifying of worker behaviour on the particular job dimension. Rating dimension would vary according to the nature of the job- between six and nine seems quite common. For example one British study identified seven: Supervision of operators, scheduling and planning, technical troubleshooting, handling men, communications, administrative problems of wiring wire and dealing with other departments. Behavioural Anchored Rating Scale system has got substantial advantage it has some draw back as well such as time consuming and expensive. Some of them have identified ten dimension of performance (Paauwe, 2009). They are interpersonal relationships, organizing and planning reactions to problems, reliability, communicating, adaptability, growth, productivity, quality of work and teaching Mixed Standard Scales:

These scales are made to make the evaluation system reliable through confirming each individual rates, each scales rate and each rater rates and to minimize halo and leniency errors (Paauwe, 2009). The idea of mixed standard scale has come from the logic of forced choice method. Halo and leniency errors could reduce if ratings are not made on a scale where statements come in an obvious order of merit hierarchy. Practical findings provide support to these hypotheses (Paauwe, 2009). This scale is choosing three items for each performance dimension which are good, average and poor.

Management by Objectives (MBO)

Theoretically, at least, Management by Objectives provided a clear and unambiguous framework for specifying and measuring employee performance. Labovitz and Baird (2014) have given some ideas about MBO.
MBO approach to managing people is a process of continually structuring expectations through mutual goal setting with subordinates, establishing action plans and target dates, reaching objectives and providing feedback. This is a way of managing subordinates that permits them to meet their personal needs for responsibility, freedom of action and recognition. At the same time the MBO approach provides a supervisor with an element of control, and change his or her role from police officer to colleague or coach (Baird, Beatty & Schneier, 2010).

Additionally, MBO is introduced in the management for improving performance, reducing role vagueness and redirecting effort to important organizational target. MBO system could be fit and work with any types of organization for planning process, a control technique and a form of individual performance appraisal (Baird, Beatty & Schneier, 2010).

This tool has many positive sides but it has some limitations that we need to consider. The main issue that a company should consider first to implement MBO is the high level of management commitment and time frame to reorient the thinking of employees (Patten, 2016). Communication is the key to get a good outcome and to prevent the complexity of the system from primary excitement that will lead into confusion and disillusionment, bring the result to an end with disinterest and failure. The purpose for the new system needs to be clearly recognized also, because while MBO is a useful tool for performance planning and feedback, it is not easily used for administrative decisions (Baird et al., 2010).
360-Degree Appraisal

Some studies pointed out some issues regarding the design of the 360-degree appraisals (Seifert, Yukl, & McDonald, 2003), while others have raised questions about the overall effectiveness of this approach (e.g., Waldman, Atwater, and Antonion, 1998). Yet, research on multi-source and upward appraisals continues (e.g., Smither and Walker, 2004). Proponents of the 360-degree feedback approach offer it as a progressive means of conducting performance appraisal, a means that addresses many procedural justice concerns.

Church and Bracken (2018) contend that 360-degree feedback system and other forms of multi-source or multi-rater assessment methods in organizations have evolved from an innovative -nice-to-have technique administered only to the most senior levels to a must Have tool for integration into overall performance and human resource management strategies. These systems appear well suited for the flexible, team-based, change-oriented organizational cultures of many organizations today.

360-degree systems are gaining popularity because they tend to reduce the problems of previous generations of assessment methods (Antonioni, 2006). Barnes (2010) notes that 360-degree appraisal moves the manager back into a comfort zonel as she or he is now only one among a number of assessors. In addition, it greatly reduces the problems of central tendency, positive Skewness, and halo effects. It reduces defensiveness on the part of the appraisee because there are a variety of assessors, and it recognizes that subordinates are best placed to assess leadership or people managementl skills. The technique is said to be helpful in defending legal challenges of the
outcome of appraisals, it meets the demands for employee empowerment and involvement, and it is a useful tool in tapping employee opinions and attitudes.

**Problems in Performance Appraisal**

Ideally, rating supervisors should be completely objective in their appraisals of employees. Each appraisal should directly reflect an employee’s performance, not any biases of a supervisor. Of course, this is impossible to do perfectly as most raters either intentionally or unintentionally commit errors. Raters need to be aware of these biases, so that their effect on the appraisals can be limited or eliminated. According to Abu-Musa (2008) some of these errors are:

**Unclear standards**: Different supervisors would probably define good performance, fair performance, and so on, differently. The same is true of such traits as quality of work or creativity. There are several ways to rectify this problem. The best way is to develop and include descriptive phrases that define each trait, for example, by specifying on the evaluation form what is meant by such things as outstanding, superior, and good quality of work. This specificity results in appraisals that are more consistent and more easily explained (Drucker, 2007).

**Lack of objectivity**: A potential weakness of traditional performance appraisal method is that they lack objectivity. In the rating scale method, for example, commonly used factors such as attitudes, loyalty, and personality are difficult to measure. In addition, these factors may have little to do with an employees’ job performance. Some subjectivity will always exist in appraisal methods. However, employee appraisal based primarily on personal characteristics may place the evaluator and the organization in untenable positions with the
employee an equal employment opportunity guidelines. The firm may be hard pressed to show that these factors are job-related (Dubinsky, 2009).

**Bias:** Rater bias occurs when a rater’s value or prejudices distort the rating. Rater bias may be unconscious or quite intentional. If a manager has strong dislike of certain ethnic group, this bias is likely to result in distorted appraisal information for some people. Hallo error occurs when a manager generalizes one positive performance features or incident to all aspects of employee performance resulting in a higher rating (Abu-Musa, 2008).

**Leniency/Strictness:** Giving undeserved high rating is referred to as leniency. The behaviour is often motivated by a desire to avoid controversy over the appraisal. Some managers may rate their subordinates very high either because they want to show that the work under their responsibilities is proceeding very well or because they do not have the ability to convince their subordinates that their performances deserve this rating. Another problem which is closely connected to leniency is strictness. Strictness is rating subordinates on the lower level of the rating system. Some managers went to show the chief or head of the organization that they care for the organization that they work at. In addition, it is also a good excuse before the higher level management that the subordinates under their supervision are not performing their tasks as well as they should thus the overall performance of the department is unsatisfactory due to the existence of these subordinates (Edwards & Ewen, 2009).

**Central Tendency:** Central tendency is a common error that occurs when employees are incorrectly rated near the average or middle of the scale. This practice may be encouraged by some rating scale systems that require the
evaluator to justify in writing extremely high and extremely low rating .with such system; the rater may avoid possible criticism by giving only average ratings. However, since these ratings tend to cluster in the fully satisfactory range, employees do not often complain about this (Edwards & Ewen, 2009).

**Recent Behaviour Bias:** When rating is not based on the entire appraisal period and just on the last month of the appraisal this is called recent behaviour bias. The performances of the subordinate may be outstanding during the year (if the appraisal is done annually) and on the last month the performance of the subordinate worsen. The rater evaluates the subordinate based on the last month and forgets the eleven –month outstanding performance. It is only natural for a rater to remember recent behaviour more clearly than action from the more distant past. However, formal performance appraisals generally cover a specified time, and an individual’s performance over the entire period should be considered. Maintaining records of performance throughout the appraisal period helps avoid this problem (Edwards & Ewen, 2009).

**Personal Bias:** This pitfall occurs when supervisors allow individuals differences such as age, religion, seniority, sex, appearance or other arbitrary classification to affect the rating they give to appraise. If the performance appraisal is examined by higher level managers, this problem will be overcome. This pitfall is not only detrimental to employee morale, but it is also blatantly illegal and can result in costly litigation. In conducting performance appraisals, managers must be careful to avoid making rating errors. Four of the more common rating errors are strictness or leniency, central tendency, halo effect and recency of events (Fitts & Jones, 2013; Well, 2012).
Theoretical Concept of Organisation Commitment

The concept organisational commitment has grown in popularity in the literature on industrial and organisational psychology (Cohen, 2013). Early studies on organisational commitment viewed the concept as a single dimension, based on an attitudinal perspective, embracing identification, involvement and loyalty (Porter, 2016). According to Porter (2016) an attitudinal perspective refers to the psychological attachment or affective commitment formed by an employee in relation to his identification and involvement with the respective organisation.

Porter (2016) further describes organisational commitment as “an attachment to the organisation, characterised by an intention to remain in it; an identification with the values and goals of the organisation; and a willingness to exert extra effort on its behalf”. Individuals consider the extent to which their own values and goals relate to that of the organisation as part of organisational commitment, therefore it is considered to be the linkage between the individual employee and the organisation.

Another perspective on organisational commitment is the “exchanged-based definition” or "side-bet" theory (Porter (2016). This theory holds that individuals are committed to the organisation as far as they hold their positions, irrespective of the stressful conditions they experience. However, should they be given alternative benefits, they will be willing to leave the organisation.

Porter (2016) supports the “side-bet” theory by describing organisational commitment as a behaviour relating to the process by which individuals become locked into a certain organisation and how they deal with
this problem. This behavioural aspect of organisational commitment is explained through calculative and normative commitments.

The calculative or normative perspective refers to an employee's commitment to continue working for the organisation based on the notion of weighing cost-benefits of leaving an organisation (Hrebiniak & Alutto, 2011). Wiener and Vardi (2009) described organisational commitment as behavioural intention or reaction determined by the individual's perception of the normative pressure. Meyer and Allen (2017) initially viewed organisational commitment as two-dimensional namely, affective and continuance. Meyer and Allen (2017) defined the first dimension, namely affective commitment as positive feelings of identification with attachment to and involvement in the work organisation.

They defined the second dimension; continuance commitment as the extent by which employees feel committed to their organisation by virtue of the costs that they feel are associated with leaving. After further research, Allen and Meyer (2017) added a third dimension, namely normative commitment. Normative commitment according to Meyer and Allen (2017) is defined as the employee’s feelings of obligation to remain with the organisation. Consequently, the concept organisational commitment is described as a tri-dimensional concept, characterised by the affective, continuance and normative dimensions (Meyer & Allen, 2017).

Common to the three dimensions of organisational commitment is the view that organisational commitment is a psychological state that characterises organisational members' relationship with the organisation and has
implications for the decision to continue or discontinue membership in the organisation (Meyer & Allen, 2017).

**Organizational Commitment Defined**

Organizational commitment is the relative strength of the individual's identification with and involvement in a particular organization. It consists of three factors as emphasised by Armstrong (2006). These are:

1. Strong desire to remain a member of the organization.
2. Strong belief in, and acceptance of, the values and goals of the organization.
3. Readiness to exert considerable effort on behalf of the organization.

An alternative definition of organizational commitment emphasizes the importance of emotions, costs and personal values in creating commitment. Meyer and Allen (2017) identified and defined three components of organizational commitment namely:

1. Affective Commitment
2. Continuance Commitment
3. Normative Commitment

These three components of commitment are alternatively described by Brief (2011) as the product of:

1. Emotional attachments (affective commitment).
2. The costs of leaving, such as losing attractive benefits or seniority (continuance commitment).
3. The individual personal values (normative commitment).
According to Meyer & Allen (2017), affective commitment is concerned with employees’ attachment to identification with and involvement in the organization. It therefore follows that, affective commitment to the organization could be characterized by a sharing the values a desire to maintain membership and working without any expectations for the benefit of the organization.

In consequence of the affective commitment, employees want to maintain their memberships in the organization (Dawley, 2018). Affective commitment refers to feelings of belonging and sense of attachment to the organization and it has been related to personal characteristics, organizational structures and work experiences such as pay, supervision, role clarity and skill variety (Hartmann, 2008).

Continuance commitment on the other hand refers to employees’ assessment of whether the costs of leaving the organization are greater than the costs of staying. Employees who perceive that the costs of leaving the organization are greater than the costs of staying remain because they need to. In other words, individuals do not leave a company for fear of losing their benefits, taking a pay cut, and not being able to find another job (Murray, 2009).

Normative commitment refers to an employee’s feelings of obligation to remain with the organization. According to Meyer and Allen’s (2017), the individual commits to and remains with an organization because of feelings of obligation. These feelings may be derived from many sources. For example, the organization may have invested resources in training an employee who then feels a moral obligation to put forth effort on
the job and stay with the organization to repay the debt. It may also reflect an internalized norm, developed before the person joins the organization through family or other socialization processes, that one should be loyal to one’s organization.

Models of Organizational Commitment

A Search in the literature shows that the study of organization commitment can be classified into various models. Models are important in study of organizational commitment as they explore the different perspectives studied and documented and how they are expressed in an organizational setting. The various models classify organizational commitment as either one dimensional or multidimensional. Detail of these models are discuss below:

O’Reilly and Chatman model

O’Reilly and Chatman (2015), as discussed in Meyer and Allen (2017), developed their multidimensional framework based on the assumption that commitment represent an attitude toward the organization, and that there are various mechanism through which attitude and behavior changes, O’Reilly and Chatman(2015) argued that commitment takes on three forms namely:

Compliance: This occurs when attitude and corresponding behavior are adopted in order to gain specific rewards.

Identification: This occurs when an individual accept influence to establish or maintain a satisfying relationship

Internalization: This occurs when influence is accepted because the attitude and behavior an employee is being encouraged to adopt are congruent with existing value. The employee’s psychological attachment can reflect varying
combination of these three psychological foundations (O’Reilly & Chatman 2015).

Organizational commitment is thus multidimensional and takes on three forms namely: compliance, identification and internalization.

Etzioni’s model encompasses three perspectives namely:

Moral commitment:

Moral commitment represents one of the two affective perspectives of organizational commitment. Calling it moral commitment, Etzioni (2015) viewed it as emanating from a symbol compliance structure. Moral commitment is characterized by the acceptance of and identification with organizational goal (Patchen, 2009). According to Hall (2008), it may be bought off as a kind of organizational identification. Wiener (2014) labelled such forms of affective organizational attachment (e.g. moral involvement), commitment. He used this label because of his association of organization identification with the commitment work of porter and his colleagues (Porter, 2016; Steers, 2014). Thus measure such as those of Hall (2008) and Porter(2016) are currently intended to operationalize affective dimensions of commitment similar to Etzioni’s (2015) moral involvement.

Calculative commitment:

Calculative commitment is based on the employee receiving inducements to match contributions. Etzioni (2015) saw this type of organizational attachment as typical compliance systems which are based on an exchanges. Thus, it is conceptually rooted in the exchange theory of Barnard (2011) and March (2009).
Calculative commitment needs not to be reduced to willingness to retain organizational membership. It may be thought of in the broader terms of an instrumental organizational membership. The traditional concept of calculative commitment may be more closely associated with an affective form of organizational commitment. For example, a willingness to forfeit organizational membership may result of anger (negative affect) toward the organizational. Consistent with Etzioni’s (2015) model, such feeling emanate from alienation (affective organizational attachment) rather than a calculative commitment. Moreover retention of membership may reflect a personal identification with the organization, and such positive effect may be more appropriately associated with moral involvement in the Etzioni model (Etzioni, 1961).

**Alienation Commitment:**

Alienation commitment represents an affective attachment to the organization. Etzioni (2015) originally described alternative involvements as typical of a prison or military basic training camp in which coercive compliance system is prevalent. Alienation can be viewed as a basis for organizational commitment if one thinks of an employee’s commitment to the organization as a consequence of lack of control over the internal organizational environment and perceived absence of alternative for organizational commitment.

Etzioni (2015) borrowed the word alienation from the work of Karl Marx who gave alienation its classic definition, a lack of control which is a perceived inability to change or control the organization in this context. To the alternatively committed worker, reward and punishment may seem random rather than a direct result of the quality or the quantity of work (Etzioni,
The employee’s perceived sense of randomness provided the sense of loss of control. Thus the negative affective attachment to the organization, recognised by Etzioni (2015) to the alternatively involved employee develops. An employee who is alternatively committed to the organization may stay because of lack of alternatives or fear of financial loss.

**Factors Affecting Organisational Commitment**

There are variety of factors that shape organisational commitment according to Meyer and Allen (2017). These factors include the following;

1. Job-related factors
2. Employment opportunities
3. Personal characteristics
4. Working environment
5. Positive relationship
6. Organisational structure
7. Management style

**Job-related Factors**

Organisational commitment is an important job-related outcome at the individual level, which may have an impact on other job-related outcomes such as turnover, absenteeism, job effort, job role and performance or vice versa (Randall, 2014). The job role that is ambiguous may lead to lack of commitment to the organisation and promotional opportunities can also enhance or diminish organisational commitment (Mount, 2016).

Other job factors that could have an impact on commitment are the level of responsibility and autonomy. Greenberg (2013) stated that the higher
the level of responsibility and autonomy connected with a given job, the lesser repetitive and more interesting it is, and the higher the level of commitment expressed by the person who fill it.

**Employment Opportunities**

The existence of employment opportunities can affect organisational commitment (Curry, 2011). Individuals who have a strong perception that they stand a chance of finding another job may become less committed to the organisation as they ponder on such desirable alternatives. Where there is lack of other employment opportunities, there is a tendency of high level of organisational commitment (Vandenberghe, 2017). As a result, membership in the organisation is based on continuance commitment, where employees are continuously calculating the risks of remaining and leaving (Meyer & Allen, 2017).

**Personal Characteristics**

Organisational commitment can also be affected by the employee's personal characteristics such as age, years of service and gender (Meyer & Allen, 2017). Greenberg (2017) has it that older employees those with tenure or seniority and those who are satisfied with their own levels of work performance tend to report higher levels of organisational commitment than others. This implies that older people are seen to be more committed to the organisation than other age groups.

Another personal characteristic that may affect organisational commitment is associated with gender (Meyer & Allen, 2017). However, it is
argued that gender differences in commitment are due to different work characteristics and experiences that are linked to gender (Martyn, 2008).

**Work Environment**

The working environment is also identified as another factor that affects organisational commitment. One of the common working environmental conditions that may affect organisational commitment positively is partial ownership of a company. Ownership of any kind gives employees a sense of importance and they feel part of the decision-making process (Klein, 2012). This concept of ownership which includes participation in decision-making on new developments and changes in the working practices creates a sense of belonging (Armstrong, 2006).

Another factor within the work environment that may affect organisational commitment is work practices in relation to recruitment and selection, performance appraisal, promotions and management style (Meyer & Allen, 2017).

**Positive Relationships**

The organisation as a workplace environment is built up of working relationships; one of which is the supervisory relationship. According to Randall (2014) “the supervisory relationship can affect organisational commitment either positively or negatively”. A positive supervisory relationship depends on how work-related practises such as performance management are being implemented in the organisation (Randall, 2014). When individuals find the supervisory relationship to be fair in its practices, they tend to be more committed to the organisation (Benkhoff, 2011).
Other work relationships such as teams or groups which exist in the workplace can affect organisational commitment. Organisational members can demonstrate commitment when they are able to find value through work relationships (Martyn, 2008). Brook (2011) state that employee commitment and attachment to the organisation can be increased through efforts made to improve the organisations social atmosphere and sense of purpose”. In essence, when work relationships reflect mutual respect to individuals, they are able to commit themselves to the organisation.

**Organisational Structure**

Organisational structure plays an important role in organisational commitment. Bureaucratic structures tend to have a negative effect on organisational commitment. Zeffanne (2016) indicates that the removal of bureaucratic barriers and the creation of more flexible structure are more likely to contribute to the enhancement of employee commitment both in terms of their loyalty and attachment to the organisation. The management can increase the level of commitment by providing the employees with greater direction and influence (Storey, 2014).

**Management Style**

According to Zeffanne (1994) the answer to the question of employee commitment, morale, loyalty and attachment may consist not only in providing motivators but also to remove demotivators such as styles of management not suited to their context and to contemporary employee aspirations. A management style that encourages employee involvement can help to satisfy employee's desire for empowerment and demand for a commitment to organisational goals. Gaertner (1999) opined that more flexible and
participatory management styles can strongly and positively enhance organisational commitment. Organisations need to ensure that their management strategies are aimed at improving employee commitment rather than compliance (William & Anderson, 1991).

**Effects of Organisational Commitment**

Organisational commitment can have either a negative or a positive effect on the organisation.

**Negative Effect of low Level Organisational Commitment**

The negative effect implies that the level of organisational commitment is low. Employees with a low level of organisational commitment tend to be unproductive and some become loafers at work (Morrow, 1993). Organisational commitment can be regarded as a work dysfunction when it is characterised by under-commitment and over-commitment. In certain cases the high rate of staff turnover and absenteeism are associated with the low level of organisational commitment (Morrow, 1993). Cohen (2003) said that lack of organisational commitment or loyalty is cited as an explanation of employee absenteeism, turnover, reduced effort expenditure, theft, job dissatisfaction and unwillingness to relocate.

Organisational commitment is regarded to be the best predictor of employees’ turnover, than the far more frequently used job satisfaction predictor (Miller, 2003). Given the fact that employees who operate in a continuance commitment dimension are calculative of their stay, one would deduce that such employees may continuously stay away from work when they feel like, doing so.
Positive Effect of Organisational Commitment

Committed organisational members contribute positively to the organisation which is not the case with less committed members. Cohen (2003) states that organisations whose members have higher levels of commitment show higher performance and productivity and lower levels of absenteeism and tardiness. This implies that employees with a high level of commitment tend to take greater efforts to perform and invest their resources in the organisation (Saal & Knight, 1987).

Organisational commitment can result in a stable and productive workforce (Morrow, 1993). It enables employees to release their creativity and to contribute towards organisational development initiatives (Walton, 1985). Employees who are highly committed do not leave the organisation because they are dissatisfied and tend to take challenging work activities (Meyer & Allen, 1997). Committed members are normally achievement and innovative orientated with the ultimate aim of engaging in and improving performance (Morrow, 1993).

Empirical Review

Studies linking Performance Appraisal and employee participation with organizational commitment is relatively too scanty. Hence, in this study, the researcher has some empirical findings linking organizational commitment with some related constructs or concepts such as perception about performance appraisals, employee’s perception of performance appraisal and organization outcome as well as organizational commitment.
Employees Performance Appraisal Perception and Organization Outcome

One of the objectives of the present study is to explore how the experiences and perceptions of organisational personnel are perceived to impact employees’ organizational commitment. In the context of the present study, organizational outcomes are factors such as job performance, productivity, job satisfaction, staff morale, retention and workplace stress (Reid, 2009).

Dittrich et al. (2002) in their contribution to the literature on employees’ perceptions in relation to organizational outcomes found out that employees tend to feel a sense of belonging in their organizations and tend to remain at their organizations when they believe or perceive that they are treated in a fair manner. An implication of this finding is that, key factors that affect job satisfaction and the intention to remain in or quit a job are under the direct control of management.

Karimi and Krishnan (2011) also contributed by examining the relationship between performance appraisal systems and employee satisfaction. The researchers concluded that there was a positive and significant relationship between employee performance appraisal systems and employee satisfaction. They noted that the fundamental objective of performance appraisal was to help managers make decisions relating to promotions, pay increases and terminations. Karimi et al. (2011) explained further that many people believe the present job performance of an employee is often the most significant consideration for determining whether or not to promote the person. When employees have high job satisfaction, they are less likely to leave the organization. It thus behoves organizational leaders and managers to ensure
that the right environment is established so that employees have positive perceptions of all organizational factors, including the performance appraisal system (Karimi et al., 2011).

Kuvaas (2006) also examined the relationship between performance appraisal satisfaction and organizational outcomes and found a direct relationship between the two factors. The researcher noted that, even though there is a complex relationship between feedback intervention and performance, meta-analyses suggests that the overall effect is positive. It is reasonable to conclude that positive perceptions and experiences regarding performance appraisal systems results in positive organizational outcomes, such as employee job satisfaction.

Analysing the perceptions of performance appraisal among computer professionals, Sweeney (2011) stated that performance management for this category of workers is more complex because computer professionals are knowledge workers and unlike industrial employees, computer professionals are usually more perceptual than factual because of the complexity of their jobs. The findings are in agreement with the research already discussed. For instance, for knowledge workers to accept their performance appraisal ratings, they need to believe that the appraisal system is fair. The results of the study also indicated support for the argument that employees’ acceptance of performance appraisal system is a crucial predictor of employee satisfaction with their appraisal (Sweeney, 2011). It is therefore likely that acceptance of and satisfaction with performance appraisal can result in several favourable organizational outcomes, such as improved performance, productivity, and motivation.
Thomas (2015) examined the perceptions of a cross-section of employees regarding performance appraisal to determine whether the employees had experienced fair outcomes in the appraisal process and whether the use of performance appraisal was perceived to contribute to the employees’ career advancement. Although no significant differences in perception were found among union and non-union employees, it was concluded that the results confirmed the hypothesis that workers who believed that performers were not treated fairly as a result of performance appraisal would also agree that their expectations regarding development and advancement were not being met. The findings of the study therefore indicated that employees’ experiences and perceptions regarding one aspect of the organization may sometimes extend to other aspects of the organization, especially when they relate to critical organizational factors, such as performance appraisal.

McCoy (2005) conducted a qualitative study on virtual team members’ experiences regarding performance appraisal systems. He noted that virtual organizations and virtual teams are organizational networks that are structured and managed to function as complete groups. In alignment with other research findings discussed in the literature review, he further examined the meanings that virtual team members attach to appraisal systems, approaching the topic from the perspective that team members’ perceptions are vital precursor to understanding the effectiveness of the management tool. Overall, the study participants indicated that appraisal systems facilitated team members’ alignment with organizational goals. The major contribution of McCoy’s (2005) study to academic discourse on performance appraisal is its focus on
virtual organizations contrary to most contemporary research on performance appraisal systems that focused on traditional organizational settings.

Abdulkadir (2012) also conducted a study on the effect of strategic appraisal, career planning and employee participation on organizational commitment at twenty four (24) Mega banks in Nigeria. The study finding indicated that there is a significant positive relationship between performance appraisal system and organizational commitment. Ahmed (2010) in the same vain did an empirical study on Performance appraisal and its impact on attitudinal outcomes and organizational performance. It was statistically revealed that performance appraisal affects employees’ turnover intention.

**Chapter Summary**

In this chapter, literature relating to employees perception of performance appraisal and organization commitment were reviewed. Basically the literature was reviewed under theoretical and empirical. Theoretically performance appraisal was defined as human resource management tool used in determining and communicating to an employee his/her performance on an assigned job over a period, and essentially establishing a plan for improvement. Organization commitment is the relative strength of the individual’s identification with, and involvement in, a particular organization. This implies that in this study various appraisals tools appropriate to be used in appraising employees in various state owned organization of which Techiman NHIS is inclusive will be extensively looked at on the other hand taking how committed employees are towards their organization will also not be left out. These findings will add up to the literature on Performance Appraisals systems and organization commitment at various state organizations.
Also various tools used for employees’ performance appraisal were also considered as well as some theories of motivation that support performance appraisal in organizations. These theories are equity and expectancy theory respectively. With respect to the equity theory, low level employees would like to see a link between their output of work and their salary at the end of the month whether there is an appraisal or not. However, in this study by the expectancy theory, employees will be much enthused if they consider that strong effort leads to good performance while good performance leads to desired rewards. At the end the expectancy theory will help promote organization commitment.

On the part of organization commitment various approaches were discussed together with some models used in organization commitment. Moreover feedback in performance appraisal system was discussed extensively. Detailed explanation was given on the differences and similarities between performance appraisal and performance management.

Empirically, literature on employee’s perception on performance appraisal and organization outcome were looked at as well as organisation commitment. Also organization commitment at the individual levels was also discussed. In summary it was clear from the literature that performance appraisal positively correlates with organization commitment of employees.
CHAPTER THREE
RESEARCH METHODS

Introduction

Kumekpor (2012) defined research methodology as the various methods, techniques and procedures a researcher may use in an attempt to discover whatever he may want to know.

In this chapter, the methodology and techniques employed in conducting the study is highlighted. Critically, it considers the research design, population, sample and sampling method, data collection methods and procedure, data sources as well as data analysis procedures.

Research Design

In this study the research design adopted was descriptive cross-sectional design. A descriptive cross-sectional study is one that is focused and detailed, in which propositions and questions about a phenomenon are carefully scrutinized and articulated at the outset. It is a method used to narrow down a very broad field of research into one easily researchable topic (Saunders, Lewis & Thornhill, 2009). A survey research study is also appropriate for contemporary events when the relevant behavior cannot be manipulated. Typically survey study research uses a variety of evidence from different sources, such as documents, artefacts, interviews and observation, and this goes beyond the range of sources of evidence that might be available in historical study (Oso, 2009). Another reason for the conduct of a study is that the researcher can focus on specific and interesting cases. This may be an attempt to test a theory with a typical case or it can be a specific topic that is of interest (Martyn, 2008).
Population

A Research population as defined by Oso (2009) is to a complete group or elements with common characteristics for the study. All the items under consideration in any field of investigation constitute a population. The target population of a study is the total number of focuses of the total setting of interest to the researcher. According to Saunders et al., (2009) population is the full set of cases from which a sample is taken. It can be presumed that in such an investigation when all the items are covered no element of chance is left and highest accuracy is obtained. Saunders (2007) also defined population as the entire group of people, events or things of interest that the researcher wishes to investigate. In undertaking this research work, all the fifty-two (52) permanent and national service personnel at Techiman Municipal Health Insurance Scheme were used as the population.

Census

According to Kothari (2005) census refers to the quantitative research method, in which all the members of the population are enumerated. Census implies complete enumeration of the study objects. A census is therefore a well-organized procedure of gathering, recording and analyzing information regarding the members of the population. Under this technique, the enumeration is conducted about the population by considering the entire population. Hence this method requires huge finance, time and labour for gathering information.

In Census technique, researchers choose to study the entire population because the size of the population that has the particular set of characteristics which the researcher’s interest in is typically very small.
Therefore, failing to include a small number of units in your research, a significant piece of the puzzle that you are trying to understand may be missing (Martyn, 2008). Thus the total population of fifty-two (52) employees were used in gathering data for the analysis.

**Sources of Data**

The data used in conducting the study was purely primary. Primary data, according to Martyn (2008) refers to data source which do not exist but are collected from the respondents during a research exercise. Structured and semi-structured questionnaires were used to gather relevant information from the respondents.

**Data Collection Instruments**

One major method used for gathering data from the respondents was questionnaire (Saunders, 2007). Concisely, semi-structured questionnaire with a simple language were designed to prevent any ambiguity on the part of the respondents. The self-developed questionnaires contained different sections comprising an introductory letter, bio-data among others. The employees sampled for the research were served with the self-developed questionnaire to respond to. This was considered appropriate because it enabled them to provide their responses individually. The questions were broken to cover five major areas the objective of the research intends to assess.

The five sections covered were on employees knowledge on performance Appraisals system used, employees overall satisfaction with the Performance Appraisal system, employees on the Performance Appraisals system used, employees’ perception on performance Appraisals and
organizational commitment as well as the relationship between Performance Appraisals and employees’ organizational commitment.

**Data Collection Procedure**

In gathering data for the study, respondents were asked questions; both close-ended and open-ended to solicit information from them on these areas performance appraisals and organization commitment for the analysis. By open-ended questions the respondents were provided with alternatives to choose from. These made them to respond to the questionnaire easily due to the busy nature of their work.

In this study the Likert Scale was basically used. The assumption underlying the Likert Scale has to do with the fact that, individually, the scale items systematically are related to the underlying attributes and the items score summation are also linearly related to the attitude. The Likert Scales used in this study were Strongly Agreed, Agreed, Disagreed and Strongly Disagreed responses from the respondents to some statements in the questionnaire.

The questionnaires were personally administered by the researcher herself. Permission was sought from management at the office of Techiman Municipal Insurance authority before administering the questionnaires.

**Ethical Consideration**

According to Saunders et al. (2007), in the context of research ethics refers to the aptness of the researcher’s behaviour in relation to the rights’ of those who become the subject of the study or are affected by it. Research ethics therefore relates to questions about how we devise and make clear our research theme, plan our research and gain right of entry, gather data, process and store
our data, analyze data and put in writing our research outcomes in a proper and responsible way (Saunders et al., 2009).

For the purpose of ethical considerations, the conduct of this dissertation is guided by School of Graduate Studies- University of Cape Coast (UCC) guidelines for preparing and presenting project work, dissertation and thesis. Sample of questionnaire administered was submitted to School of Graduate Study for ethical clearance. Permission was sought from authorities at Techiman Municipal NHIS by a letter before administering the questionnaire. The researcher sought the consent and voluntarily participation of all employees and assured them of the confidentiality and secrecy concerning information they have provided towards the study. Reasonable steps were taken in maintaining the confidentiality of data gathered from every employee at Techiman Municipal NHIS.

**Data Analysis and Presentation**

The data obtained from the respondents was put together in a table form for the analysis. The results for objectives one to four were presented using were frequency tables and bar charts whereas with respect to the fifth objective, Stata version 13 was used to find out the relationship between employees perception on performance Appraisals and Organizational commitment.

**Chapter Summary**

In this chapter, various techniques and methods used in conducting the study were discussed. The study adopts descriptive cross-sectional design and focused on fifty-two (52) employees by total population sampling of all the fifty-two (52) employees. The main source of data for the study was primary
data. Questionnaire was used to gather information from the respondent herself. In analysing and interpreting the results, frequency distribution table were used.
CHAPTER FOUR
RESULTS AND DISCUSSION

Introduction

In this chapter, results of the data analysis and its findings as specified by the research objectives of the study is presented. The chapter covers the analysis and the interpretation of the various data collected from the respondents through the use of questionnaires. Basically, this research work focused on finding employees perception on Performance Appraisals (P.A) and Organizational Commitment at Techiman Municipal Health Insurance Scheme (NHIS) Office. To assess and evaluate employees perceptions on Performance Appraisals, questionnaires were administered to the employees at Techiman Municipal Health Insurance Scheme (NHIS) Office in the Brong Ahafo Region of Ghana.

Background of Demographic Characteristics

The demographic characteristics of respondents such as gender as well as departmental characteristics (position) of respondents were discussed under this section. The results are shown in Table 1 and Figure 1.

Table 1 : Background Data Analysis of Respondents

<table>
<thead>
<tr>
<th>Variables</th>
<th>Sub-Scale</th>
<th>No. of Respondents</th>
<th>Percentage (%)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Gender</td>
<td>Male</td>
<td>30</td>
<td>57</td>
</tr>
<tr>
<td></td>
<td>Female</td>
<td>22</td>
<td>43</td>
</tr>
<tr>
<td>Years in Service</td>
<td>Less than 1 year</td>
<td>15</td>
<td>29</td>
</tr>
<tr>
<td></td>
<td>1-5 Years</td>
<td>17</td>
<td>33</td>
</tr>
<tr>
<td></td>
<td>6-10 Years</td>
<td>10</td>
<td>19</td>
</tr>
<tr>
<td></td>
<td>Above 10 Years</td>
<td>10</td>
<td>19</td>
</tr>
</tbody>
</table>

Source: Field Survey (2017)
From Table 1, there were thirty (30) male employees representing 57% of the total number of employees whereas twenty-two (22) were females representing 43%. On the number of years respondents have been in the service, fifteen (15) of them representing 29% have spent less than a year, seventeen (17) representing 33% have been in the service for one (1) up to five (5) years, ten (10) of the respondents have worked for six (6) up to ten (10) years representing 19% while ten (10) representing 19% have spent more than ten (10) years working at Techiman Municipal Health Insurance Scheme.

According to Figure 1, there are five departments within the Municipal Health Insurance Office. These are Management Information System Office (MIS), Public Relations Office (PR), Administration, Claims Office and Accounts Office with eighteen (18), eight (8), ten (10), nine (9) and seven (7) permanent and National Service Staffs respectively.

![Pie Chart: Departmental Characteristics of Respondents](image)

*Figure 1: Departmental Characteristics of Respondents*

*Source: Field Survey, (2017)*
Performance Appraisals System at Techiman Municipal Health Insurance Office.

Basically under the respondents general knowledge on Performance Appraisal used at Techiman Municipal Health Insurance Scheme were solicited from the respondents (employees). The respondents gave their understanding on Performance Appraisal, specific Performance Appraisal System used, regularity of the Appraisal system and who evaluates employees job performance. Other pertinent questions on how Performance Appraisal system is conducted also came to light. The results from the respondents are shown in Figure 2.

**Figure 2**: Performance Appraisal System used at Techiman Municipal NHIS
Source: Field Survey (2017)

From Figure 2, six (6) respondents representing 11% were assessed using rating scales at Techiman Municipal NHIS. This findings moves in
similar direction with Jafari, Bourouni and Amiri (2012) results that rating scales is among the commonest forms of Performance Appraisals techniques in many organizations globally. Rating Scale as an Appraisal tool was found to be very significant by Kokemuller (2012). According to Kolemuller (2012) rating scales is of benefit to organizations since appraisers and appraises understand it easily and are able to use it without much difficulties. As a result most managers as well as employees are very familiar with the rating scales appraisal system which give way to made known to the employees their strength and weakness.

Also, nine (9) employees representing 17% concluded that comparison methods were used in their Performance Appraisal system. The comparison method according to a research by Kokemuller (2012) consist of multiple persons, the approach compares performances of employees to their co-workers in the same organization. This appraisal technique leads to competition in the work environment and can also on the other side leads to infighting, fight teamwork and lack of harmony among the employees which can bring reduction in performance at last (Kokemuller, 2012).

The comparison method according to Kokemuller (2012) involves multiple persons, the approach compares performances of employees to their co-workers in the same organization. This appraisal technique leads to competition in the work environment and can also on the other side leads to infighting, fight teamwork and lack of harmony among the employees which can bring reduction in performance at last (Kokemuller, 2012). Root (2010) suggested that both the rating scales and the comparison could be used together
in appraising workers performance since the scales will give way for comparison to be made so easily.

However, eighteen (18) of the respondents representing 35% disclosed that Self Evaluation and Team Evaluation were used to appraise their performance. Many researchers including Root (2010) also saw Self and Team Evaluation in appraising employees as very simple and easy in administering which only involves an employee completing forms based on laid down criteria to rate him/herself or members in a team. This technique is useful at an instance employers want to review performances of employees since co-workers in an organization basically may have more information about the performance of their peers (Root, 2012).

Moreover, three (3) respondents representing 6% went for Management By Objectives (MBO) as how they were appraised. On the part of MBO, Jafari et al (2009) said that employees are evaluated by how they are able to complete an assigned task effectively and efficiently towards the attainment of the organizations set goals. Shout and Yousif (2014) also added that under MBO, performances of employees are graded against specific management set targets and objectives. This is primarily concerned with employees at the managerial level with their major roles been aligned with the organizations broad set goals (Walliman, 2011).

Additionally, thirteen (13) respondents representing 25% said 360-Degree Feedback primarily formed the basis of their Performance Appraisal (P.A). Kokemuller (2012) in contributing to the discourse on 360-Degree Feedback Performance appraisal system referred it as a popular technique in appraising employees in modern organizations. Thus, the employee in this
method is evaluated by many people such as co-workers, supervisors and customers. Hakala (2014) on his part opined that among the techniques in Performance Appraisals, 360-Degree feedback is the most comprehensive and cost infective and as a result it is usually done for very key employees in an organization. Finally, three (3) respondents representing 2% mentioned other performance appraisal method such as merit ratings, verbal interview and written essays beside the five stated.

**Evaluation of Employees Job Performance at Techiman Municipal Health Insurance Authority**

In this section, employees’ evaluation of job performance at Techiman Municipal NHIS is presented in Figure 3.

![Figure 3: Evaluation of Employees Job Performance at Techiman Municipal Health Insurance Authority](source; Field Survey (2017))
Judging from Figure 3, fifteen (15) respondents representing 34% revealed that their job performances were conducted by their supervisors. This finding according to a study by Paauwe and Boon (2009) usually has wide-ranging understanding of the employee’s performance and abilities, how they opined that supervisors guided job evaluation leads to favouritism and the results are sometimes bias. Certo (2010) conclude that, in this appraisal, the superior appraises the subordinate and in most situations a review is done by the supervisor’s superior. On self-job evaluation of performance appraisals, eight (8) employees representing 15% alluded to the fact. Findings of Rani and Chaubey (2014) revealed that self-evaluation and self-appraisals offer many benefits to the appraisal process which include accuracy, fairness and better understanding of the employees demand and expectation and the organization.

However, Paauwe and Boon (2009) shared different view from that of Rani et al (2014). According to Paauwe and Boon (2009) self-appraisals works in the best interest of the employees, thus at a point employees appraise themselves; their interest will be inflated by their own ratings. Moreover, eight (8) respondents representing 14% went for customers’ job performance appraisal at Techiman NHIS. Customer appraisal system according to findings from Paauwe and Boon (2009) enhances long-term relationships with the customer and the employee and the organisation at large.

But on the other side, obtaining feedback from customers can sometimes be expensive and bias. Eleven (11) representing 22% employees noted their job performances were evaluated by colleagues/peers in the organisation. Peer performance according to Wood and Marshall (2008) peer performance evaluation works well when the supervisor doesn’t always
directly observe the employee this can lead to chaos at the point performance is highly tied to pay; this can put both the employee and the peer in an awkward situation.

Finally, ten (10) employees representing 19% at Techiman NHIS job performances were evaluated by their subordinates. Subordinates motivated job evaluation according to Wood and Marshall (2008) findings, usually is conducted at the top level hierarchy in an organisation and data gathered can include how well the manager treats employees. However according to Wood and Marshall (2008) if the data gathered is made confidential it may generate suspicion within the organisation.

Employee’s General View of Performance Appraisal System at Techiman Municipal NHIS.

In this part, the respondents were asked to respond to generally to how Performance Appraisal is conducted at Techiman Municipal NHIS. Results from the administered questionnaires is presented in Table 2.
From Table 2, thirty (30) respondents representing 58% agreed that the purposes of P.A systems are clearly outlined, understood and acceptable to them whereas twenty (20) representing 38% strongly agreed and two (2) representing 4% disagreed with the statement. Bintu (2014) in contributing to the clarity and understand ability of Performance Appraisal also said that the purposes of any appraisal system should be outlined and understood by the appraisee. Also, three (3) respondents representing 6% strongly agreed to the statement that specific performance criteria have been clearly identified with the appraisals system in the organization, twenty-six (26) representing 50% agreed whereas twenty (20) representing 38% strongly disagreed and three (3) disagreed. This means majority of the employees understood and accepted the performance Appraisal system at Techiman NHIS. This findings confirms Bintu (2014) findings that institutions in Ghana have various system of
appraisals with specific criteria for measuring performance which are clearly identified.

Additionally, nine (9) respondents representing 17% agreed that performance criteria are developed in consultation with employees, thirty-three (33) representing 63% strongly disagreed while twelve (12) respondents representing 20% disagreed. As to whether the appraiser invites the employees before signing the assessment, only two (2) respondents representing 3% strongly agreed, four (4) representing 6% agreed, twenty-six (26) representing 50% strongly disagreed and twenty (20) respondents representing 41% disagreed.

In responding to either Performance Appraisals (P.A) were communicated back to employees, thirteen (13) respondents representing 25% strongly agreed, twenty-seven (27) representing 52% agreed, nine (9) respondents representing 17% strongly disagreed whereas three (3) respondents representing 6% disagreed. Thus, the findings that employees Performance Appraisals are communicated back to them affirms Gomel et al, 2010) opinion that an effective performance appraisal requires considerable time and effort of managers and gathering of information and receiving employees’ feedback.

Employees Levels of Satisfaction with Performance Appraisal system at Techiman Municipal NHIS

Responses from employees concerning their satisfaction levels with respect to the Performance Appraisals system at Techiman Municipal NHIS is presented. In Table 3, the results from questionnaires administered is displayed.
Table 3: Employees Levels of Satisfaction with Performance Appraisal System at Techiman NHIS

<table>
<thead>
<tr>
<th>Statements</th>
<th>SA</th>
<th>A</th>
<th>SD</th>
<th>D</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>My Appraiser helps me to understand the process used to evaluate my performance</td>
<td>0</td>
<td>1</td>
<td>20</td>
<td>29</td>
<td>52</td>
</tr>
<tr>
<td>My appraiser knows enough about my work to give me a fair appraisal result</td>
<td>15</td>
<td>20</td>
<td>12</td>
<td>5</td>
<td>52</td>
</tr>
<tr>
<td>I am satisfied with the way P.A system helps in identifying areas to improve my work</td>
<td>20</td>
<td>13</td>
<td>9</td>
<td>10</td>
<td>52</td>
</tr>
<tr>
<td>P.A system has been successful and is able to achieve the required objectives</td>
<td>3</td>
<td>11</td>
<td>28</td>
<td>10</td>
<td>52</td>
</tr>
<tr>
<td>I am satisfied with the way my organization uses P.A system</td>
<td>0</td>
<td>6</td>
<td>31</td>
<td>15</td>
<td>52</td>
</tr>
</tbody>
</table>

Source: Field Survey (2017)

The findings from Table 3 revealed that only one (1) respondent representing 2% agreed that his appraisers helped him to understand the process used in evaluating performance while twenty (20) representing 38% strongly disagreed and twenty-nine (29) representing 60% disagreed. Going by the study findings the appraisers in appraising performances of employees do not help them to understand the processes used. In contrary, Keeping and Levy (2012) saw the process of performance appraisal as a teaching moment for the employees and managers. On whether the appraiser knows enough about their work to give fair appraisal results, fifteen (15) respondents representing 29% strongly agreed, twenty (20) representing 38% agreed, twelve (12) representing 23% strongly disagreed whereas five (5) representing 10% disagreed. Keeping
et al (2010) in conformity to this findings opined that an appraiser must be skilful and have in-depth knowledge on performance appraisal systems and processes. Moreover, twenty (20) respondents representing 38% were satisfied with the way performance Appraisal system helps in identifying areas to improve their work, thirteen (13) representing 26% agreed, nine (9) representing 17% strongly disagreed and ten (10) representing 19% disagreed. Anderson (2012) study attested to this findings that performance appraisal serves as a tool for comparing employees performance to aid improvement in areas with shortcomings.

Additionally, it was discovered that three (3) respondents representing 6% have been successful to achieved their required objectives through the Performance Appraisals (P.A) system, eleven (11) representing 21% agreed, twenty-eight (28) respondents representing 53% strongly agreed while ten (10) representing 19% disagreed. The findings attested that Performance Appraisal have help employees to achieve a lot in their growth and development which is ideally the major objective of every employee in every organisation (Anderson, 2002). Six (6) respondents representing 12% were satisfied with the way their organisation uses Performance Appraisals (P.A), thirty-one (31) representing 60% strongly disagreed whereas fifteen (15) representing 28% disagreed. Opoku (2016) in their study on employees’ satisfaction at microfinance companies in Ghana moves in similar direction that the employees were satisfied with the performance Appraisal system at Techiman NHIS
Employees Perception of Performance Appraisal at Techiman Municipal NHIS

In this section, results obtained from employees with regard to their overall perception of Performance Appraisal at Techiman Municipal NHIS is presented in Table 4.

Table 4 : Employees Perception of P.A System at Techiman Municipal

<table>
<thead>
<tr>
<th>Statements</th>
<th>SA</th>
<th>A</th>
<th>SD</th>
<th>D</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Performance Appraisal is a mere formality than identifying performance gaps in employees</td>
<td>40</td>
<td>12</td>
<td>0</td>
<td>0</td>
<td>52</td>
</tr>
<tr>
<td>Performance Appraisals results are based on the relationship between the appraiser and the appraisee</td>
<td>35</td>
<td>10</td>
<td>7</td>
<td>0</td>
<td>52</td>
</tr>
<tr>
<td>Performance Appraisals results can be influenced by gifts from the appraisee</td>
<td>37</td>
<td>10</td>
<td>5</td>
<td>0</td>
<td>52</td>
</tr>
<tr>
<td>Performance Appraisals system in place gives the appraiser a great influence over the final results</td>
<td>3</td>
<td>39</td>
<td>5</td>
<td>5</td>
<td>52</td>
</tr>
<tr>
<td>My view of my performance is taken into consideration when assessing my Performance</td>
<td>0</td>
<td>7</td>
<td>30</td>
<td>15</td>
<td>52</td>
</tr>
<tr>
<td>The appraiser does not know enough about my work to give me a fair performance result</td>
<td>2</td>
<td>18</td>
<td>19</td>
<td>13</td>
<td>52</td>
</tr>
</tbody>
</table>

Source: Field Survey (2017)

In Table 4, forty (40) respondents representing 77% strongly agreed that Performance Appraisals (P.A) was merely a formality for identifying performance gaps in employees, twelve (12) representing 10% agreed none of the respondents disagreed. In confirming the findings Addison-Wesley (2001) in his comment on the perception of performance appraisal attested to these findings and added that appraisals serve only as an administrative role in determining salary increase, wages and other fringe benefits of workers. In similar direction, thirty-five (35) respondents representing 67% strongly agreed that Performance Appraisals (P.A) results are based on the relationship between the appraiser and the appraisee, ten (10) representing 19% agreed
while seven (7) strongly disagreed. Moreover, thirty-seven (37) respondents representing 71% believed that results of Performance Appraisals can sometimes be influenced by giving gifts of various kind to the appraisee, ten (10) representing 19% agreed while five (5) representing 10% strongly disagreed.

Ohemeng (2009) in assessing the effectiveness of performance management in public services in Ghana hammered on transparency, fairness and excellence. His assertion therefore condemns the findings that, personal relationship between appraiser and appraisee as well as gifts can influences the performance appraisal system at Techiman NHIS. Three (3) respondents representing 6% strongly agreed that a strong Performance Appraisals system in place gives the appraiser a great influence over the appraisal results, thirty-nine (39) respondents representing 74% agreed, five (5) respondents representing 10% strongly disagreed and five (5) disagreed. The findings move in opposite direction with Keeping and Levy (2012) suggestion that fairness in Performance Appraisals increase satisfaction level of employees.

Also, seven (7) respondents representing 13% agreed that their views were considered in assessing their performance; thirty (30) representing 58% strongly disagreed whereas fifteen (15) representing 29% disagreed. Thus, supporting Cleveland, Murphy, Williams, and Richard (2016), opinion that Performance Appraisal system can let work flow comes to a standstill as well as employees performance at an instance where the views of employees are not integrated in the appraisals system. Moreover, two (2) respondents representing 4% strongly agreed that their appraiser do not know much about their work to give them a fair result about their performance, eighteen (18) representing 35%
agreed, nineteen (19) representing 37% strongly disagreed while thirteen (13) representing 24% disagreed.

Thus, it became clear that the appraisers had enough knowledge on performance appraisal used at Techiman NHIS. This findings therefore is in disagreement with Gomez et al (2010) opinion that several managers do not take their task seriously and do not have the skills needed to do a good job of conducting an effective appraisal system of employees.

Commitment of Employees at Techiman Municipal NHIS

Employees’ commitment towards their organization in many ways influences the entire life of the individual towards his/her organization. Responses compiled from respondents concerning how committed they are as they work at Techiman Municipal NHIS is presented in Table 5.

Table 5 : Employees Commitment at Techiman Municipal NHIS

<table>
<thead>
<tr>
<th>Statements</th>
<th>SA</th>
<th>A</th>
<th>SD</th>
<th>D</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>I would be very happy to spend the rest of my career with this organization</td>
<td>23</td>
<td>17</td>
<td>10</td>
<td>2</td>
<td>52</td>
</tr>
<tr>
<td>I enjoy discussing my organization with people outside it</td>
<td>12</td>
<td>28</td>
<td>9</td>
<td>3</td>
<td>52</td>
</tr>
<tr>
<td>I really feel as if this organization’s problems are my own</td>
<td>22</td>
<td>16</td>
<td>10</td>
<td>4</td>
<td>52</td>
</tr>
<tr>
<td>I am not afraid of what might happen if I quit my job without having another one lined up</td>
<td>10</td>
<td>8</td>
<td>22</td>
<td>12</td>
<td>52</td>
</tr>
<tr>
<td>It would be very hard for me to leave my organization right now</td>
<td>5</td>
<td>19</td>
<td>25</td>
<td>3</td>
<td>52</td>
</tr>
<tr>
<td>Too much in my life would be disrupted if I leave my organization now</td>
<td>6</td>
<td>34</td>
<td>8</td>
<td>4</td>
<td>52</td>
</tr>
<tr>
<td>I think that people these days move from company to company too often</td>
<td>11</td>
<td>19</td>
<td>12</td>
<td>10</td>
<td>52</td>
</tr>
<tr>
<td>I do not believe that a person must always be loyal to his or her organization</td>
<td>0</td>
<td>5</td>
<td>25</td>
<td>22</td>
<td>52</td>
</tr>
<tr>
<td>Jumping from organization to organization</td>
<td>3</td>
<td>9</td>
<td>28</td>
<td>12</td>
<td>52</td>
</tr>
</tbody>
</table>

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From Table 5, twenty-three (23) respondents representing 44% strongly agreed to spend the rest of their career at Techiman NHIA, seventeen (17) representing 33% agreed, ten (10) representing 19% strongly do not agree to remain in the organization whereas two (2) representing 4% disagreed. In confirming the findings, Carrell & (2002) indicated that employees lean towards a sense of belonging in their organizations and tend to remain at their organizations when they believe or perceive that they are treated in a fair manner.

Additionally, twelve (12) respondents representing 23% strongly agreed to boast of their organization to outsiders, twenty-eight (28) representing 53% agreed, nine (9) representing 17% strongly disagreed while three (3) representing 7% disagreed. Also, twenty-two (22) respondents representing 42% strongly felt the organizations ‘problems as their own, sixteen (16) representing 31% agreed, ten (10) representing 19% strongly disagreed whereas four (4) representing 8% disagreed.

However, ten (10) representing 19% strongly agreed that they were not afraid to quit the organization though they do not have any other substitute job to do, eight (8) representing 15% agreed, twenty-two (22) representing 42% strongly disagreed whereas twelve (12) representing 24% disagreed. Thus majority of the employees were afraid to leave the organization. Regarding whether it would be difficult for the respondents to leave the organization immediately, five (5) respondents representing 9% strongly agreed, nineteen (19) representing 34% agreed while twenty-five (25) representing 48%

<table>
<thead>
<tr>
<th>does not seem unethical to me</th>
<th>6%</th>
<th>17%</th>
<th>53%</th>
<th>24%</th>
<th>100%</th>
</tr>
</thead>
</table>

Source: Field Survey (2017)
strongly disagreed while three (3) representing 7% disagreed. In this it was clear that most of the respondents were not ready to quit their job and leave. In responding to whether they will be disrupted if they leave the organization now, six (6) representing 11% strongly agreed, thirty-four (34) representing 65% agreed, eight (8) representing 15% strongly opposed while only four (4) representing 9% disagreed. These findings moves in line, Churchill and Bracken (2018); findings that employees will remain in an organization largely out of need or due to lack of job alternatives or cost which may come out of leaving the job.

Additionally, eleven (11) respondents representing 21% strongly thought that the rate at which peoples nowadays move from company to the other was high, nineteen (19) representing 36% agreed to the fact, twelve (12) representing 23% strongly disagreed whereas ten (10) representing 20% disagreed. None of the respondents strongly agreed that a person must always be loyal to his/her organization, five (5) representing 10% agreed; twenty-five (25) representing 48% strongly disagreed whereas twenty-two (22) representing 42% disagreed. Three (3) respondents representing 6% strongly agreed moving from organizations to organization does not seem unethical, nine (9) representing 17% agreed, twenty-eight (28) representing 53% strongly disagreed while twelve (12) representing 24% disagreed. The findings is in line with (Churchill & Bracken, 2018) results that due to internal normative pressures a person who is committed do not consider benefits he/she may get immediately but looked at morals which are considered as the best behaviour.
Chapter Summary

In this chapter the results from the questionnaire administered to the respondent were analysed. In analysing the results, frequency tables and bar charts were used. Overall, fifty-two (52) respondents were used for the analysis. It was clear from the findings that most workers felt proud to work with NHIS and were not ready to quit their job to any organization in the near future.
CHAPTER FIVE

SUMMARY, CONCLUSIONS AND RECOMMENDATIONS

Summary

This chapter presents summary of the results findings to draw conclusions on the study findings and presents viable recommendations. Basically, the study aimed at finding employees perception on Performance Appraisal and Organizational Commitment at Techiman Municipal NHIA using four research objectives and research questions. In finding employees perception on Performance Appraisals questionnaires were administered to all the employees at Techiman Municipal NHIS. Using frequency tables, bar chart and pie charts the results from the study were presented.

Summary of Key Findings

The study findings revealed that, Performance Appraisal system used at Techiman NHIS were rating scales, comparison method, self and team evaluation, management-by- objective (MBO), 360 degree feedback. Among the performance Appraisal systems used self and team evaluation highly dominated as the widely used P.A method followed by 360 degree feedback, comparison method, rating scales and MBO. Also, it was manifested from the study findings that employees’ job evaluation was done by their supervisors, peers, subordinates, self and the customers. Out of these, supervisors-job evaluation reigned among all.

Additionally, it was obvious from the study that purposes of performance Appraisal were evidently outlined and understood by the employees. But on the contrary, in developing performance criteria the
employees were not consulted not to talk about communicating their results back to them. Moreover with regard to the satisfaction level of employees with P.A system used at Techiman NHIS. It was revealed that, most of the employees were not satisfied. Instances cited were that, Appraisers do not understand the appraisals processes to evaluate their performances. The respondents however declared that they were satisfied with how performance Appraisal helps them in identifying areas to improve their work against all odds.

In addition, it was perceived by employees at Techiman NHIS that performance Appraisal was merely a formality than identifying performance gaps. Performance Appraisals (P.A) results were also perceived by employees to be based on the association between appraisers and appraises. Most of the employees strongly agreed that Appraisals results can sometimes be influenced by gifts from appraises. It was also made known by the employees that in assessing performances their views were not considered.

The findings also revealed that, most of the employees were highly committed to their Job at Techiman NHIS. As a result majority of them were happy to spend the entire career working with the organisation. Also, it was made clearer that it was unethical for employees to move from companies to companies but were of the idea that employees must always be loyal their organizations and with that make their utmost best towards the success of the organizational goal.

**Conclusion**

Performance Appraisals remains an epitome in every organization Human resource development. It was not a best practice that employees were
blind-folded on how their performance were evaluated which was used in appraising them. Also keeping the results on employee’s performances was not also the best since the ultimate goal of performance Appraisals system is to develop better and vibrant Human Resource to run the organisation. It was also not proper to found that sometimes Performance Appraisal can be influenced by gifts of many kinds from appraises. Measures must be put in place to include the employees in evaluating their performance and their results communicated back to them on time. Management must also vary the appraisal system annually to help clean the system of any maleficence.

**Recommendations**

From the findings from the study, there were so many appraisals methods used at Techiman NHIS. As a result it will be prudent for management to critically consider the pros and cons of each appraisals methods and stick to the 360 degree feedback, self and customer appraisals and rating scale will be appropriate for employees in lower and middle positions as well as Management-by- Objective (MBO) for the top officials to help the Human Resource (HR) development in the organization. Considering, the nature of business the organisation engages in which is insurance, the customers must be considered in appraising the workers. This is because on daily activities the workers deal with the customers. Therefore, the customers may know much about some hidden attitudes and characters of the workers.

Also, management in developing the criteria for measuring performances of employees, it will be prudent to consult the employees and make their performance results made known to them afterwards. This will help the employees know their strength and weaknesses to improve upon their
performance. In the same way, Appraisers must be taken through the necessary training and development to enable them be abreast with the appraisals processes in evaluating employees’ performances.

Management must ensure that employees Performance Appraisals are not conducted as a mere formality but as an essential tool for promotion and salary upgrade in the organisation. Thus appraisal system should go with increase in salaries, promotion among other incentives. This will help encourage non-performing workers put up their best to also get the incentives which come with Performance Appraisals. In addition, since it was perceived by the employees that performance Appraisal leads to organizational commitment, it will be appropriate for management of Techiman NHIS to continue making Performance Appraisals their priority. Thus, Annual Performance Appraisals for employees which is mandatory for all public service personnel in Ghana should be highly adhered to.

**Suggestions for Further Study**

Techiman Municipal NHIS is a state institution in the Brong Ahafo Region of Ghana under the National Health Insurance Authority (NHIA), I therefore recommend any further research to be conducted on employees’ perception on Performance Appraisal (P.A) by increasing the sample size to cover all NHIS offices in the Brong Ahafo Region and Ghana at large.
REFERENCES


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Kumekpor, K. T., (2012). Research methods and techniques of social research.


APPENDIX

QUESTIONNAIRE FOR RESPONDENTS

Dear Sir/ Madam,

I am a student of University of Cape Coast undertaking my Masters degree on the topic “Employees Perceptions on Performance Appraisal and Organizations Commitment. A survey at Techiman Municipal Health Insurance Scheme Office”.

Please find attached here, a copy of the questionnaire I have designed to get your response on issues related to this topic. I will really appreciate it if you spend a few minutes of your time completing this questionnaire.

Your response shall be treated confidentially and anonymously. I kindly request you to complete this questionnaire honestly.

Thanks you for your assistance as I anticipate your response.

Farouk Ayishetu Teni

0242910582

PART A

DEMOGRAPHIC INFORMATION

Please kindly thick(√) where appropriate and provide brief answers to the spaces provided.

1. Department: ........................................

2. Grade: .............................................

3. Number of years in Service: ..........................

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PART B

KNOWLEDGE ON PERFORMANCE APPRAISAL

4. How do you understand performance appraisal?

........................................................................................................................................

5. Who evaluates your job performance?

Supervisor [ ]
Self [ ]
Customers [ ]
Peers/Colleagues [ ]
Subordinates [ ]
Other (please specify) ............................................

6. How is your performance appraised?

Rating Scales [ ]
Comparison method [ ]
Self and Team Evaluation [ ]
MBO [ ]
360 Feedback [ ]
Other (please specify) ............................................

7. The purposes of the performance appraisal are clearly outlined, understood and accepted?

Strongly Agree [ ]
Agree [ ]
Disagree [ ]
Strongly Disagree [ ]
8. Specific performance criteria have been clearly identified [i.e. attitude/behavior, results, and competencies] with appraisal?

   Strongly Agree [    ]
   Agree [    ]
   Disagree [    ]
   Strongly Disagree [    ]

9. Performance criteria are developed in consultation with employees?

   Strongly Agree [    ]
   Agree [    ]
   Disagree [    ]
   Strongly Disagree [    ]

PART C

ASSESSMENT OF THE PERFORMANCE APPRAISAL SYSTEM ADOPTED BY TECHIMAN NHIS

10. Does the appraiser invite you for discussions about your performance before you sign the assessment?

   Strongly Agree [    ]
   Agree [    ]
   Disagree [    ]
   Strongly Disagree [    ]

11. Are results of appraisals communicated back to employees?

   Strongly Agree [    ]
   Agree [    ]
   Disagree [    ]
   Strongly Disagree [    ]
12. Has attitude towards work changed as a result of the performance appraisal?

Strongly Agree [ ]

Agree [ ]

Disagree [ ]

Strongly Disagree [ ]

13. Employees are encouraged to participate in performance appraisal discussions?

Strongly Agree [ ]

Agree [ ]

Disagree [ ]

Strongly Disagree [ ]

14. Employees are provided with feedbacks to help improve their performance?

Strongly Agree [ ]

Agree [ ]

Disagree [ ]

Strongly Disagree [ ]

15. The performance appraisal process helps me find out about my level of performance?

Strongly Agree [ ]

Agree [ ]

Disagree [ ]

Strongly Disagree [ ]
16. The performance appraisal review discussion is the only time I get feedback about my performance?

Strongly Agree [  ]
Agree [  ]
Disagree [  ]
Strongly Disagree [  ]

17. There is an appeal process for employees if they don’t agree with result?

Strongly Agree [  ]
Agree [  ]
Disagree [  ]
Strongly Disagree [  ]

18. Performance appraisal system is linked to incentives or reward system?

Strongly Agree [  ]
Agree [  ]
Disagree [  ]
Strongly Disagree [  ]

PART D
EMPLOYEES PERCEPTION ON PERFORMANCE APPRAISAL SYSTEM

19. Performance Appraisal is a mere formality than identifying performance gaps in employees?

Strongly Agree [  ]
Agree [  ]
Disagree [  ]
Strongly Disagree [  ]
20. Performance Appraisal results are based on the relationship between the appraiser and the appraisee?

   | Strongly Agree | Agree | Disagree | Strongly Disagree |
---|----------------|-------|----------|------------------|
  [ ] |                 |       |          |                  |

21. Performance appraisal results can be influenced by gifts from the appraisee?

   | Strongly Agree | Agree | Disagree | Strongly Disagree |
---|----------------|-------|----------|------------------|
  [ ] |                 |       |          |                  |

22. The performance appraisal system in place gives the appraiser a great influence over final result?

   | Strongly Agree | Agree | Disagree | Strongly Disagree |
---|----------------|-------|----------|------------------|
  [ ] |                 |       |          |                  |

23. My view of my performance is taken into account when assessing my performance?

   | Strongly Agree | Agree | Disagree | Strongly Disagree |
---|----------------|-------|----------|------------------|
  [ ] |                 |       |          |                  |
24. The appraiser does not know enough about my work to give me a fair performance appraisal result?

<table>
<thead>
<tr>
<th>Strongly Agree</th>
<th></th>
<th>Agree</th>
<th></th>
<th>Disagree</th>
<th></th>
<th>Strongly Disagree</th>
<th></th>
</tr>
</thead>
</table>

25. My appraiser helps me to understand the process used to evaluate and rate my performance?

<table>
<thead>
<tr>
<th>Strongly Agree</th>
<th></th>
<th>Agree</th>
<th></th>
<th>Disagree</th>
<th></th>
<th>Strongly Disagree</th>
<th></th>
</tr>
</thead>
</table>

26. My appraiser knows enough about my work to give me a fair appraisal result?

<table>
<thead>
<tr>
<th>Strongly Agree</th>
<th></th>
<th>Agree</th>
<th></th>
<th>Disagree</th>
<th></th>
<th>Strongly Disagree</th>
<th></th>
</tr>
</thead>
</table>
27. My view of my performance is taken into account by my appraiser when assessing my performance?

Strongly Agree [ ]
Agree [ ]
Disagree [ ]
Strongly Disagree [ ]

28. I am satisfied with the way the Performance Appraisal system helps me identify areas to improve my work?

Strongly Agree [ ]
Agree [ ]
Disagree [ ]
Strongly Disagree [ ]

29. I think the system of Performance Appraisal has been successful and is able to achieve the required objectives of my organization?

Strongly Agree [ ]
Agree [ ]
Disagree [ ]
Strongly Disagree [ ]

30. Overall, I am satisfied with the way my organization uses its Performance appraisal system?

Strongly Agree [ ]
Agree [ ]
Disagree [ ]
Strongly Disagree [ ]
PART F

ORGANIZATIONAL COMMITMENT

You are kindly requested to state your degree of agreement or disagreement in relation to each of the given items on a 4-point scale. Please make a thick (√) in the most appropriate column. Use the key below when responding.

31. I would be very happy to spend the rest of my career with this organization.

   Strongly Agree [ ]
   Agree [ ]
   Disagree [ ]
   Strongly Disagree [ ]

32. I enjoy discussing my organization with people outside it.

   Strongly Agree [ ]
   Agree [ ]
   Disagree [ ]
   Strongly Disagree [ ]

33. I really feel as if this organization’s problems are my own.

   Strongly Agree [ ]
   Agree [ ]
   Disagree [ ]
   Strongly Disagree [ ]

34. I am not afraid of what might happen if I quit my job without having another one lined up.

   Strongly Agree [ ]
   Agree [ ]
   Disagree [ ]
   Strongly Disagree [ ]
35. It would be very hard for me to leave my organization right now.

   Strongly Agree [ ]
   Agree [ ]
   Disagree [ ]
   Strongly Disagree [ ]

36. Too much in my life would be disrupted if I leave my organization now.

   Strongly Agree [ ]
   Agree [ ]
   Disagree [ ]
   Strongly Disagree [ ]

37. I think that people these days move from company to company too often.

   Strongly Agree [ ]
   Agree [ ]
   Disagree [ ]
   Strongly Disagree [ ]

38. I do not believe that a person must always be loyal to his or her organization.

   Strongly Agree [ ]
   Agree [ ]
   Disagree [ ]
   Strongly Disagree [ ]

39. Jumping from organization to organization does not seem at all unethical to me.

   Strongly Agree [ ]
   Agree [ ]
   Disagree [ ]
   Strongly Disagree [ ]
PART F

RELATIONSHIP BETWEEN PERFORMANCE APPRAISAL AND ORGANISATIONAL COMMITMENT

Kindly use the Likert Scale [1-5] to show the relation between P.A and Organizational Commitment.

How will you rate;

41. Performance Appraisal (P.A) in your Organization.

1 [ ]
2 [ ]
3 [ ]
4 [ ]
5 [ ]

42. Organizational Commitment in your Organization.

1 [ ]
2 [ ]
3 [ ]
4 [ ]
5 [ ]