

PERFORMANCE MANAGEMENT AND EMPLOYEE PRODUCTIVITY IN SELECTED LARGE ORGANIZATIONS IN SOUTH-EAST, NIGERIA

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ABSTRACT

The study examined the effect of performance management on employee productivity using selected large organizations in South East, Nigeria. Specifically the study examined the extent to which 360 degree feedback appraisal, performance evaluation, self-assessment and performance review influence employee productivity. Relevant theoretical and empirical literatures were reviewed. The study was anchored on Equity Theory. Descriptive survey research design was adopted in this study. The population of the study was 2081 and the sample size was 366 using Taro-Yamane's formula. Simple percentages, descriptive statistics, and Multiple Regression Analysis (MRA) were used in testing the hypotheses. Findings from the analysis showed that 360 degree feedback appraisal had a significant influence on employee productivity, performance evaluation had a significant effect on employee productivity, Self-assessment had no significant influence on employee productivity and performance review had a significant effect on employee productivity. Based on the findings, the study concluded that performance management has significant effect on employee productivity in the Nigeria banking industry. The study recommended that organizations should lay emphasis on 360 degree feedback appraisal since it was found to have significant relationship with employee productivity. Performance evaluation should be based on job description given to the employees. Organizations should pay adequate attention, monitor and lay emphases on self-assessment system in order to improve employee productivity.

KEY WORD: Employee Productivity, 360 degree feedback appraisal, Performance Evaluation Self-Assessment and Performance Review

CHAPTER ONE INTRODUCTION

Background to the Study

The trend in business environment and the quest for operational excellence as well as the need to improve employee performance have made organizations to place emphasis on performance management system in order to enhance employee productivity (Inyang 2008). Organizations whether construed as political, socio-technical, and rational systems, are increasingly demanding superior skills, operational capability, higher productivity, and improved work-related attitudes from their workers. These demands according to Krett (2000) "necessitated the establishment of effective performance management system as a pre-requisite for evaluating employee performance to ensure conformity to standard". Chompukum (2006) asserts that "managing performance has been a very important issue for a long time, and it has gained more attention recently due to high competitive business environment, especially when the popularity of balanced score card calls for mechanism to cascade and instill the corporate strategy down through the organization and to ensure that strategy plan is actually implemented, performance management is one of practices that assist organizations to link employee goals to individual goals".

Performance management is very important to both employers and employees. From the employer's perspective, it is vital to understand how your employees contribute to the objectives of the organization. Muhammad (2013) asserts that organizations can achieve their goals and objectives only through the combined efforts of their employees, and it is the task of management to get work done. Employee

performance management is fundamental to the effective operation of organizations. Performance management is an integral part of the employees and organizations relationship. It is essentially an integrating activity that permeates every part of the operations of an organization” (Mullines, 2007).

Rajesh and Nishant (2013) maintain that “performance management is a broad concept that involves understanding and acting on the performance issues at each level of the organization, from individuals, teams and departments to the organization itself”. These issues include leadership, decision making, motivation, encouraging innovation and risk taking among others. “Performance management is a continuous process of identifying, measuring and developing the performance of individuals and teams and aligning performance with the strategic goals of the organization, and it is the systematic description of an employee’s strengths and weaknesses” (Rajesh and Nishant, 2013). Performance management is very important to both employers and employees. From the employer’s perspective, it is vital to understand how employees contribute to the objectives of the organization. A good performance management system enables the organization to understand how its employees are currently performing. Muhammad (2013) posits that “performance management allows organizations to undertake a thorough assessment of the training needs of their employees, set development plans and it gives, them the option of using the result of the performance management process to influence an individuals remuneration”. Organizations can achieve their goals and objectives only through the combined efforts of their employees, and it is the task of management to get work done (Muhammad 2013). Employee performance management is fundamental to the effective operation of organizations. According to Mullines (2007), performance management is an integral part of the employees and organizations relationship and” it is essentially an integrating activity that permeates every part of the operations of an organization”.

Statement of the Problem

Most of the organizations have used performance appraisal as compared to performance management in which the focus is made on comparison between the performance standards being made by the organization and the actual productivity of employees, while no one actually compares the performance against employees’ objectives. This affects the achievement of employee objectives negatively. Consequently, it is pertinent to state that the nature or structure of the organization can be a varying factor in determining the nature and criteria of the performance management system (Jamil & Mohammed, 2011). Thus, there is need for managers to create a vivid system that is linked to employee strategy, and appropriate in measuring acceptable and non-acceptable behaviour for improved employee productivity. The performance management system should systemically evolve starting from the level of employee, and ultimately to the level of the organization. The organization’s objective should be clearly stated for easy implementation, and the performance management system should be tailored directly to it. Inability of the organization to design or develop distinct performance objectives, stated in quantitative and qualitative terms against which performance can be measured can distort employees’ perception of their relevance to the organization (Kazim, 2008). However, the problem lies with failure of managers to manage performance, align individual goals to a common vision and effectively utilize the organization’s performance management system to stimulate employee productivity for enhanced employee performance. Pulako (2004) asserts that a lot of organizations face the problem of “performance planning, performance review, 360 degree feedback ,performance evaluation, self-assessment and employee input which in return create ineffectiveness for many organizations”. Performance management system begins with performance planning, which strategically examines those key areas especially work related attitudes of the employees. In doing this, employees are also reviewed, in terms of the expected attitudes and their respective results they are apparently expected to attain. The aforementioned enhance employee effectiveness. Pulako (2014).

Many scholars have examined the implementation of performance management in the employee productivity. Farheen, Faiza and Syed (2014) found that employees of Alfalah bank have faced the problem of dissatisfaction from their current performance management and also the current performance management system of Alfalah bank lacks motivation and proper reward system. Also, Rajesh and Nishant (2013) study revealed that performance management system helps employees to set their

individual goals with the employee goals and achieve meaningful outcomes. Zhang (2012) examined the impact of performance management on employee performance and found a positive but insignificant relationship between performance management and employee performance. Others like Homayounizadpanah and Baqerkord (2012), Chompukum (2006), Ahmad (2012) and Tanvi Newaz (2012) examined performance management in relation to productivity, efficiency, effectiveness, employee culture and psychological contract. It is obvious that none of the studies have examined performance management in relation to employee productivity in south-east; hence this study is hypothesized to fill this gap.

Objectives of the Study

The main objective of the study is to examine the effect of performance management on employee productivity. The specific objectives include to:

1. Determine the influence of 360 degree feedback appraisal on employee productivity.
2. Examine the effect of performance evaluation on employee productivity.
3. Investigate the influence of self-assessment on employee productivity.
4. Examine the influence of performance review on employee productivity.

Questions

The following research questions guided this study.

1. To what extent does 360 degree feedback appraisal influence employee productivity?
2. What is the effect of performance evaluation on employee productivity?
3. To what extent does self-assessment influence employee productivity?
4. To what degree does performance review influence employee productivity?

Hypotheses

The under-listed tentative statements were formulated to guide this study.

Ho₁: 360 degree feedback appraisal has no significant influence on employee productivity.

Ho₂: Performance evaluation does not have significant effect on employee productivity.

Ho₃: Self-assessment has no significant influence on employee productivity

Ho₄: Performance review has no significant effect on employee productivity

Significance of the Study

The study will be beneficial to the human resources manager, employees, policy formulators and researchers/academics.

To human resources managers and policy formulators: This study will provide an insight on the relationship between performance management and employee productivity. It is hoped that the findings of this study will assist the human resource managers and policy makers to better understand employee performance practices in order to improve the overall performance of the organization. It will enlighten them on how to use performance management to achieve employee productivity.

Organization: Organizations will be aided in the implementing of the most appropriate and effective performance management system. Employees will be made to understand the role they will play in order to achieve organizations objectives. The benefit is that the system will help employees and supervisors to have a cordial relationship and address the outcomes of performance management. It is paramount to tighten the link between strategic organization objectives and the daily tasks in an organization. Proper goal setting should include turnaround times and put in place a system to track progress and identify hurdles. Progress should be monitored against performance. This is a sure and clear way to recognize and reward employees who meet and exceed the organizations expectations.

Employees: The study will enlighten them on what performance management is all about. It will give them an insight in to the link between performance management and employee productivity.

Human Resource Practitioners: Human resource practitioners would benefit through provision of information that will assist in understanding the role of employees in improving significantly and providing a framework by which they can incorporate the aspects of employee contributions in performance management.

Researchers and Academics: This study will provide researchers and academics theoretical and empirical insight on performance management and employee productivity. It will help them in their future research on related topics.

REVIEW OF RELATED LITERATURE

Conceptual Framework

Performance Management

The term performance management has been used differently by many scholars to describe varied issues. Sloltje (2000) recognizes that this term has two-fold meaning. Sloltje (2000) perceive “performance management as a ubiquitous term in today’s business environment, being embedded in the body of knowledge of various disciplines and used at all employee levels”. Performance management is about managing the performance, whereas performance according to the Oxford English Dictionary, can be defined as the accomplishment, execution, carrying out and working out of anything ordered or undertaken. “Performance can be regarded as behavior, the way in which the organizations, teams, and individuals get work done” (Armstrong, 2001). According to McNamara (2006), performance management is a complete process which throws light on the overall employee performance to the departments and at the employees’ level”.

Performance Management, defined by Armstrong (2009) is a “process designed to improve employee, team and individual performance, and this is owned and driven by the line manager”. Maina (2015) asserts that “performance management is about striking a harmonious alignment between employees and employee objectives in order to achieve excellence in performance”. “It is integrated in four ways: vertically by aligning business teams and individual objectives, fundamentally integrated, human resource integration and integration of individual needs” (Barnard, 2003). Performance Management is a process which measures the implementation of the organization’s strategy. Aguinis (2007) states that “performance management is basically related with finding out weaknesses, their improvement and establishment of performance of individual”. He also states that this process includes the alignment of vital goals with individual performance and proper feedback. Performance management provides the way for managers to overcome and improve the sudden changes very soon (Cokins, 2004).

Employee Productivity

According to oxford dictionary, employee productivity is the rate at which a worker produces goods, and the amount produced, compared with how much time, work and money is needed to produce them. Employee productivity has two major components: technological change and manpower utilization. As technological change requires huge capital investment, organizations look for better manpower utilization to achieve increased productivity. With better human relations, productivity can be increased. There is no simple formula of getting things done other than good human relations. Sometimes this can be stated that better relations can make an environment of employee productivity, and that employee productivity if fairly and promptly rewarded, makes very good human relations, which can work for a long time in the growth and success of the organization. Today, two things are very common in businesses, first is rapid growth and expansion, and second is stiff competition. Both require efficient and highly productive human resources. To expand the business, one must have all the things concerned with human beings: vision; zeal to learn and do; result-oriented approach and habit of continuous improvement. There is no line where we can say that the best of our productivity has come. The best is always still to come, and employees and their management always work for the same.

Employee productivity is the driving force behind an organization’s growth and profitability. Employee productivity is the relationship between output of goods and services of workers of the organization and input of resources, human and non-human, used in the production process. In other words, productivity is the ratio of output to input. The higher the numerical value of this ratio, the greater the productivity (Onah, 2010). Employee productivity has been defined as the measure of how well resources are brought together in organizations and utilization for accomplishment of a set result. It is reaching the highest level of productivity with the least expenditure of resources (Mali, 2008). According to Onah (2010), employee productivity is the relationship between output of goods and services and input of resources, human and non-human, used in the production process. In other words, productivity is the ratio of output to input.

The higher the numerical value of this ratio, the greater the productivity. Thus, productivity can be applied at any level, whether for individuals, for work unit or for the organization.

Employee productivity is a measurement or calculation between input and outputs. Inputs are the amount of resources such as human resource, money, time, physical, technological and effort spent working in the organization, while output is the result. If inputs are equivalent to the output, the worker is considered productive. When the employees are productive, they accomplish more in a given amount of time. In turn, efficiency saves their company money in time and labour. When employees are unproductive, they take longer time to complete projects, which costs more money due to the time lost (Ikeanyibe, 2009).

Robert and Tybout (2007) opine that employee productivity can be perceived as the measure of the relationship between the quantity and quality of goods and services produced and the quantity of resources needed to produce them (that is, factor inputs as labour, capital and technology)". Mali (1978) in attempting to come to terms with the issue of productivity brought in the idea of produce. In this regard, he sees employee productivity as "the measure of how well resources are brought together in organizations and utilized for accomplishing of a set of results". It entails reaching the highest level of productivity with the least expenditure or resources. Regarding the above definition, productivity entails an effective integration of resources, physical and human, to yield higher output.

360 Degree Feedback Appraisals and Employee Productivity

Mello (2015) Gold, (2010) assert that "360 degree feedback appraisal as a kind of performance management is a powerful developmental method, and is quite different compared to the traditional manager-subordinate appraisals". This method does not replace the traditional one-to-one process, and can be used as a stand-alone developmental method. It involves the appraisers receiving feedback from people whose views are considered helpful and relevant. The feedback is typically provided on a form showing job and skills criteria and scoring or value judgment system. "The appraisee should also assess himself or herself using the same feedback instrument or form" (Gold, 2010).

Parker, 1998 in Mello (2015) posits that "360-Degree feedback is aimed at improving employee performance by providing a better awareness of strengths and weaknesses". The employee receives feedback, in anonymous form, on performance ratings from peers, superiors and subordinates (Kaplan & Palus, 1994 in Mello, 2015). Feedback from multiple sources, such as superiors, peers, subordinates and others has a more powerful impact on people than information from a single source, such as their immediate supervisor. Employees view performance information from multiple sources as fair, accurate, credible and motivating. They are more likely to be motivated to change their work habits to obtain the esteem of their co-workers than the respect of their supervisors. The 360 Degree Feedback improves the quality of performance measures by using multi-raters providing a more balanced and comprehensive view. The information is more reliable, valid and credible because the providers interact regularly with the employee at work (Edwards & Ewen, 1996).

Performance Evaluation: Performance evaluation is a process of examination of employee related attitudes to work, productivity and performance (Freinen and Mjewe, 2001). Freinen and Mjewe (2001) assert that "performance evaluation helps the organization to determine the strength and weakness of employees in relation to their objective. Performance evaluation seeks to ascertain why there is under-performance or what the factors were, that allowed good performance in a particular area. Where targets have not been met, the reasons for this must be examined and corrective action recommended. Evidence to support the status is also reviewed at this stage. An additional component is the review of the indicators to determine if they are feasible and are measuring the key areas appropriately. "A corporate analysis of performance will be undertaken by the performance management unit, to examine performance across the municipality in terms of all its priorities" (Freinen and Mjewe, 2001). Chad (2014) states that "performance evaluation and control actions include performance measurements, consistent review of internal and external issues and making corrective actions when necessary". Any successful evaluation of the strategy begins with defining the parameters to be measured.

Self-Assessment: Just as the name suggests, the individual assesses his own performance to the set criteria. Self-assessments, also known as self-appraisals or self-evaluations, are popular tools used by management to learn how employees view their own performance against productivity. These

assessments help close the gap between expectations and performance, and provide a channel to open communication about goals, opportunities and development. While managers and supervisors share their opinions of employee performance and ability to meet expectations during evaluations, self-assessment permits employees to discuss what they see as important projects completed, share new skills and techniques acquired, and remind employers of all the great work they have done since the last performance review. This is a good method for identifying where the business's opinion of performance and the individual's opinion are different. Employees should consider their strengths and weaknesses when conducting self-appraisal as found out by (Raatma, 2003). They should brainstorm a list of strengths and the tasks or skills they enjoy the most. They should then take an honest look at areas where they can improve. Improvement areas might include time management skills, speaking in front of groups, leading projects or even improving processes. The correlation between self-appraisal and appraisal of others had three outcomes and the respondents displayed a 'self-other bias (Robbins, 2007)''

Performance Review: Performance review is a "systematic and periodic process that assesses an individual employee's job performance and productivity in relation to certain pre-established criteria and employee objectives" (Abu-Doleh, and Weir 2007). Other aspects of individual employees are considered as well, such as employee citizenship behavior, accomplishments, potential for future improvement, strengths and weaknesses (Manasa, and Reddy 2009). Performance review is often included in performance management systems. Performance management systems are employed to manage and align all of an organization's resources in order to achieve highest possible productivity. DeNisi, and Pritchard (2006) postulate that "performance is managed in an organization to determine to a large extent the success or failure of the organization. Some applications of performance review are compensation, performance improvement, promotions, termination, test validation, and employee effectiveness". There are many potential benefits of performance review. For example, performance review can help facilitate management-employee communication. However, performance review may result in legal issues if not executed appropriately, as many employees tend to be unsatisfied with the performance review process. (Sudarsan 2009). To collect performance review data, there are three main methods: objective production, personnel, and judgmental evaluation. Judgmental evaluations are the most commonly used with a large variety of evaluation methods (Muchinsky 2012)

Theoretical Framework

This study is anchored on Equity Theory. The equity theory, developed by John Stacey Adams, enacts that satisfaction is based on a person's perception of fairness. Applying this theory when conducting a company's performance appraisal involves balancing the assessment of an employee's contribution to his job with the compensation and other rewards associated with his success. In general, highly-paid and rewarded employees tend to be the most motivated to continue performing well on the job (Luecke, 2006). In the 1960s, John Stacey Adams, a behavioral psychologist, developed the Equity Theory. This theory describes the relationship between the perception of fairness and worker motivation. People typically value fair treatment. Successful entrepreneurs recognize this and structure their small-business workplace to reward people according to their contributions. They also recognize that people have needs. Other theories help explain how to understand these needs. Psychologist Abraham Maslow's need-hierarchy theory, developed in the 1940s, states five levels of personal needs: physiological, safety, belonging, esteem and self-actualization. Business school professor, Victor Vroom developed the expectancy theory in the 1960s, demonstrating that motivated employees produce more. Behaviorist B. F. Skinner also worked in the 1960s to understand how reinforcement works. He concluded that negative reinforcement leads to negative outcomes. Effective managers can apply these observations to managing performance by motivating their employees through positive reinforcement and appraising them fairly on at least an annual basis (Tara, 2016).

Equity theory is based on developing a suitable approach towards supervision of the employees (Adams, 1965 cited in Akuoko, 2012) Equity theory is based on objective and impartial behaviours to all the employees. Employees feel motivated when they learn that they are considered equally and justly for rewards and recognitions and compensations along with unbiased and transparent performance assessment. Just the opposite happens when employees are treated biasedly. Equity theory is one of the

major formulations relevant to financial compensation. It argues that people are motivated by their beliefs about the reward structure as being fair or unfair, relative to the inputs. People have a tendency to use subjective judgment to balance the outcomes and inputs in the relationship for comparisons between different individuals (Adams, 1963). According to this theory, the level of motivation in an individual is related to his or her perception of equity and fairness practiced by management.

According to equity theory, an employee's perception of the fairness of his work's input and outcome influences his motivation. Effective performance management systems enable a manager to clarify job responsibilities and expectations, develop an employee's capabilities, and align an employee's behavior to the company's strategic goals and values. An employee typically feels satisfied with the outcome of his effort, including his pay, when the compensation matches what he feels he puts into the job. If an employee perceives that others get more for doing less, he typically becomes less motivated to work hard. Managers create a productive work environment by communicating job requirements clearly and establishing fair and consistent performance objectives for all employees (Tara, 2016).

Effective managers avoid underpaying and overpaying employees. They monitor performance and compensation regularly to achieve a productive balance. If cuts need to be made due to economic conditions, they distribute the decreases throughout the company. To remain motivated, employees typically need to be able to provide input to their performance plan, modify their goals if conditions change, and seek career development opportunities (Armstrong, 2006). It is not easy to make equitable decisions while supporting performance improvement. Managers typically evaluate their employees, calibrate ratings and decide on rewards. These rewards include pay increases, promotions, flexible work schedules or stock options. Justifying these decisions becomes the focus, rather than relaying constructive feedback that can enhance performance and foster career development. Successful managers clearly communicate company goals and make sure employees understand their role in achieving business objectives. By recognizing the effort, loyalty, commitment, skill and enthusiasm that an exemplary employee displays, an effective manager acknowledges accomplishments, establishes trust and builds a productive workforce. A worker's sense of achievement tends to build loyalty and enables him to feel secure about his future with the company (Luecke, 2006).

Equity Theory calls for a fair balance to be struck between an employee's inputs (hard work, skill level, tolerance, enthusiasm) and his output (salary, benefits, intangibles such as recognition). According to the theory, finding this fair balance serves to ensure that a strong and productive relationship is achieved with the employee, with the overall result being contented, and motivated employees. The theory is built on the belief that employees become demotivated, both in relation to their job and their employer, if they feel as though their inputs are greater than the outputs. Employees can be expected to respond to this in different ways, including demotivation (generally to the extent that the employee perceives the disparity between the inputs and the outputs), reduced effort, becoming disgruntled, or, in more extreme cases, perhaps even disruptive. Equity theory suggests that over rewarded individuals might be motivated to increase their performance and under rewarded individuals decrease their performance in an effort to restore equity. However, very often, over-rewarded employees will find ways to rationalize their over reward, assuming they "deserve" it (Adam, 1963).

Empirical Review

Performance management has been empirically examined by so many scholars. For instance, Maina (2015) examined the effect of performance management system on employee performance in food and agriculture organizations. The study adopted a descriptive research design. The population of interest consisted of 94 staff members of food and agriculture organizations. A census was undertaken to interview the entire population. Data was collected using a structured questionnaire. The major finding of this study was that employees felt there was a great need for a performance management system in FAO. The study concluded that the perception of employees towards performance management practices was very critical in all organizations, as this motivates them to achieve the goals set by the organizations.

Oluwatosi (2015) studied the impact of performance management on productivity of public sector organizations. The study employed a survey research design. The data collected were analyzed with Simple percentages and Chi-Square (X^2). The study revealed that performance management had a

propulsive effect on the productivity of public sector organizations if adequately conducted. Based on the findings, the study concluded that performance management enables organizations to measure the strength and weakness of employees in relation to its contributions to overall goal of the organization, and therefore, recommended that government-owned institutions should be conducting performance evaluations on quarterly basis to promote employees commitment to work.

Franklin (2015) conducted a study on performance management system and its implication on employee effectiveness in 22 districts in the BrongAhafo Region of Ghana. The study was a survey-type of research design. The study found that there was a positive relationship between performance management system and employee effectiveness, and therefore concluded that if performance evaluation is effectively conducted in government owned institutions, it would inspire employees to be committed to their work, which in turn would result to employee effectiveness. It was therefore recommended that organizations, especially government-owned institutions should often conduct performance evaluation in order to inspire their employees for greater commitment to work.

Mwema and Gachunga (2014) examined the influence of performance appraisal on employee productivity in organizations in selected offices in East Africa. Descriptive design was adopted in the study. Regression analysis was done to establish the effect of performance appraisal on employee productivity. From the findings, the study concluded that organizations should appraise their employees often through utilized targets, accomplishments, organization goals, time management and efficiency for performance measure purposes as it would lead to increased employee productivity.

Farheen, Faiza and Syed (2014) examined the implementation and effectiveness of performance management system in Alfalah bank. Through this qualitative technique, data was collected and analyzed. To identify the PM issues structured interviews were conducted from the employees related with different departments of Alfalah Bank. The research findings have shown that the employees of Alfalah bank have been facing the problem of dissatisfaction from their current performance management. Also the current performance management system of Alfalah bank lacks motivation and proper reward system.

Ayandele and Isichei (2013) examined performance management system and employee job commitment, using selected listed companies in Nigeria. Data analysis was carried out using simple linear regression which proved the alternate hypothesis significant in the hypotheses tested. Findings revealed that performance management system impacts on employees' commitment to the employee set goals. The study concluded there was a positive relationship between employee participation in the designing of an organization's performance management system and employees' commitment to the employee set goals.

Rajesh and Nishant (2013) carried out a research on performance management system in Maharatna companies. This research sought to figure out the key variables that were having strong influence on Performance management system with special reference to BHEL, Bhopal (M.P.). Chi square test was applied in the study to check the authenticity of data given by the respondents. The study revealed that performance management system helped employees to set their individual goals with the employee goals and achieve meaningful outcomes. The study also found that performance management process of BHEL provides opportunities to employees for advancement and recognition within the organization.

Nadeem, Naveed, Zeeshan, Yumna and Qurat-ul-ain (2013) examined the moderating role of motivation on the impact of performance appraisal on employee performance. The study focused on the impact of performance appraisal on employee performance and also found that motivation affects the relationship between performance appraisal and employee performance. For analyzing data, the study applied correlation coefficient through IBM SPSS and Amos Software. Results showed that there was positive relationship between performance appraisal and employee performance. Motivation as a moderator positively affected the relationship between performance appraisal and employee performance.

Okumu (2012) examined the effect of employee performance management practices on employee productivity in Kenya Airways. The study used explanatory research design. The data obtained was analyzed using descriptive and inferential statistics. The Statistical Package for Social Sciences (SPSS) was also used in data analysis. From the research findings, 96% of Kenya airways employees indicated that the organization had implemented employee performance management and sensitized its employees on the importance of employee performance management before its implementation through seminars and

workshops. The results of the hypotheses tested revealed that goal setting, rewards and recognition, training and development had positive effects on the productivity of Kenya Airways.

METHODOLOGY

The study adopted a descriptive survey approach. Both primary and secondary sources of data were employed. The population comprised the senior staff of Nigeria Breweries PLC Ama-Enugu, Serbmila Industries PLC Onitsha and Nigeria Bottling Company, Irette-Owerri. The choice of these companies and category of staff were informed by the sizes of the organizations which we considered large enough and the presumption that this category of staff would be able to discuss the issues relating to performance management proxy on employee productivity. The population of the study was 2081 made up of senior staff of the selected Nigeria Breweries PLC. Sample size was determined through the application of Taro Yamani’s statistical formula to have 336 as the sample for the study. Data was collected using a structured questionnaire, and analysis was done through the use of descriptive statistics. Results were presented in form of tables. Participants were asked to indicate their levels of agreement with each statement/item from 1(Agree), 2(Strongly Agree), 3(Disagree), 4(Strongly Disagree). To ensure consistency of the developed instrument, the instrument was pilot tested using a random sample of 10 employees. The study used the Cronbach’s Alpha test to test the reliability of the instrument. The result showed a Cronbash alpha of 0.721. The study employed Multiple Regression Analysis (MRA) method to determine the effect of performance management on employee productivity. The regression model is represented as:

$$Y = \alpha + \beta_1X_1 + \beta_2X_2+ \beta_3X_3 + \beta_4X_4+ \beta_nX_n + e$$

DATA PRESENTATION AND ANALYSIS

A total of three hundred and thirty six (336) copies of the questionnaire were distributed to the employees of the selected large organizations in the South-East. A total of three hundred (300) copies out of the 336 copies of questionnaire distributed were properly filled and found relevant for the study, while the remaining thirty six (36) copies were either not properly filled or misplaced by the respondents..

Presentation of Data

Table 1:Descriptive Statistics

	Mean	Std. Deviation	N
OP	20.52	3.069	300
DFA	17.75	2.568	300
SA	9.82	3.299	300
PE	9.65	3.199	300
PR	9.37	3.347	300

Test of Hypotheses

The hypotheses formulated in chapter one of this work were tested using Multiple Regression Analysis. The result of the regression analysis is presented in the table below.

Table 2: Regression Result

Model	Unstandardized Coefficients		Standardized Coefficients	t	Sig.	
	B	Std. Error	Beta			
(Constant)	3.072	1.270		2.418	.016	
1	360 degree feedback appraisal (DFA)	.985	.044	.824	22.241	.000
	Performance evaluation (PE)	-.064	.039	-.069	-1.626	.005
	Self-Assessment (SA)	.037	.040	.038	.914	.362
	Performance review (PR)	-.059	.034	-.064	-1.727	.085

a. Dependent Variable: Employeeproductivity

Test of Hypothesis One

Ho₁: 360 degree feedback appraisal has no significant influence on employee productivity.

Hi: 360 degree feedback appraisal has significant influence on employee productivity.

Based on the t-statistics of 2.418 and probability value of 0.016 in table 4.12, 360 degree feedback appraisal was found to have a significant influence on employee productivity. Therefore, the null hypothesis is rejected and the alternative hypothesis is accepted. We then conclude that 360 degree feedback appraisal has significant influence on employee productivity

Test of Hypothesis Two

Ho₂: Performance evaluation has no significant effect on employee productivity

Hi: Performance evaluation has a significant effect on employee productivity

From the table 4.12 above, the probability value for performance evaluation is 0.005, which is less than 0.05 (0.005 < .05). We therefore reject the null hypothesis and accept the alternative hypothesis and conclude that performance evaluation has a significant effect on employee productivity.

Test of Hypothesis Three

Ho₃: Self-assessment has no significant effect on employee productivity.

Hi: Self-assessment has a significant effect on employee productivity.

From table 2 above, probability value for Self-assessment is 0.362 which is statistically insignificant at 0.05 level of significance. We therefore accept the null hypothesis and reject the alternative hypothesis and conclude that Self-assessment has no significant effect on employee productivity.

Test of Hypothesis Four

Ho₄: Performance review has no significant influence on employee productivity.

Hi: Performance review has a significant influence on employee productivity

The probability value for performance review in the table 4.12 is 0.085 which is greater than 0.05 (0.085 > .05). We therefore accept the null hypothesis and reject the alternative hypothesis. It is therefore concluded that performance review has no significant influence on employee productivity

Discussion of Findings

This work examined effect of performance management on employee productivity using selected large organizations in the South-East as the focus of the study. A total of three large organizations in South-East were studied. Data were sourced from both primary and secondary sources. The data generated were analyzed and the hypotheses formulated were tested. The results of the hypotheses tested are presented and discussed below.

The first hypothesis measured the influence 360 degree feedback appraisal on employee productivity. This hypothesis was tested using linear regression. The result showed that 360 degree feedback appraisal had a significant influence on employee productivity. This result agrees with Mello (2015) Gold, (2010) which states that 360 degree feedback appraisal creates clarity in employee goals and improves employees competence which when properly harnessed will lead to employee productivity.

The study also found that performance evaluation had a significant effect on employee productivity. This finding disagrees with that of Zhang (2012) whose result shows that the performance management system has a positive but significant effect on employee productivity. Also the result agrees with Freinen and Mjewe (2001) whose result shows that “performance evaluation helps the organization to determine the strength and weakness of employees in relation to the employee objective

Also found was that self-assessment has no significant relationship with employee productivity. This agrees with that of (Raatma, 2003) whose result shows that employees should consider their strengths and weaknesses when conducting self-appraisal, and they should brainstorm a list of strengths and the tasks or skills they enjoy the most. They should then take an honest look at areas where they can improve. Improvement areas might include time management skills, speaking in front of groups, leading projects or even improving processes. The result also agrees with the correlation of self-appraisal and appraisal of others that had three outcomes (Robbins, 2007) the respondents agrees that evaluated themselves is more favorably than other people

Finally, the last hypothesis showed that performance review had a significant effect on employee productivity in South East, Nigeria. This agrees with the findings of Qureshi and Mubashir (2013) and

Munzhedzi (2011) that there is a relationship between performance review and employee effectiveness improves employee performance. Similarly, it tallies with that of Homayounizadpanah and Baqerkord (2012) whose finding indicates that there is a strong positive relationship between performance review and productivity. It also agrees with that of Okumu (2012) whose findings indicate that performance review had positive effects on the productivity of Kenya Airways

SUMMARY, CONCLUSION AND RECOMMENDATIONS

Summary of Findings

This work analyzed effect of performance management on employee productivity using selected large organizations in South East Nigeria. The data analyzed indicates the following:

1. 360 degree feedback appraisal has a significant influence on employee productivity.
2. Performance evaluation has a significant effect on employee productivity
3. Self-assessment has no significant influence on employee productivity
4. Performance review has a significant effect on employee productivity

Conclusion

The study found that 360 degree feedback appraisal has a significant influence on employee productivity, while performance evaluation has a significant effect on employee productivity. Performance review has a significant effect on employee productivity. The study further found that Self-assessment has no significant influence on employee productivity. The study therefore concludes that performance management has a significant effect on employee productivity.

Recommendations

The study therefore suggests that:

1. Organizations should lay emphasis on 360 degree feedback appraisal since it was found that to have significant relationship with employee productivity.
2. Performance evaluation should be job-related, and job description should be given to the employees. They should be brought into the line of organization's goals with the job objectives so that every employee's work will increase employee productivity.
3. Since self-assessment has no significant influence on employee productivity, banks' management should pay adequate attention to, and monitor and lay emphasis on self-assessment system in order to improve employee productivity.
4. Since performance review has a significant influence on employee productivity, performance management should be reviewed on regular or quarterly basis to enhance employee productivity.

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