Influence of Performance Appraisal on Performance of Civil Servants in Kenya

Elhadi Idriss Yahya

Abstract—This article is part of a doctoral project entitled “Results-Based Management and Performance of Civil Servants in Kenya”. The purpose of the article is to determine the influence of performance appraisal on performance of civil servants. During the last three decades, performance appraisal has become a popular instrument in public sector reform agenda under the New Public Management which is results-driven. Its application has since become an important human resource management practice in the public sector performance management systems. The underlying aim is to foster organizational and individual efficiency and effectiveness in the public sector. Applying both descriptive survey and case study designs with a mixed research strategy, the study found that performance appraisal has a significant positive influence on performance of civil servants in Kenya. This means that, when performance appraisal process is effective, civil servants learn about themselves; gaining sense of personal worth, become more knowledgeable about their tasks, and more imperatively they learn about what are mostly valued by the employer. The study recommends for pragmatic use of performance appraisal since has significantly and positively influenced the performance of civil servants in Kenya.

Index Terms—New Public Management, Results Based Management (RBM), Performance Appraisal and Performance of Civil Servants.

I. INTRODUCTION

Since the 1990s the New Public Management (NPM) has had significant influence in public sector management reforms globally. Underlying NPM is the incorporation of private sector ethos into the public sector [1]. The reception of these techniques in the public service was to create fundamental cultural changes in this sector that were presumed to result in efficiency and effectiveness [2]-[4].

At the onset of the NPM, Kenya was reluctant to embrace this reform. However, Kenya picked up NPM public sector reforms in 2004 by introducing performance based management practices in the public service [4],[5]. To actualize this reform, a number of polices were developed including the National Performance Management Framework (NPMF). The NPMF provides a platform for institutionalizing RBM as well as spelling out the roles and responsibilities in which public institutions and individuals are to be held accountable for achieving better results to the citizens [6]. The government took further steps by setting Competency Development (CD) aiming at strengthening needed skills, attitudes, knowledge and abilities of civil servants to enable them improve performance [6].

From 2004, RBM assumed a centered focus in Kenya’s public service reforms. Therefore, one could argue that a period of more than a decade is sufficient time to achieve organizational and cultural changes, hence better civil servants’ performance. This is because RBM tools such as performance appraisal (PA) mandated Kenya’s civil servants to deliver results for Kenyans [6]. Despite the introduction of PA reforms, there is limited improvement in performance of the civil servants in Kenya [7]. According to the Ministry of Devolution and Planning [7] and World Economic Forum [8], performance since 2009 has loosely improved from 3.1 to 3.7 in 2015 (1=extremely wasteful; 7 highly efficient in providing necessary goods and services).

Looking at these performance indicator records and by any other standards, this is not considered as a progress and/or improvement. This article therefore assesses the influence of the application of performance appraisal reform in Kenya public sector. It does this using a sample of 292 civil servants in Devolution and Planning, and Public Service, Youth and Gender Affairs Ministries.

II. LITERATURE REVIEW

A. Performance and Performance Appraisal

Performance has been defined in different ways. Brumbach [9] offers a concise definition: “Performance means both behaviours and results. Behaviours are also outcomes in their own right and can be judged apart from results”. Armstrong and Baron [10] argue that performance is a matter not only of what people achieve, but how they achieve it. From OECD’s perspective “performance in public administrations and services is a broad concept that includes not only costs, outputs and effects on outcomes, but also such things as appropriateness, due process and trustworthiness. A public servant’s performance involves not only working and delivering, but also respect for the laws of the country, for the democratic system and for the elected government during its term of office” [11]

From the above definitions, and conceptualizations, it can be deduced that performance is not just about outputs, it is also concerned with actions and behaviors demonstrated to meet set targets.

Performance Appraisal is increasingly considered one of the key human resource practices [10]. Bird [12] suggests that performance appraisal is the assessment of what we produce and how. Performance appraisal according to Robins and Couter [13] is the assessment of an employee’s job performance which serves two purposes: First appraisal serves an administrative purpose. It provides information for making salary, promotion, and layoff as well as providing documentation that can justify these decisions in court.
Second, and perhaps more importantly, performance appraisal serves a development purpose. The information can be used to diagnose training needs, career planning, and the like. Feedback and coaching based on appraisal information provide the basis for improving day-to-day performance. To put it differently performance appraisal is one of the central instruments of performance management systems that assesses and evaluates the level at which the employee is performing her/his job according to agreed benchmarks.

Proponents of performance appraisal stress that it enhances the efficiency and effectiveness of both the individual employee as well as the overall organization. From the vantage point of the public sector, therefore, service delivery would be greatly improved. Critiques, however, point out that appraisal is not practiced well or unwelcome in some cases [1]. For example, Roberts and Pregitzer [14] argue that performance appraisal is an annual rite of passage that triggers dread and apprehension in the most experienced, battle hardened managers. Putting together a number of surveys, St-Onge, Morin, Bellehumeur and Dupuis [15] found worldwide dissatisfaction with appraisal.

Amidst these criticisms and distrust, performance appraisal embedded into the public sector. Managers and employees continue to accept performance appraisal systems while acknowledging they are fraught with inaccuracies [15].

B. Theoretical Review

Expectancy and Equity Theories inform this study. Expectancy theory was coined by Vroom [16]. According to Armstrong [17], the gist of this theory is that effort (motivation) depends on the likelihood that rewards will follow effort and that the reward is worthwhile. The implication of this theory is that it is there is an association between effort and reward (line of sight); the reward should be achievable and worthwhile. Equity theory on the other hand, was advanced by Adams [18]. His main idea was that people are better motivated if treated equitably. The implication of this theory is that organizations need to have equitable reward and employment practices.

These two theories are interlinked and were used in explaining the study. Through performance appraisal system, the Kenyan civil service is expected to be able to fairly and equitably reward its civil servants, and hence enhance motivation and performance. Despite the fact that the two theories were developed way back in the 1960s they are still relevant in contemporary times. This study therefore wanted to use their framework to add to the ongoing theoretical debate on the applicability of these theories in developing countries. This was done by testing the null hypothesis that; performance appraisal has no positive and significant influence on the performance of civil servants in Kenya. The gist of this study’s theoretical examination is on the efficacy of reward system in Kenyan public service.

C. Related Literature Review

Historically, PA is of ancient vintage. However, it is documented history began in the Wei dynasty (A.D. 261-265) in China when an imperial rater appraised the performance of members of the official family [19]. Nevertheless, Armstrong [17] argued that the modern history of performance appraisal goes back to the beginning of nineteen century. This was derived from the work of Frederick Taylor and his followers before the First World War. Rating for officers in US armed services was introduced in the 1920s and spread to the UK. Taylor’s scientific management in which he introduced the concept of time and motion study marked the beginning of the modern history of the performance appraisal, Price as cited in [20].

In contemporary history, Dechev [21] believed that performance appraisal constituted the process of identifying, observing, measuring and developing human performance in organization. The outcomes of performance appraisal can lead to improvements in work performance and therefore overall organizational performance. In general, the performance appraisal is an instrument used by organizations to evaluate the performance of their employees in terms of quality, quantity, cost and time, [20].

In this study, performance appraisal refers to a systematic and formal evaluation of the individual civil servant with regard to his/her performance on the job and their potential for development [22]. This rational and continuous process of evaluating the performance of civil servants in Kenya is done for the purposes of promotion, discovering training needs, delegation, deployment and rewards and sanctions [23].

Despite it is numerous benefits as revealed by the various definitions discussed, performance appraisal received praises and criticisms at equal measure. For example, Edwards Deming (as cited in [24]) labeled performance appraisal system as “Deadly Disease” in organizations. To him this leaves people bitter, crushed, bruised, battered, feeling inferior, desolate, depressed and unfit for work for weeks after receipt of rating and unable to comprehend the receipt. As such performance appraisal causes low morale, reduce teamwork and create obstacles between managers and rates.

Armstrong [17] noted the following shortcomings of performance appraisal: a) Judgments on performance are usually subjective, impressionistic and arbitrary; b) delays in feedback occur that create frustration when good performance is not quickly recognized; c) managers generally have a sense of inadequacy about appraising subordinates. To him performance appraisal needs to be viewed not as a technique but as a process involving both people and data, and as such the whole process is inadequate.

In a study about employee performance appraisal system participation: A technique that works, Roberts [25] admitted that performance appraisal is one of the most complex and controversial human resource practices. A finding from another related study entitled “Performance appraisal policy and tools used by the Kenyan Teachers Service Commission in Bomet constituency” by Ngeno et al [26] revealed that although performance appraisal which was embraced by Kenya Teachers Service Commission did have an effect on performance, the appraisal policy was not known and was not available to many respondents.

Furthermore, in a study carried out in Uganda under theme “Performance appraisal in Uganda’s civil service:
Does administration culture matter?” it was established that performance appraisal was a failure because the civil servants did not prepare annual performance plans; appraisal results were not immediately analyzed and used to inform individual goals. Moreover, the study’s data also revealed that objectivity and agreement on targets was average, whereas self-appraisal was high [20].

From the preceding related literature review, it is evident that performance appraisal has the potential to enhance performance of employees and overall organizational performance, but it can also produce opposite results if not carefully handled. How the employees and more so civil servants, go about such a pertinent attribute within different settings remains hanging. Since literature cited showed studies which were conducted in different setting other than the Ministry of Devolution and Planning setting or public service, youth and gender affairs, a gap of knowledge still remained and this encouraged the researcher to conduct the study which sought to establish the influence of performance appraisal on performance of civil servants in the said two ministries in Kenya. In closing this gap, the researcher used expectancy and equity theories to explain how and why performance appraisal influenced performance of civil servants.

III. METHODOLOGY

A. Research Design

This study employed both descriptive survey and case studies designs. It was a mixed method (quantitative and qualitative) designs, specifically, an exploratory sequential design was used. To achieve this according [27] the quantitative was first conducted to inform the subsequent qualitative phase. A descriptive survey design was used to collect quantitative data while the case study was used to gather qualitative data through interviews.

B. Study Population

The civil servants from the Ministries of Devolution and Planning, and Public Service, Youth and Gender Affairs constituted the target population of this study. According to HR payroll records of September 2016, there were 2,762 civil servants at the headquarters of these ministries. These were 1262 and 1500 for the Ministries of Devolution and Planning and Public Service, Youth and Gender Affairs respectively.

C. Sample Size

Accessible population was purposively drawn from the target population. In this study all the officers of the state department of planning and statistics from the Ministry of Devolution and Planning with 578 populations constituted accessible population in this ministry, whereas the State Department of Public Service and Youth with 501 populations constituted the accessible population of Ministry of Public Service, Youth and Gender. Stratified random sampling technique was used to select a sample of 292 respondents, while purposive sampling technique was employed to arrive at 15 interviewees. The interviewees were a subset of 292 respondents, hence nested (7) samples.

D. Research Instruments

The semi-structured questionnaire and interview guide were used to collect the data.

E. Data Analysis

To test the study hypothesis, Pearson’s Linear Correlation Coefficient (PLCC) was used for establishing the relations; further, Simple Linear Regression Analysis used to determine the extent to which performance of civil servants in Kenya was caused by variable performance appraisal. Content analysis was used to analyse the qualitative data.

IV. SUMMARY, DISCUSSIONS, CONCLUSIONS AND RECOMMENDATIONS

This section presents the summary of the study findings, discussion of the major study findings, the conclusions and recommendations.

A. Summary of Findings

The study sought to determine the influence of performance appraisal on performance of civil servants in Kenya. The study also sought to test the null hypothesis that: performance appraisal has no positive and significant influence on performance of civil servants in Kenya. The study found that performance appraisal was structured in Kenya civil service. On whether the performance appraisal exercise was done on time or not, the study found that though the majority of the departments in the public service consistently carry out performance appraisal exercise as scheduled, others did not.

Concerning the statement that the supervisors were well trained to objectively rate employee performance, the study suggested that merits and objectivity of supervisors are questionable. In relation to the statement that performance appraisal enabled the respondents to understand better their job tasks, the study found that performance appraisal is widely appreciated among the civil servants in Kenya as indispensable tools to assist the civil servants perform better. On whether the respondents felt confident that their management was willing to show their good efforts, the study found that there was a certain level of agreement among the civil servants that their senior management did not appreciate their good work. Further, the study found that majority of respondents believed that they were not rewarded on the basis of their performance. This finding implies that civil service in Kenya owing to certain inherent limitations was struggling to adopt an appropriate rewards and sanctions policy framework where good work is fairly rewarded and poor performance is sanctioned.

This was supported by PLCC analysis finding where it was established that while all aspects of performance appraisal when taken together positively correlate with the overall performance, not all of them are individually significant and not all of them have equal associated strength. For example, on item number nine, where respondents were required to rate the statement on whether they were rewarded based on their performance, the findings show that (coefficient =0.26 p value=0.686) and (coefficient=0.069 p value=0.279) for the last and previous year respectively. This suggests that there was
insignificance or no relationship between this statement on performance appraisal and performance of civil servants in Kenya. This implies that the performers might not be fairly rewarded in Kenya civil service; equally non-performers might not be sanctioned.

The regression analysis further confirmed that Performance appraisal had a positive influence on performance though it was with a minor significance. This was showed by Beta results (Beta=0.216, p value=0.000a) which indicate that performance appraisal has a positive predictive power on performance of civil servants in Kenya. A Beta value of 0.216 suggests that a unit change or improvement in performance appraisal, results into a 0.216 improvement in performance of civil servants in Kenya and vice versa. It was therefore concluded that performance appraisal has a positive and significant influence on performance. However, the 0.216 amount of improvement is an indication of a minimal influence. This was also corroborated by interviewees’ thoughts which revealed that while performance appraisal was received well in some quarters within Kenya public service and it is therefore it has made some positive influence towards improving the performance of civil servants. However, there was resistance in some institutions as it was perceived as an extra burden. For this reason, it has exerted minimal influence to overall performance.

B. Discussion

The findings from the objective of the study revealed that the extent of performance appraisal was rated as good. Pearson’s Linear Correlations indicated a positive significant relationship between performance appraisal and performance of civil servants in Kenya. Simple linear regression analysis findings also indicated that performance appraisal has a positive influence on performance of civil servants in Kenya. These findings imply that in the presence of a well-structured and functioning performance appraisal system, there is likely to be a possibility of corresponding improvement in performance of civil servants in Kenya and vice versa.

This means, when performance appraisal process is effective, civil servants learn about themselves; gaining sense of personal worth, become more knowledgeable about their tasks, and more imperatively they learn about what are mostly valued by the employer (Government of Kenya). This is supported by Obisi [28] who believes that public organizations perform better when their employees are continuously appraised and evaluated. He also believes that the reverse is true; inability of these organizations to install an effective performance appraisal hinder the ability of employees from performing to their best.

Nevertheless, it is important to note that, the findings of this study show that the overall association between performance appraisal and performance of civil servants in Kenya is weak. The findings further show that, while all the nine aspects of performance appraisal collectively having positive (though weak) relationship, individually, some are negatively and insignificantly associated with performance. In this, the study findings reveal that in Kenyan civil service, supervisors or managers do not appreciate the good work done by employees. As a result, majority of civil servants in Kenya feel that they were not rewarded based on their performance. This suggests that there are doubts in the mind of performers that performance appraisal process is flawed, or otherwise it is not fair.

In a related research, [19] cautioned mangers from using a compromised performance appraisal system by suggesting that when managers are reluctant to make negative judgment on individuals’ performance, as it should be, de-motivating leading to appraise accusations of lack of managerial supports. Ultimately, this is contributed to an individual’s poor performance. These researchers’ argument implies that performance appraisal can cause harm than good if it is being mismanaged.

Qualitative findings gathered from senior civil servants further advance the argument that Kenyan performance appraisal process is ineffective. As such, it had made a minimal positive influence on performance of civil servants (only 5% as suggested by statistical inference). Its ineffectiveness is attributed to: ineffective leadership, lack of clarity in the value related aspects of the tool, dysfunction of the rewards and sanctions policy and the challenge of resistance (performance appraisal is viewed by supervisors as an extra burden). Further, to show how the process is flawed, a significant percentage of the participants were of the opinion that Kenyan civil service embraced performance appraisal in order to reward the best performers but eventually it ended up rewarding everybody including non-performers. Similar findings were earlier revealed by [26], [20] and [29].

Ngeno et al [26] observe that although performance appraisal which was embraced by Kenya Teachers Service Commission did have an effect on performance, the appraisal policy was not known and was not available to many respondents. This showed weaknesses of performance appraisal of teachers was due to lack of policy in the division. As to what extent to which appraisal tools affect performance, the study further revealed that only half (50%) of the respondents indicated accurate measuring. From the study infers that the tools which were being used did not measure adequately the performance of teachers.

In a different context but quite with similar findings, Karyeija [20] shows that performance appraisal failed in Uganda because civil servants did not prepare annual performance plans, appraisal results were not immediately analyzed and used to inform individual goals. The study also indicates that the appraisal was not conducted on time; there was minimal commitment to the appraisal process, low transparency and low participation from the civil servants. Furthermore, the study’s findings reveal that objectivity and agreement on targets was average, whereas self-appraisal was high. Likewise, Poon [29] studied effects of performance appraisal politics on job satisfaction and turnover intention. It found that when employees perceived performance ratings to be manipulated because of raters' personal bias and intent to punish subordinates, it reduced job satisfaction, leading to greater intentions to quit their jobs.

Due to this, Edwards Deming cited in [24] labeled performance appraisal system as deadly disease in organizations. To him it leaves people bitter, crushed, bruised, battered, feeling inferior, desolate, depressed and...
unfit for work for weeks after receipt of rating and unable to comprehend the receipt. As such performance appraisal causes low morale, reduce teamwork and create obstacles between managers and rates. In fact, some participants in this study actually pointed out that performance appraisal brought destructive and pseudo competition to the environment (Kenyan civil service) in which teamwork is required. This opinion suggests that as in Uganda, performance appraisal system has failed to make a substantial amount of influence on performance of civil servants in Kenya.

This inference vindicates the earlier opinions made by the majority of respondents that they were not rewarded based on their performance. Their opinions suggest lack of two things: motivation (effort) and equity in Kenyan civil service. Therefore, these findings are consistent with theoretical propositions made by both [16] and [18]. Indeed, as suggested by Vroom, employee’s effort depends on the likelihood that rewards will follow. In his revised version, Vroom also believes that the employees need both ability and motivation to perform well (as he put it in this formula: Performance = f (Ability X Motivation). Meanwhile, Adams is concerned with the perceptions the employee has about how he/she is being treated relative to others. He warns of employees’ turnover crisis in case they perceived that they were not fairly treated.

However, the point of departure between the findings of this study and these theoretical conclusions is that neither lack of motivation nor inequity could be sufficient reason for employee exiting job. This is evidenced by the fact that although majority of respondents in this study cited lack of motivation because they were not rewarded fairly, they are still carrying out their duties and some of them even described their last performance appraisal results as excellent (the study’s findings from dependent variable). From this interesting revelation, what is not being realized by both Vroom and Adams then was that in developing countries (Kenya inclusive) where job opportunities are scarce, majority of employees perform well not because of motivation but just want to keep their jobs by all means. Again unlike in private sectors, the rewards in civil services are regulated by independent bodies such commission for salaries and remunerations in Kenya. This commission is meant to set fair standards for rewards; hence it deals with issues of inequity in civil service. Even if the said commission fails to set fair standards, civil servants are not ready to leave their job just because of unfair rewards or inequitable treatment. What can be noted from such puzzling situation is that the absence of motivation, equity and availability of job opportunities produce mediocrity at workplaces.

From the preceding discussion, this study proposes that low performance of civil servants in Kenya is partly caused by mediocrity as direct consequence of lack of (motivation + equity + job opportunity). This happens as a result of the fact that civil servants were not rewarded according to their performance. Based on this assessment, the researcher believes that performance appraisal system in Kenya can be an effective tool and serve its purposes if the reward and sanction policy is reviewed in a manner that makes employees feel that their good work is adequately appreciated and recognized. This is one of the ways in which employee morale can be boosted; hence, mediocrity removed.

C. Conclusions

The study intended to explore the influence of performance appraisal on the performance of civil servants in Kenya. The study concludes that although there is optimism on the potential of the performance appraisal instrument to produce positive influence on performance of civil servants in Kenya, majority of Kenyan civil servants feel there are still outstanding issues; Leadership, training and politics. These issues centre around the efficacy of the tool and the macro environment.

D. Recommendations

The study recommends for flexible or pragmatic application of performance appraisal taking into account the complex nature of the public sector. This entails a more detailed interrogation of the underlying assumptions of the performance management system in general.

REFERENCES


