

**EFFECT OF PERFORMANCE APPRAISAL ON EMPLOYEE
MOTIVATION AT MINISTRY OF EAST AFRICAN
COMMUNITY, LABOUR AND SOCIAL PROTECTION**

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DECLARATION

I declare that this research project is my original work and has not been presented for any award of Degree in any other University.

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DEDICATION

This research work is dedicated to my dear husband, son and daughter who supported me spiritually in the course of my education

ACKNOWLEDGEMENT

First and foremost I would like to thank the Lord Almighty for bringing me this far in my studies. I owe my gratitude to all those people who have made this research project possible and because of whom my Masters Degree education experience has been one that I will cherish forever.

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ABSTRACT

The aim of the study was to establish the effect of performance appraisal on employee motivation at the Ministry of East Africa Community, Labour and Social Protection. The research study adopted a descriptive research design in form of a survey and a sample size of one hundred and twenty (120) respondents drawn from all the departments in the Ministry ranging from different job groups which included the senior management (Job Group P and Above), middle level management (job group J to N) and lower level employees (job group A to H). Stratified random sampling was used as all the respondents were drawn from different levels or strata within the Ministry. Structured questionnaires developed in form of a five point likert scale was used for data collection as they were easy to administer and cheap in terms of cost and time. Data was collected and analyzed by use of scientific package for social sciences (SPSS). A regression model was used to determine the co-efficients of the effect of performance appraisal on employee motivation. The study shows that there is a strong positive significant correlation between performance appraisal and employee motivation and it can concluded that performance appraisal system has a significant impact on the employee motivation at the Ministry of Labour, East Africa Community and Social Protection. The conclusion of the findings was that the Ministry uses performance appraisal to motivate employees though there is need for a comprehensive policy to link pay to performance. The recommends that effective feedback and communication; giving training opportunities to employees to acquire skills; and encouraging employees' participation in performance appraisal processes are all essential for effective performance appraisal process in an organization.

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CHAPTER ONE: INTRODUCTION

1.1 Background of the Study

Performance Appraisal System (PAS) is amongst the great paradoxes in effective management of Human Resource (HR) in many organizations and its main purpose is to improve efficiency and effectiveness in job performance. Performance appraisal as a system has been in existence for a few decades. Formally, evaluation of employees is believed to have been adopted in the eighteenth (18th) century and it involves assessing performance in relationship to the laid down rules, procedures and objectives of the job (Fletcher, 2004). According to Guest (2001) the outcomes of effectual performance appraisal are improved accurateness of performance of an employee and relating it to task performance and obvious likelihood of rewards. Miller (2007) states that there are many outcomes that can be attained from having performance appraisal program which include continuous open communication, improved employee morale, job satisfaction, reduced employee turnover, increased employee commitment, increased motivation for both individuals and teams, feeling of equity among employees, and linkage between performance and rewards.

The research is grounded on two theories which include Goal Setting Theory by Lotham and Locke (1979) and Expectancy Theory by Vroom (1964). Goal setting theory by Latham and Locke (1979) states the importance of employees' motivation through setting of targets and is widely recognized as a technique to improve performance. It emphasizes the need to agree and set targets which will act as standard of performance measurement. Expectancy Theory by Vroom (1964) advocates motivation as a function of personal effort to achieve high performance.

The performance level achieved will lead to a reward, and this provides the basic feedback about ones strengths and weaknesses which is inevitable for formulating succession plans. According to Expectancy Theory the perception of high performance is achieved where certain reward equally proportional is expected.

The study was conducted in Kenya Civil Service because the functioning of the Government depends upon how people work. Within the public sector, an improvement in effectiveness and efficiency of civil service is central to the government's strategy of maintaining and improving national prosperity. Performance appraisal methods including the use of targets, performance measures and personal development are widely used within many areas of the public sector (Government of Kenya, 2005). Economic Recovery Strategy (2003) published by Kenya Government setting out a ten year transformational was to be measured by better results. The civil service has embraced the promise of performance contracting and appraisal as a means to improve performance, spur innovations such as balanced scored card.

1.1.1 Performance Appraisal

Performance appraisal is a performance measurement toolkit which is used to get performance information of an individual and compares them with the already set standards (Beardwell and Thompson, 2014). DeNisi (2000) indicates performance appraisal as an organization's system in which employees are given scores to show their performance against their set targets to bring change in job performance. Fletcher (2001) looks at performance appraisal largely as to mean those activities by which employees are assessed in an organization in order to grow their competence, raise their performance and give rewards. Aquinas (2008) states that performance

appraisal as a mechanism assesses the employees' contribution in all levels of the organization during a certain performance period of time and they are able to know their performance strengths and weaknesses.

Performance appraisal also measures employees' performance and growth on a specific job and their prospective for future development (Gupta, 2008). Due to rapid growth and changes in today's organizations to suit the dynamic political, social and economic environments in which they thrive, there is need for employees to align their objectives with those of the organization (Dessler, 2003). Performance appraisal is annual exercise conducted by organizations in order to determine an employee's overall contribution to the organization's performance. This appraisal of performance is done using aspects such as time management at work, quality of work done, quantity produced and cost incurred to produce results or any other credible and mutually agreed standard or measure (Invancevich, 2003). Mutsuddi (2012) shows performance appraisal as a system that is structured and formal and is used to assess the present performance of an employee and come up with ways in which they can improve in future so that the employee as well as the organization can mutually benefit. He also points out that performance appraisal assesses the performance of employees and then give feedback about past performance, present performance and future performance expectations. Performance appraisal answers many questions concerning job; and by coming up with solutions and a path to be followed; poor performances can sometimes be improved.

Prasad (2005) describes performance appraisal as the process of assessing the performance of the employee on their job putting into consideration what the job

entails, and is based on the confluence of agreed objectives, knowledge, expertise and competency, performance improvements and strategies for personal development of performers. Performance appraisal contributes to the development of performance culture in an organization by signifying the importance of high performance. Mahapatro (2010) states that performance appraisal helps decision making concerning retention in employment, job promotion, job transfer, payment of bonuses, and pay rises, and enhance communication at all levels of employees. Yoder (2003) states that performance appraisal as a communication tool shows skills, knowledge and attitude needed for various jobs. Using appraisal the organization can know the attitudes and behaviours that they want their employees to have at their different levels of work.

Rao (1985) opines that a properly designed performance appraisal system is critical as it helps employees in understanding their strong and weak areas, regarding their roles and responsibilities in the organization. Particularly, setting out personal goals aligning them with organization objectives has been embraced in most of organizations. According to Mullins (2010) performance appraisal is a process applied in businesses to assess characters and contributions of employees in their teams. He argues that appraisal of performance serves two purposes; evaluative purpose and developmental purpose. Williams (1998) describes performance appraisal as a systematic evaluation of the staff by their supervisor in terms of the job performance as prescribed by the job description, specification and working environment and it is usually carried against agreed criteria or conditions of evaluation.

1.1.2 Employee Motivation

Motivation is a basic psychological process and it is a power that gives energy, direction and upholds behaviour (Luthans, 2011). Motivation can be referred broadly as individuals' goals, ways of choosing their goals and individuals trying to change their behaviour to suit those goals, and is concerns strength and direction of behaviour and aspects influencing employees to act or behave in particular manner (Armstrong, 2012). He argues that there is motivation in employees when they anticipate that their actions will lead to them attaining their goals and hence a valued reward to satisfy needs and wants. High performance is achieved when employees are highly motivated and have a personal choice to make unrestricted effort. Locke & Lotham (2004) refer to factors within an employee that lead to acting in a certain way and to factors from without that can entice one to act, as motivation. They point out that employee behaviour is directly influenced by leadership and management of the organization as it depends on how they will direct it towards given organizational goals.

According to Newstrom (2011) motivation is the result of a set of internal and external forces that cause an employee to choose suitable course of action and hold on certain behaviours. These behaviours will in turn be focused at achieving organizational goals. Motivation also requires learning and understanding employee drives and needs, since its origin is from within an individual. Chartered Management Institute (2005) states that motivation is the formation of incentives, stimuli and working environment that enable people to perform to the best of their ability. The spirit of motivation is to provide employees with what they really desire most from their job.

1.1.3 Kenyan Civil Service

The Kenyan Government introduced performance appraisal in the civil service as a way of ensuring that service delivery improved. When it began way back around 2004, only a few number of State Corporations participated but now performance appraisal is being put into practice in most of the Ministries, Departments and Agencies (MDAs). The benefits of performance appraisal encouraged the decision for it to cover all MDAs due to improved administrative decisions, financial performance and improved service delivery. To ensure its success, Ministries had to work towards set targets, come up with service charters and compare their performances with other best performances worldwide. The results of the efforts were considerable that Ministries won international recognition in several African countries that were willing to learn from the practice in Kenyan Government (GoK, 2010).

In Kenya, performance appraisal is freely negotiated between the supervisor and the employee as is the case of performance contracting where the government and different ministries freely negotiate on the targets to be achieved. Performance appraisal process is started after performance contracting is done where agreements between Government and different ministries, departments and agencies specify the objectives, obligations and responsibilities of the two parties involved. The contract stipulates the expected results to be attained by the contracted party and the commitment of the Government as the contracting party. In this case the Government owns and manages the contracted party. All this is done to enable the Government to gain and be able to deliver its mandate to the citizens. Performance contracting is also used to organize and define tasks to be performed by management and also ensuring that they are achievable. It also helps in coming up with what is to be done and how to

do it. The outcomes that are expected after introduction of the performance contracting include improvement of services delivered; enhanced effectiveness and efficiency; and uptake of a performance oriented culture in the civil service; measured performance; and connecting performance, sanctions and rewards (GoK, 2012).

1.1.4 Ministry of East African Community, Labour and Social Protection

Ministry of East African Community, Labour and Social Protection was formed due to restructuring in Government in May, 2013. The Ministry was as a result of combination of departments from former Labour and Departments of Children's Services and that of Social Development from Ministry of Gender, Children and Social Development. The Executive order No. 2 of 2013 put following departments in the Ministry; Labour, Trade Unions, National Employment Bureau (NEB), Children's Services, Social Development, Productivity Centre of Kenya (PCK), Directorate of Occupational Safety and Health Services (DOSHS), and National Human Resource Planning and Development(NHRP&D). Besides are Semi-Autonomous Government Agencies (SAGAs) that is, National Industrial Training Authority (NITA), National Council for Persons with Disability (NCPWD) and National Council for Children's Services (NCC). National Social Security Fund (NSSF) is the only mandated Autonomous Government Agency (AGA) of the Ministry. There is also Social Protection Secretariat.

The Ministry is mandated to formulate, review and implementation policies on social security of children, old persons and those with disabilities. Others are employment policies, national human resource planning and development policies, national labour productivity policies, child labour policies and, internship and volunteers for public

service, community development, protection and advocacy of needs of persons with disabilities, social Assistance programmes, workplace inspection and workman's compensation (www.labour.go.ke, 2016)

1.2 Research Problem

For an employee to have motivation to perform, to develop personal capabilities, and improve their future performance this is influenced by continuous feedback on their performance (Invancevich, 2008). People are motivated when they expect a certain course of action will likely lead to attainment of a goal and thus a valued reward – one that satisfies their needs and wants (Armstrong, 2009). Only when employees are motivated towards appropriate goals that there is likelihood or organizational success is enhanced. Since productivity is influenced by employee motivation level, organizations and particularly their line managers have to realize what inspires employees to reach the highest level of their performance (Beardwell and Claydon, 2007). Organizations with best systems of performance appraisal usually show higher growth, higher return per employee, less attrition rate and stable platform for new challenges (Debemitra, 2008). Aquinis and Kraiger (2009) argue that implementation of a well-designed performance appraisal system can strength an organization in several ways such as employee retention, commitment, increase in employee self efficacy and competitiveness hence increased satisfaction (in areas of recognition and experiencing growth).

Performance appraisal acts an important factor of the function of overall human resource management in the State Corporations, ministries and County Governments. On the whole performance appraisal process is supposed to manage and improve

performance of the Civil Service and County Governments by enabling participation of staff where you involve them in planning, delivery and assessment of job performance (Government of Kenya, 2007). The Government through public service commission has set performance appraisal guidelines as part of performance contracting and results based management. The Kenyan government acknowledges that for many years there has been poor performance in the civil service. (GOK,2008). The civil service is faced with the challenge of poor and deteriorating performance, which acts as a stumbling block to realization of sustainable economic growth. The civil service has consistently performed below expectations due to: poor management and leadership; funds and human resource mismanagement; excess staff; work duplication; poor staff performance; government bureaucracy and excess political interference. This leads to weak economies, poor services; poor and weak infrastructures amongst other economic problems like brain drain (GOK, 2007).

Several studies have been done in relation to the effect of performance appraisal on employee motivation. Chaponda (2014) conducted a case study on the effect of performance appraisal on employee motivation in Slum based Non-governmental Organization situated in Nairobi. The study established that performance appraisal is important in employee motivation and has helped improve job performance since it identifies performance appraisal problems and how to improve employee productivity and motivation. Njeru (2013) conducted a descriptive research study on the role of performance appraisal on performance of job in the public sector at Kirinyaga Central District. The study established that majority of civil servants set goals and attains them while a few received feedback on their performance. Kamiti (2014) did a descriptive study on the effect of performance appraisal on civil servants at

Directorate of Tourism. The study revealed that performance appraisal acts as important factor that contributes to the employees' motivation. The more transparent and objective performance appraisal is in the government offices, the higher would be the motivation of employees.

Many of these studies that have been done on the effect of performance appraisal on employee motivation within civil service have failed to explain how performance appraisal affects employee motivation in the civil service. This study therefore aims at bridging the existing knowledge gaps by endeavouring to provide an answer to the question; what is the effect of performance appraisal on employee motivation at the Ministry of East African Community, Labour and Social Protection?

1.3 Research Objective

To establish the effect of performance appraisal on employee motivation at Ministry of East African Community, Labour and Social Protection.

1.4 Value of the Study

Scholars and Academicians will find the research useful because it will contribute to knowledge and also identify the gap that the study might have left and stimulate further research on performance appraisal and employee motivation. The study will also help future academic researchers' who are aspiring to conduct a performance appraisal study in government through using the findings and recommendation as a reference in adding value to the field of human resource management.

Policy makers and practitioners will benefit from the study as it will help them in generating new performance guidelines and also in successful implementation of performance appraisal. State corporations will find the study useful since it will provide an insight to challenges faced by employees in analyzing their goals and organizational policies related to performance management. The management of different Government Ministries, Departments and County Governments will benefit from the study since it will help them make informed decisions with regard to performance appraisal and how to motivate employees who perform better.

The study will also benefit human resource practice in the sense that the findings will improve the knowledge on the construct. The human resource practitioners will also use the findings for development of employees' capacity to meet and surpass expected performance and to achieve their full potential for their benefit and the organizations they work for.

CHAPTER TWO: LITERATURE REVIEW

2.1 Introduction

The chapter highlights and discusses the theories underpinning the study. It also discusses components of effective performance appraisal system and factors affecting employee motivation. In addition it evaluates what scholars and researchers have written about effects of performance appraisal on employee motivation in organization.

2.2 Theoretical Foundation

The study was supported by Goal Setting Theory (Lotham and Locke, 1979) and Expectancy Theory (Vroom, 1964).

2.2.1 Goal Setting Theory

The theory was advanced by Lotham and Locke (1979) when they argued that goals set for employees can motivate them and thus improve their performance. Employees link target to organization goals where they assess themselves and change their behaviour to attain those targets. When goals are specific, performance and motivation go up. This also happens when challenging but achievable goals are set and feedback is given on their performance. They also point out that employees should also participate in goal setting so as to own them. Feedback is also important as it motivates the employees to achieve high goals. Pintrich (2004) indicates that employees set different goals in different work situations and we cannot always assume that goals are always reachable. Locke and Lotham (2002) argue that setting challenging and specific goals does not assure employees of performance but the

achievement of those goals has to be motivating. They agree that commitment on goals is likely to be high when goals are made open and they are not imposed on individuals.

Drummond (2000) argues that the core of the theory is having targeted action where employees opt for objectives that allow them meet their aspirations or needs. Mitchell (1997) opines that challenging goals motivate more than easier ones; moreover, specific goals are more motivating than general goals. Newstrom (2011) believes that setting of goals motivates because there is a deficit to be met between the current and future performance. This creates tension and the employee reduces it by attaining the goals. This in turn raises employees drive, gives competence in work and raises self esteem which further stimulates the need for personal development. Luthans (2011) points out those goals give direction to the behaviour of employees and gear their efforts to particular outcomes.

2.2.2 Expectancy Theory

The theory is also referred to expectancy valence theory. Expectancy Theory was brought forth by Vroom (1964) and its idea is that people's expectations in their performance affect their behaviour and the reward they seek. It argues that motivation comes about through expected performance outcome and the attached level of value to the outcome by the individual. According to Vroom organizational behaviour assessment is important. He argues that motivation of people depends on their expectations in terms of probability that effort leads to performance, instrumentality or assumed connection between performance and rewards, and valence which is the assumed value attached to the reward.

Vroom (1964) also believes that if people accept as true a certain worth of a goal and that they will achieve it through their actions; they will be motivated to achieve it. Vroom's theory asserts that people's motivation towards doing anything is as a result of the individual putting a certain value on the goal and the probability of achieving that goal. The theory also helps managers to understand the relationship between motivation, performance and pay. Vroom points out that motivation depends on the anticipation that effort will bring about performance.

2.3 Components of Effective Performance Appraisal System

Performance appraisal serves as a strategy focusing on the employees choosing behaviours required to attain goals of the organization with success. An appraisal system helps to make decisions on needed areas of employee development, and assess human resource policies and programmes. The aims of relating compensation with performance and other human resource choices is to enable staff have better performance (Fisher, Schvenfeldt and Shaw, 2009). Williams (2002) feels that performance appraisal is basically concerned with creating an environment whereby employees share organization's goals and then helping the them understand their contribution to the goals. According to Kohli and Deb (2010) an effective performance appraisal system has five components which include performance planning, managing of performance, performance review /assessment, performance monitoring and rewarding of performance.

2.3.1 Performance Planning

This forms the first step of successful performance appraisal and it involves coming up with standards of performance in line with organization strategic objectives and

noting competencies required and development strategies to perform successfully (Kohli and Deb, 2010). Kandula (2007) states that performance planning is a managerial process that ensures that the employee delivers output persistently over a period of time as per the requirements of the organization. It is essential to involve employees in the planning process for them to understand the objectives and strategy of the organization.

It is used in managing performance where it entails the manager and the employee agreeing on the targets in order to meet the laid objectives, raise performance, competence and performance standards and capacities for their work (Armstrong, 2014).

2.3.2 Managing and Reviewing Performance

Performance managing and review is an essential work that managers do on a given performance period and that it forms a cycle that shows good and normal management practices of directing, checking and performance measurement and taking necessary action (Armstrong 2014). Performance managing provides the skills to transform performance appraisal into an on-going dialogue and development with benefits for the individual employee, teams, managers and organizations. Managing of performance is the procedure of working in the direction of achieving the performance expectations made during performance planning (Kandula, 2007). Real performance is re-evaluated after a specific period to assess whether the objectives are being achieved. In case of underperformance, managers need to guide the employee on ways to correct the inadequacy and continuously monitor the improvement efforts and improvements achieved (Kohli and Deb, 2010).

Torrington et.al (2013) believe that top management must support and encourage performance management and review culture where they make it clear that it is very important in achieving continued success in the organization. In addition, Armstrong and Baron (2004), show that performance management ensures that management knows the result of their work related actions to their employees. The set standards are compared with the real performance in order to measure the outcome and correction measures are developed referring to the original organization goals. The results will act as a source of feedback to the staff. This also assists in coming up with communication strategies at all levels of employment to attain common objectives of the organization (Marion, 1998).

2.3.3 Performance Measurement

Performance measurement is essential part of performance appraisal. It acts as the basis to provide and generate feedback and identifying where there is success to reinforce it, and where there is poor performance for corrective actions (Armstrong, 2014). Measurement of performance is any procedure that involves setting work standards, assessing the employee's actual performance in relation to these standards and providing feedback to the employee with the aim of motivating them to eliminate performance deficiencies or to continue to perform above these standards (Dessler, 2002). Employee's motivation in their performance, personal skills development and improving future performance is influenced by the previous performance feedbacks (Kohli and Deb, 2007). According to Kandula (2007) performance assessment gives a rationale for various human resource decisions such as career planning, rewarding, training counselling, transferring, termination and mentoring.

Armstrong (2014) also argues that measuring performance is relatively easy for the responsibility of achieving targets in terms of quantities, like sales; which more difficult for knowledge workers like scientists. But the difficulty would be eased if differentiating of results is made between outcomes and outputs. One can measure output in terms of quantities, while an outcome as a result is an effect that can be seen and felt but essentially it cannot be quantified.

2.3.4 Performance Monitoring

Monitoring of performance is the process of making accurate and objective performance observations on the basis of outcomes and expectations which are in an employee's performance plan and are duly reflected in the performance appraisal with the aim of developing the performance of employee (Kandula, 2007). Many performance appraisal schemes include monitoring, which is done after reviewing performance to indicate its quality. A scale which represents the manager's opinion is used to show how well the employee performs. Both manager and employee monitor performance and give feedback which is analysed and additional corrective measures are given (Armstrong,2014).

2.3.5 Rewarding of Performance

A reward can be financial or non-financial elements directed at facilitating employees who add value in competitive edge. Employees reward can occur for performing roles where they exhibit certain values and behaviour and ensuring they pursue management objectives (CIPD, 2009). This occurs when finishing the period of performance in question where assessment of accomplished targets and the skills the employees have acquired; and giving feedback through discussion on the assessment

done on the employees (McAfee and Champagne, 1993). The whole process is evaluated and establishes whether it has contributed to the overall performance of the organization.

A successful human resource performance appraisal system is essential in providing the needed information in making decisions regarding administration. The system helps the employees to be motivated thus utilizing their full potential in achieving the goals of the organization (Musgrove & Creighton, 1973).

2.4 Factors Affecting Employee Motivation

The desire within a person causing them to act is called motivation. We need to understand motivation is important because many human resource concerns like compensation and performance are affected by, and influence motivation (Mathis and Jackson, 2005). Motivating employees brings goal oriented behaviour. Lawler (1994) shows that performance appraisal impacts strongly on the motivation of employees. Motivated employees influence organization policies, and in turn affect organization performance. Employees pursue performance objectives set by those in managerial levels. Armstrong (2014) believes that the factors that can affect motivation in an organization include organization culture, learning and development, career planning and development, reward systems, work environment and, management and leadership styles

2.4.1 Organization Culture

Organization culture refers to beliefs, traditions, policies, values or attitudes that influence what people do and think in organizations (Mullins, 2010). Culture is a most

powerful and intangible ingredient of performance. Strong and positive culture is important for good performance and it brings about positive work environment where every employee becomes comfortable to work in. A strong positive culture can improve performance magnificently, while a negative culture usually lowers employee motivation which leads to low performance (Kandula, 2007).

2.4.2 Management and Leadership Style

Leadership influences and supports other employees to work enthusiastically towards achieving objectives. It helps individuals come up with goals, and motivates them to achieve the identified goals (Newstrom, 2011). Every leader has a role to influence others to willingly seek out for defined objectives. Managers direct whereas leaders create and inspire others to achieve and go beyond their normal capabilities (Greenburg, 2011). Robbins and Judge (2013) state that good management brings about consistency and order by planning, coming up with organization structures, and monitoring performance with respect to those plans.

2.4.3 Learning and Development

According to Armstrong (2014) learning and development ensures that organization has staff with the knowledge and skills and are engaged as required. He also opines that organizations need people who have high levels of knowledge, skills and competencies and their need to consider personal needs of their employees for development and growth. Fletcher (2004) argues that for an organization to achieve its desired objectives learning and development must be tied to its strategies. Reynolds (2004) concur that firm's that train managers and staff get better results and improve performance.

2.4.4 Career Planning and Development

This is a great source of motivation as one's skills are matched with the needs of the organization. It is a vital instrument for organizations since it enables them to attain organizational objectives (Armstrong, 2014). Career planning and development is a great opportunity since a good and systematic career management can motivate employees and enhance their performance (Kandula, 2007). In performance appraisal, careers are used as avenues to gratify self-esteem and self-actualization needs of employees, and it has a prominent role in the grand strategy of performance management (Kandula, 2007).

2.4.5 Reward Systems

Reward systems recognize the value employees add to an organization resulting from rewarding them. Reward systems, in addition to financial rewards, also deal with non-financial rewards which may include development opportunities, added and higher level job tasks and recognition (Armstrong, 2014). He also argues that the reward system is driven by strategy employed in business which on the other hand drives the reward strategy. Employees who perform well in organizations tend to receive rewards. The reward system is used in performance management to help in improving performance through different rewards such as recognition and training.

Reward is useful for a successful performance of employees as poor reward systems may lead to the collapsing of other strategies used in managing performance irrespective of how professional the strategies are and how well they are implemented. Employees and organization can perform at their level best due to raised employee motivation; and this in turn leads to higher rewards (Kandula, 2007).

2.5 Performance Appraisal and Employee Motivation

In most organizations the performance of individual employees determines success of that organization. Performance appraisal and motivation are important for organizations to make the most out of the effectiveness of individual employees. Performance of each employee is affected by a number of factors such as their capability, the support they receive from the organization and expanded efforts. For competitive organizational and individual performance, human resource management activities should be developed, evaluated and changed when necessary (Mathis and Jackson, 2005).

Many empirical studies have revealed that an effective performance appraisal as part of the human resource management makes a difference to achieve goals of the organization. A study by Higher Performance Work Practices (HPWP, 2004) based on a case study of ten (10) organizations and a survey of two hundred and ninety four (294) companies in United Kingdom identified specific higher performance work practices being employed in a number of public sector organizations. The study concluded that performance appraisal creates a chance for correcting underperformance and also motivating the workforce. Muriu (2014) conducted research on the factors affecting implementation of performance contracting process in Kenya's civil service. The study revealed that employee motivation is to a high extent, a major factor that contributes to performance in the civil service. Performance appraisal and motivation were found to be having higher influences on organizational culture and organization effectiveness.

A workplace employment relations survey conducted by Zhang (2012) on the impact of performance appraisal on employee performance shows that performance appraisal has a positive and insignificant relationship with employee performance. The study also tested other variables and established a strong and positive correlation between performance appraisal and employee motivation and reward. Njeru (2013) conducted a descriptive survey on the role of performance appraisal system on job performance in the public sector. The study found out that training and feedback on performance are critical in performance appraisal. Karimi's (2013) study on the role of appraisal system on job performance in the public sector found out that appraisal is an expensive investment both in time and effort. The study recommends that the Government of Kenya should ensure that civil servants must be motivated in order to enhance their performance.

Kamiti (2014) in his research on the effect of performance appraisal on motivation of civil servants revealed that performance appraisal is an important factor which touches on the employees' motivation. The study recommended that promotions and trainings motivate employees in the civil service apart from monetary rewards. To summarize, most of these empirical studies have revealed existence of a relationship between appraisal of performance and employee motivation. In addition it is important that organizations link performance to rewards and to sanctions. As a result the employees' behaviour will be facilitated through motivation in order to increase productivity and improve performance in the organization.

CHAPTER THREE: RESEARCH METHODOLOGY

3.1 Introduction

The chapter discusses research design used, the tools used for collecting data, its analysis and presentation.

3.2 Research Design

A descriptive research design was adopted in form of a survey. Mugenda and Mugenda (1999) tell us that descriptive survey entails a science which observes and describes the behaviour of a subject without interfering with it at all. It seeks to find out who, how, what, where and when about something in particular. It is a method employed in collecting data from targeted population respondents by use of questionnaires, interviews and observation schedule. Descriptive research design describes characteristics of a particular population in a systematic and accurate approach. Mugenda and Mugenda (2003) say that descriptive survey design aids the researcher in gathering, summarizing, presenting and interpreting information for clarification purposes.

3.3 Target Population

Cooper and Schindler (2003) indicate that a population is a group on which the researcher will focus. Ngechu (2004) states that a population is a set of people, services, elements, group of things, or households that are being investigated. Target population in the study was employees working with the Ministry. According to Public Service Commission (2015) there was one thousand two hundred (1200)

employees working as Civil Servants in the Ministry of East African Community, Labour and Social Protection (MEACL&SP Staff Establishment, 2016).

3.4 Sample Design

Stratified random sampling technique was applied to determine the sample of the population. Cooper and Schindler (2003) define stratified random sampling as a process by which the sample is restricted to include elements from each of the segments and it is important when the researcher wants to get the features of subgroups of a particular population. It also involves dividing the population and then taking random sample from each group. The method classified the population into strata and ensured all departments, sections and units were represented. The sample design of the study was ten per cent (10%) of the target population which was stratified into Senior Management in Job Group P to U, Middle level in Job Group J to N, and Lower Level Civil Servants in Job Group A to H.

Table 3.4.1: Sample Design

Population Category	Population	Sample (10% of population)
Senior Management (Job Groups P to U)	200	20
Middle Level Management (Job Groups J to N)	300	30
Lower Level Civil Servants (Job Groups A to H)	700	70
Total	1200	120

3.5 Data Collection

Primary source of data was used and data was collected using structured questionnaires. The questionnaires adopted Five Point Likert Scale to establish effect of performance appraisal on motivating employees in the Civil Service. The

questionnaires were divided into three parts. Section ‘A’ was about background information of the respondents while Section ‘B’ had questions related to performance appraisal. Section ‘C’ was having questions on employee motivation. Administering of questionnaires was done through drop and pick method.

3.6 Data Analysis

Data was checked for accuracy, uniformity, logical completeness consistency before analysis. General information of the respondents was analysed by using descriptive statistics such as percentages and frequency. Regression analysis was used to establish the effect of performance appraisal on employee motivation in the Ministry of East African Community (EAC), Labour and Social Protection. Findings have been presented using tables, pie charts and graphs.

Linear Regression Model

$$Y = \beta_0 + \beta X + \epsilon$$

Y = Employee Motivation

β_0 = Constant

β_1 = Regression of Coefficient

X = Performance Appraisal

ϵ = Error

CHAPTER FOUR: DATA ANALYSIS, INTERPRETATION AND PRESENTATION

4.1 Introduction

Findings of the study are provided in this chapter. It also highlights the four sections which are Response rate, background information of the respondents, performance appraisal, employee motivation and discussions of the findings. The results are presented in form of graphs, figures and tables

4.2 Response Rate

Table 4.2: Response Rate

Response Rate	Frequency	Percentage (%)
Received questionnaires	97	81%
Unretruned questionnaires	23	19%
Total	120	100%

Source (Research Data)

The researcher administered one hundred and twenty (120) questionnaires to the respondents and out of the one twenty (120) questionnaires distributed, ninety seven (97) questionnaires were filled and received back representing eighty one percent (81%) while (23) questionnaires were never received back from the respondents representing nineteen (19%). The response rate was in order since Mugenda and Mugenda (1999) stipulates that a response rate of 50% is adequate for analysis and reporting, a rate of 60% is good and a rate of 70% and over is excellent. Results summarised in Table 4.2.1 and Figure 4.2.1 on the response rate shows that 81 % were returned while 19% were not received back. The results imply that the response was acceptable and fair as pointed out by Mugenda and Mugenda (1999).

4.3 Respondents Background Information Analysis

The part of the questionnaire presents the data findings on the respondents' background information. The background information includes gender of respondents, age of the respondents, highest educational level, Work of experience of the respondents, job category and department of work of the respondents in the organization.

4.3.1 Respondents Genders

Respondents were to state their gender and findings are as shown below in table 4.3.1.

Table 4.3.1: Respondents Gender

Gender	Frequency	Percentage (%)
Female	62	64%
Male	35	36%
Total	97	100%

Source (Research Data)

Based on the shown findings above on the respondents gender it is evident that 64% of the respondents were female while 36% were male. The findings imply that both male and female participated in the study.

4.3.2 Respondents Age

Respondents Age Bracket (Years)	Frequency	Percentage
18 to 25	6	7%
26 to 35	23	24%
36 to 45	26	27%
46 and Above	42	42%
Total	97	100%

Source (Research Data)

The responses on age are shown in the table 4.3.2. The study findings indicate that 7% of the respondents were 18-25 years, 24% fall between 26-35 years, 27% were of between 36-45 years, while 42% of the respondents were 46 and above years. This indicates that majority of respondents were 46 and above years. This implies that the organization should start a succession planning programme to bridge the gap between the aging employees and young middle aged employees.

4.3.3 Highest Educational Qualification of the Respondent

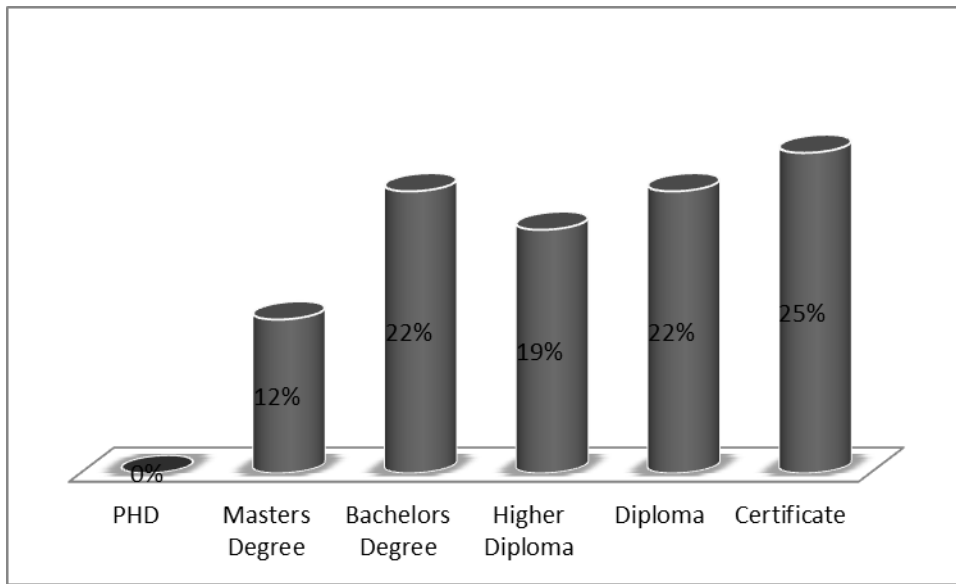
The respondents were asked to state their highest education qualifications. Results are captured in Table 4.3.3 and Figure 4.3.3 below

Table 4.3.3: Highest Educational Qualification of the Respondents

Highest Education Qualification	Frequency	Percentage
PHD	0	0%
Masters Degree	13	12%
Bachelors Degree	21	22%
Higher Diploma	18	19%
Diploma	21	22%
Certificate	24	25%
Total	97	100%

Source (Research Data)

Figure 4.3.3: Highest Educational Qualification of the Respondents



Source (Research Data)

The outcome on respondents highest education qualification shows that 12% of the respondents had Masters Degree, 19% respondents had Higher Diploma, 22% respondents had Bachelors Degree, 22% also had Diploma while 25% were ordinary certificate holders. This shows that that majority of the employees had at least certificate qualifications. The findings imply that most of the employees were well informed on performance appraisal system and employee motivation.

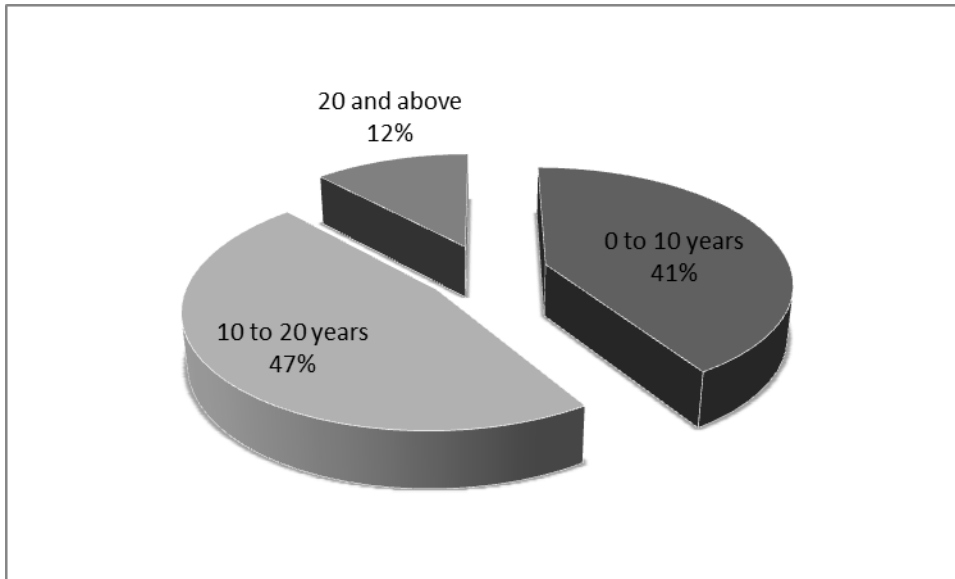
4.3.4 Work Experience of Respondents

Table 4.3.4 Work Experience of Respondents

Work Experience	Frequency	Percentage
0 to 10 years	40	41%
10 to 20 years	11	47%
20 years and Above	46	12%
Total	97	100%

Source (Research Data)

Figure 4.3.4 Respondents Work Experience



Source (Research Data)

The item was required to capture the respondent years of work duration with the Ministry. Findings are presented Figure 4.3.4 above. From the findings as per Figure 4.3.4 majority of the respondents have worked in the Ministry between 10 to 20 years at 47%, 41% of the them had worked for 0 to 10 years while 12% had worked for over 20 years hence had participated in performance appraisal process for a long period.

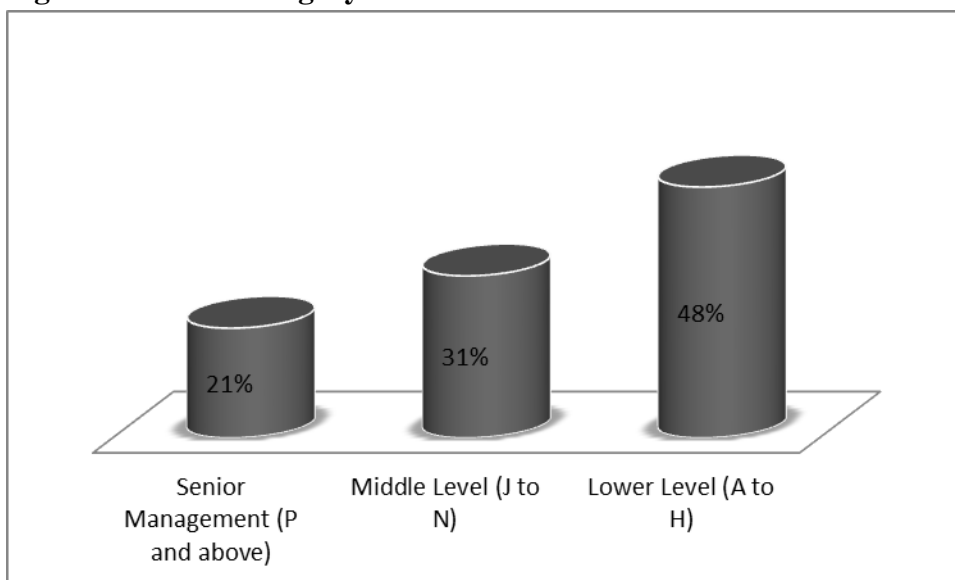
4.3.5 Job Category

Table 4.3.5 Job Category

Job Category	Frequency	Percentage
Senior Management (P and Above)	20	21%
Middle (J to N)	30	31%
Lower Level	47	48%
Total	97	100%

Source (Research Data)

Figure 4.3.5 Job Category



Source (Research Data)

Results are in Table 4.3.5 and Figure 4.3.5 above on job category of the respondents, the results show that 12% were from Senior management (Job Group P and above), 31% were middle level civil servants in job group J to N while Lower were 48% in job group A to H. The findings show that many respondents were lower level civil servants and this indicates that the study was representative and inclusive to all categories of employees in the ministry.

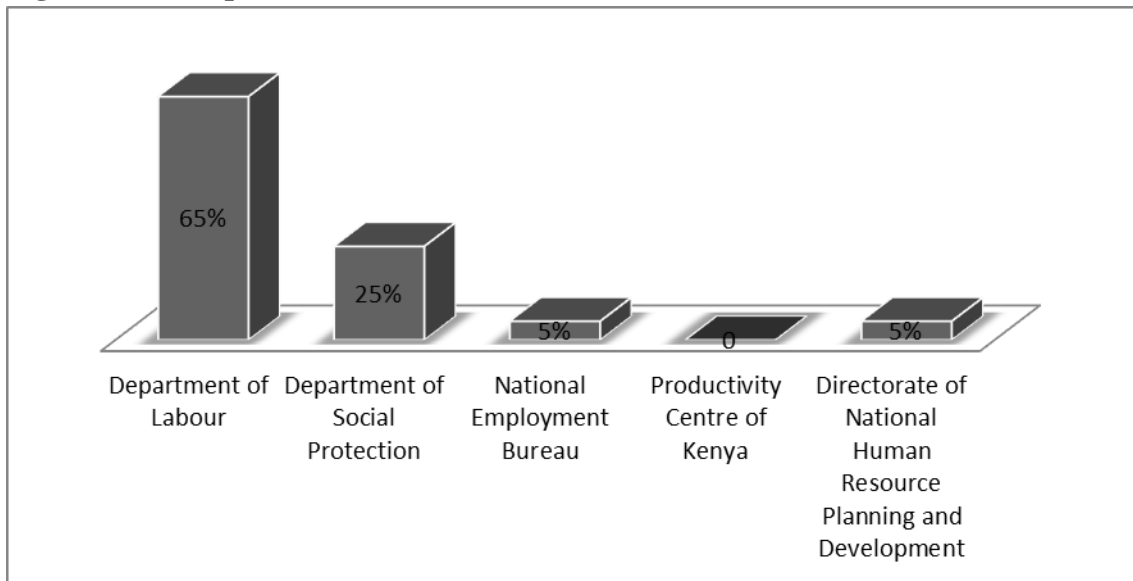
4.3.6 Department of Work

Table 4.3.6: Department of Work

Department of Work	Frequency	Percentage
Department of Labour	63	65%
Department of Social Protection	24	25%
National Employment Bureau	5	5%
Productivity Centre of Kenya	0	0%
Directorate of Human Resource Planning and Development	5	5%
Total	97	100%

Source (Research Data)

Figure 4.3.6: Department of Work



Source (Research Data)

The findings above on the respondents department of work show that most respondents were from Department of Labour at 63%, Department of social protection were 24%, National Employment Bureau were 5%, similar to that of National Human Resource Planning and Development. These results imply that all the departments were represented and majorities were from Department of Labour.

4.4 Performance Appraisal System

The study focused on the research findings of various performance appraisal practices on employee motivation at the Ministry. The section shows standard deviations and means of performance planning, managing and reviewing of performance, monitoring, performance assessment, and performance rewarding. The employee motivation had several factors that included; organization culture, management and leadership style, learning and development, career planning and development and reward systems. The study investigated the effect of the foresaid factors on employee motivation.

The study used a five-point Likert scale ranging from Strongly Agree (5) to Strongly Disagree (1). The strongly disagree and disagree scores represented a variable of mean scores ranging from 0 to 2.5 on the continuous Likert scale; ($0 \leq L.E < 2.4$). The scores on moderate represented a variable with a mean score of 2.5 to 3.4 on Likert scale: ($2.5 \leq M.E. < 3.4$). Both agree and strongly Agree scores represented a variable of mean score of 3.5 to 5.0 on Likert scale; ($3.5 \leq G.E. < 5.0$)

4.4.1 Performance Planning

In respect to this aspect, the respondents indicated the extent to which they agreed with the statements under performance planning where table 4.1 represents the results.

Table 4.4.1: Performance Planning

	Mean	Std. Deviation
My organization set clear objectives and I work towards their achievement	3.9485	1.06430
My performance expectations are usually defined in my individual work plan and job description	3.9485	1.16700
I adhere to realistic work plans and time tables established by my supervisor, department and organization	3.8041	1.17827
I improve the quality of work through better planning, on-going discussions and fair participatory appraisal	3.7216	1.14330
The ministry involves employees in planning for performance	3.6495	1.19060
Average Mean	3.8144	

Source (Research Data)

Study findings indicate that all the respondents agreed to a great extent with all the aspects tested under performance planning. My organization set clear objectives and I work towards their achievement (3.9485), My performance expectations are usually defined in my individual work plan and job description (3.9485), I adhere to realistic work plans and time tables established by my supervisor, department and organization (3.8041), I improve the quality of work through better planning, on-going discussions and fair participatory appraisal (3.7216), and the ministry involves employees in

planning for performance (3.6495). Therefore, we can deduce that the organization exercised performance planning within the ministry an aspect that can be investigated further on employee motivation.

4.4.2: Performance Managing and Reviewing

Concerning the aspect, the respondents indicated the extent to which they agreed with the statements under managing and reviewing of performance. Table 4.2 represents the results.

Table 4.4.2 Managing and Reviewing Performance

	Mean	Std. Deviation
My supervisor holds a performance review meeting to discuss my performance	4.0000	.87797
I am provided with feedback based on factual evidence on my performance	3.8763	.76727
My performance is balanced between achievements in relation to objectives	3.6186	1.12216
My behaviour in the job affects my performance	3.4021	1.18726
Average Mean	3.7243	

Source (Research Data)

Findings revealed that majority of the respondents and to a great extent agreed that; My supervisor holds a performance review meeting to discuss my performance (4.0000), I am provided with feedback based on factual evidence on my performance (3.8763), and my performance is balanced between achievements and objectives (3.6186). Moreover, to a moderate extent respondents agreed that my behaviour in the job affects my performance (3.4021). Therefore, it can be concluded that the organization was aware of managing and reviewing performance.

4.4.3 Performance Monitoring

The respondents were to indicate extent to which they agreed with the statements in performance monitoring where table 4.4.3 represents the findings.

Table 4.4.3: Performance Monitoring

	Mean	Std. Deviation
There is feedback on my performance as an employee	5.0000	.00000
My work environment is friendly and helps me work effectively	4.8351	.62384
I have the right tools to help me achieve my work goals	4.8041	.63965
My work plan is reviewed during monitoring process	4.7938	.72079
Progress reviews are conducted to compare the predetermined standards of employees	4.1134	.86454
My individual performance has link with organizational performance	3.6289	.76811
Average Mean	4.5292	

Source (Research Data)

Study findings reveal that all the respondents agreed to great extent with all the aspects that were featured under performance monitoring. There is feedback on my performance as an employee (5.0000), my work environment is friendly and helps me work effectively (4.8351), I have the right tools to help me achieve my work goals (4.8041), my work plan is reviewed during monitoring process (4.7938), progress reviews are conducted to compare the predetermined standards of employees (4.1134), and my individual performance has link with organizational performance (3.6289). Therefore, it can be deduced that performance monitoring was being utilized in the organization.

4.4.4 Performance Assessment

The study sought to what extent the respondents agreed with the listed aspects. Table 4.4.4 gives the results.

Table 4.4.4: Performance Assessment

	Mean	Std. Deviation
My supervisors continuously assess my work progress	4.7526	.67748
My performance is evaluated quarterly, semi-annually and annually based on performance indicators	3.8866	1.04957
There is discussion between my supervisor and myself during performance assessment	3.7423	.97124
Performance is rated	3.2680	1.15934
Average Mean	3.9124	

Source (Research Data)

Findings from the study reveal that majority of the respondents to a great extent agreed with; My supervisors continuously assess my work progress (4.7526), my performance is evaluated quarterly, semi-annually and annually based on performance indicators (3.8866), and there is discussion between my supervisor and myself during performance assessment (3.7423). However, the respondents agreed to a moderate extent that their performance was rated (3.2680). Therefore, the findings suggest that the organization conducted performance assessment.

4.4.5 Rewarding of Performance

The researcher wanted to know to what extent the respondents agreed with the listed aspects. Results are in table 4.4.5.

Table 4.4.5: Rewarding Performance

	Mean	Std. Deviation
The rewards offered motivates me to work hard and enhances my productivity	4.8660	.34244
The performance is linked to employee reward and compensation	4.4948	.72347
My organization has a framework to reward excellent performance and/or salary increase decisions	3.5052	.83071
Organization compensation policy attracts and retains employees	3.4639	.81729
Average Mean	4.0825	

Source (Research Data)

Study findings show that majority of the respondents to a great extent agreed with; the rewards offered motivates me to work hard and enhances my productivity (4.8660), the performance is linked to employee reward and compensation (4.4948), and my organization has a framework to reward excellent performance and/or salary increase decisions (3.5052). However, the respondents agreed to a moderate extent that the organization compensation policy attracts and retains employees (3.4639). Therefore, the study suggests that the organization adopted rewarding of performance.

4.5. Employee Motivation

The researcher wanted to find out the effect of performance appraisal on employee motivation at the Ministry. The five-point Likert scale was also used. The table below presents the results.

Table 4.5.1 Employee Motivation

	Mean	Std. Deviation
Career planning and development	4.8430	.14850
Reward systems	4.0876	.50523
Organization culture	3.9938	.56602
Management and leadership style	3.8639	.62085
Learning and development	3.7108	.55280
Average Mean	4.0998	

Source (Research Data)

Research findings show that all the respondents agreed to a great extent with all the aspects of employee motivation. Career planning and development (4.8430), reward systems (4.0876), organization culture (3.9938), management and leadership style (3.8639), and learning and development (3.7108). All these aspects were tested to gauge the extent of employee motivation within the organization.

4.6 Effect of Performance Appraisal on Employee Motivation

The study was geared towards establishing the effect of performance appraisal on employee motivation at the Ministry. Inferential statistics was done on the variables. Linear regressions were done to obtain the r coefficient and r -square that determined the relationship. The results below present a summary of the results.

4.6.1 Linear Regression Model

In establishing the effect of performance appraisal on employee motivation at the Ministry, the study conducted a linear regression analysis. Table 4.6.1 shows results.

Table 4.6.1: Linear Regression Analysis

Model Summary				
Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.864 ^a	.841	.810	.18996
a. Predictors: (Constant), Rewarding of Performance, Performance monitoring, Performance planning, Performance assessment, Managing and reviewing performance				

Coefficient of determination shows the degree to which changes in the dependent variable (employee motivation) can be explained by the change in the independent variables or the percentage of variation in the dependent variable that is explained by the five independent variables (Rewarding of Performance, Performance monitoring, Performance planning, Performance assessment, Managing and reviewing performance). The five independent variables that were studied, explain 84.1% of the changes in the employee motivation at the Ministry as represented by the R^2 . The study establishes strong positive correlation (.864) between and employee motivation and performance appraisal.

Table 4.6.2 Anova

ANOVA ^a						
Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	6.031	5	1.206	14.347	.000 ^b
	Residual	7.651	91	.084		
	Total	13.682	96			
a. Dependent Variable: Employee Motivation						
b. Predictors: (Constant), Rewarding of Performance, Performance monitoring, Performance planning, Performance assessment, Managing and reviewing performance						

The probability value of significance 0.000 showed significant performance appraisal affected employee motivation. If any hypothesis was tested under this study, the null hypothesis would have been rejected and alternative picked as shown by the p-value which is less than 0.05.

Table 4.6.3 Coefficients of Determination

Coefficients ^a								
Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.	95.0% Confidence Interval for B	
		B	Std. Error	Beta			Lower Bound	Upper Bound
1	(Constant)	.817	.557		1.467	.146	-.289	1.923
	Performance planning	-.083	.072	-.245	-1.153	.252	-.227	.060
	Managing and reviewing performance	.201	.154	.442	1.306	.195	-.105	.506
	Performance monitoring	.535	.159	.702	3.371	.001	.220	.851
	Performance assessment	-.425	.138	-.950	-3.072	.003	-.700	-.150
	Rewarding of Performance	.512	.132	.751	3.884	.000	.250	.773
a. Dependent Variable: Employee Motivation								

The researcher performed a regression analysis to determine the relationship between performance appraisal and employee motivation at EAC. The regression equation was:

$$Y = \beta_0 + \beta_1X_1 + \beta_2X_2 + \beta_3X_3 + \beta_4X_4 + \beta_5X_5 + \epsilon$$

$\beta_1, \beta_2, \beta_3, \beta_4, \beta_5, \beta_6 =$ Regression Coefficients

$Y =$ Employee Motivation

$\beta_0 =$ Constant

$\epsilon =$ Error Term

$$Y = 0.817 - .083X_1 + .201X_2 + .535X_3 - .425X_4 + .512X_5 + .557$$

In the equation, when all factors are held constant at zero, the employee motivation is 0.817%. The data analysis also showed that when you hold all independent variables at zero, a unit increase in performance planning will lead to a -.083 decrease in employee motivation at the Ministry. A unit increase in the managing and reviewing performance will lead to a .201 increase in employee motivation the Ministry. Also, a unit increase in performance monitoring will lead to a .535 increase in employee motivation at the Ministry. A unit increase in performance assessment will lead to a -.425 decrease in employee motivation at EAC. Again, a unit increase in rewarding of performance will lead to a .512 increase in employee performance at the Ministry.

The study showed relationship of performance monitoring, performance assessment and rewarding of performance and employee motivation at Ministry since their p-values are less than 0.05 (.001, .003, & .000). Again, we find that performance planning and managing and reviewing performance had an insignificant relationship with employee motivation since their p-values (.252 & .195) is greater that (0.05) therefore we accept any null hypothesis set. Therefore, we can deduce that

performance appraisal system has a major impact on the employee motivation at the Ministry.

4.7 Discussions of the Findings

The study aimed at establishing the effect of performance appraisal on employee motivation at the Ministry of East African Community, Labour and Social Protection. Findings and results were found to be in line with the literature review. The results has indicated that performance appraisal provides greater objectivity and fairness in making judgements and decisions about the employees in the organization as stated by Williams (2002) who feels that appraisal of performance concerns creating conditions where employees share organization goals and help to people to understand their input to those goals. The respondents have shown from the findings regularizing the procedures in evaluating and updating information about performance appraisal to subordinates was key in its successful implementation as pointed out by Torrington et.al (2013) who asserts that maintaining performance management performance appraisal must be entailed and supported by entire management in realizing organizational competitive edge.

The study also established that uniformity and fairness is required conducting performance appraisal as this provides equality as argued in the literature by Kandula (2007). Performance assessment provided a rationale for various employee decisions. The findings also reveal that performance monitoring ensures that no employees' talents, abilities and potentials are overlooked.

On motivation the findings also demonstrate that employee motivation is a driving force that motivates an employee in job. As stated in the literature by Newstrom (2011) Motivation has a positive impact on employees' performance when employees

feel low or dissatisfied it's the role of the supervisor to motivate them. Training also has a positive impact on performance of employees. From this survey public sector institutions need to make necessary steps to increase the performance of employees. The outcome of the study shows that leadership is necessary in providing direction on employee appraisal. Robbins and Judge (2013) state that order and consistency is brought about by good management by coming up with plans, organizational structures, and results monitoring in relation to the plans. Management is tasked with ensuring have the required skills for engagement through proper coaching, providing leadership and motivation, and appraising the employees who would in turn perform with efficiency and effectiveness.

CHAPTER FIVE: SUMMARY, CONCLUSION AND RECOMMENDATIONS

5.1 Introduction

Key findings, conclusion and recommendations of the study are made here. It also includes the limitations encountered and suggestions for future studies.

5.2 Summary of the Findings

The researcher wanted to know the effect of performance appraisal on employee motivation at the Ministry. Inferential statistics was done on the variables. Linear regressions were done to obtain the r coefficient and r -square that determined the relationship. The findings of the study shows that Coefficient of determination explains the level in which changes in the dependent variable can be explained by the change in the independent variables or the percentage of variation in the dependent variable that is explained by the five independent variables (Rewarding of performance, performance monitoring, planning of performance, performance measurement, performance managing and reviewing). The independent variable explained the changes in the employee motivation at the Ministry as represented by the R^2 . The study showed that there was a strong positive significant correlation between performance appraisal and employee motivation. The study shows that significant correlation between performance monitoring, performance assessment and rewarding of performance and employee motivation at Ministry since their p-values are less than 0.05. The study shows that performance planning and managing and reviewing performance had an insignificant relationship with employee motivation since their p-values is greater that therefore we accept any null hypothesis set. Therefore, we can deduce that performance appraisal system has a significant impact on the employee motivation at the Ministry.

5.4 Conclusion

From the findings and discussion the Ministry had adopted performance appraisal as a means of motivating employees. A comprehensive performance appraisal policy needs to be established in order to link pay to performance since the current policy has room in dealing with underperformers. In order to manage poor performance feedback is required throughout the appraisal period and there is need to look into what employees need to overcome problems in performance; and of more importance how the management can help and support the employees and the organization at large.

The study also established that performance appraisal system provides employees with self-rating, and performance standards. Effective performance system provides behavioral standards. During performance planning processes both behavioral and results outcomes should have been seen so as to ensure an ongoing feedback in the performance appraisal process.

5.5 Recommendations

5.5.1 Effective Feedback and Communication on Performance Appraisal

Effective feedback and communication was essential when conducting performance appraisal process. The findings of the study highlight ways of improving performance appraisal, communication and feedback ensures that employees being assessed are given information about their performance. Communication that lacks clarity and focus doesn't discussion of staff performance this leads to problems in motivation in places of work. For prevention of performance related issues, managers have to communicate vision, mission and objectives of the organization to ensure employees understand their performance goals. Highly effective communication process should allow one on one discussion of staff performance appraisal issues. The Ministry

should give employees opportunity for responding and asking questions that help them improve performance and ensure employees are motivated by appreciating their opinions.

5.5.2 Training of Employees on Performance Appraisal

Majority of the respondents indicated that they have lack training opportunities especially the ones on performance appraisal system. Training is key ingredient as it enables employees to acquire relevant skills. It also enables one to be conversant with current challenges in one's line of duty. Respondents indicated that training was important as its purpose was to improve morale. Skills will be expanded through training where staff responsibilities can be enhanced and they rely less on management in decision making. Specific skills related to performance appraisal do not necessarily limit work related flexibility. Staffs who received such targeted training always improve on setting of annual targets, drawing of individual work plans, communication skills, professionalism, conscientiousness and creativity and innovation.

5.3.3 Employees Participation on Performance Appraisal Process

Participation of employees in performance appraisal process has resulted in successful value creation in many organizations. Participation yields changes in behavior. The probability of high performance of employees involved in appraisal process increases due to awareness and information and when convinced that the performance appraisal is necessary. More involvement of employees in designing of appraisal tools will make them feel they are a part of the organization that has been implemented. Performance appraisal system will not be resisted if the employees feel that they are a part of it also involvement and participation will ensure employee motivation and commitment in the organization.

Performance should be aligned to better reward and compensation. The management must consistently motivate the employees and supervisors during performance evaluation. This ensures that the rapport and agreement during performance appraisal exercise. The standards set for performance appraisal are realistic, achievable, measurable and consistent with the organizational goals.

5.6 Suggestion for Future Research

The future research study should target at least three larger Government ministries and a different research design should be used to establish the effect and relationship of performance appraisal with other variables such as employee engagement, employee commitment and morale. Future studies should have a larger sample size compared with this research study.

5.7 Study Limitations

This research encountered the challenge of financial constrain which limited the research to a small sample size. There was a problem in data collection as some respondents failed return the questionnaires since they believed that the information they would have provided would have been used against them and this delayed data analysis.

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APPENDICES

APPENDIX I: QUESTIONNAIRE

INSTRUCTIONS: Please put “X” in the appropriate box.

SECTION A: BACKGROUND INFORMATION OF THE RESPONDENTS

1. What is your gender?

1.1	Female	
1.2	Male	

2. Please give your age bracket?

2.1	18 to 25	
2.2	26 to 35	
2.3	36 to 45	
2.4	46 and above	

3. What is your highest educational level?

3.1	PHD	
3.2	Masters Degree	
3.3	Bachelors Degree	
3.4	Higher Diploma	
3.5	Diploma	
3.6	Certificate	

4. State your work experience?

4.1	0 to 10 years	
4.2	10 to 20 years	
4.3	20 years and above	

5. Indicate your job category?

5.1	Senior management (P and above)	
5.2	Middle level (J to N)	
5.3	Lower level (A to H)	

6. State your Department of Work?

6.1	Department of Labour	
6.2	Department of Social Protection	
6.3	National Employment Bureau	
6.4	Productivity Centre of Kenya	
6.5	Department of National Human Resource Planning and Development	

SECTION B: PERFORMANCE APPRAISAL SYSTEM

Please indicate the extent to which you feel that the indicated statements apply to you by putting an "X" in the appropriate block.

(5). Strongly Agree (4). Agree (3). Neither Agree nor Disagree (2). Disagree (1) Strongly Disagree

B1	Performance Planning	Strongly Agree	Agree	Neither Agree nor Disagree	Disagree	Strongly Disagree
1	My organization set clear objectives and I work towards their achievement					
2	I adhere to realistic work plans and time tables established by my supervisor, department and organization					
3	I improve the quality of work through better planning, on-going discussions and fair participatory appraisal					
4	My performance expectations is usually defined in my individual work plan and job description					
5	The ministry involves employees in planning for performance					

B 2	Managing and Reviewing Performance	Strongly Agree	Agree	Neither Agree nor Disagree	Disagree	Strongly Disagree
1	My performance achievements is balanced with performance objectives					
2	My behaviour in the job affects my performance					
3	My supervisor holds a performance review meeting to discuss my performance					
4	I am provided with feedback based on factual evidence on my performance					
5						
B3	Performance Monitoring	Strongly Agree	Agree	Neither Agree nor Disagree	Disagree	Strongly Disagree
1	My individual performance has link with organizational performance					
2	There is feedback on my performance as an employee					
3	Progress reviews are conducted to compare the predetermined standards of employees					
4	My work plan is reviewed during monitoring process					
5	I have the right tools to help me achieve my work goals					

6	My work environment is friendly and helps me work effectively					
B4	Performance Assessment	Strongly Agree	Agree	Neither Agree nor Disagree	Disagree	Strongly Disagree
1	My supervisors continuously assess my work progress					
2	My performance is evaluated quarterly, semi-annually and annually based on performance indicators					
3	Performance is rated					
4.	There is discussion between my supervisor and myself during performance assessment					
B 5	Rewarding of Performance	Strongly Agree	Agree	Neither Agree nor Disagree	Disagree	Strongly Disagree
1	My organization has a framework to reward excellent performance and/or salary increase decisions					
2	Organization compensation policy attracts and retains employees					
3	The performance is linked to employee reward and compensation					
4.	The rewards offered motivates me to work hard and enhances my productivity					

SECTION C: EMPLOYEE MOTIVATION

Please indicate the extent to which you feel that the indicated statements apply to you by putting an “X” in the appropriate block.

(5). Strongly Agree (4). Agree (3). Neither Agree nor Disagree (2). Disagree (1). Strongly Disagree

B1	Organization Culture	Strongly Agree	Agree	Neither Agree nor Disagree	Disagree	Strongly Disagree
1	My organization values and beliefs support achievement of business goals					
2	The organization culture help attract and retain the high quality people in my ministry					
3	Our organization culture ensures efficiency and effectiveness of activities in accordance with organization stated targets and strategic plan					
4	My ministry culture and structure indicates areas of responsibility, authority and accountability					
5	There is cohesive among employees and senior managers					
B2	Management and Leadership Style	Strongly Agree	Agree	Neither agree nor Disagree	Disagree	Strongly Disagree
1	Managers give employees recognition for a job well done and motivates by reward					

2	Supervisors delegate powers and responsibilities to us that helps in decision making					
3	I am consulted by my supervisor on most issues related to work					
4	My supervisor provides me with opportunity to show case my leadership skills by acting in higher positions					
5	My supervisor has confidence, trust in subordinates					
B3	Learning and Development	Strongly Agree	Agree	Neither Agree nor Disagree	Disagree	Strongly Disagree
1	I have received training within the last one year					
2	The training impacted on my motivation to perform					
3	I consider training is one of the conditions for performance appraisal in my department					
4	I am satisfied with the usefulness of learning inputs in improving my performance					
5	My performance gaps are identified for appropriate training programme					
6	I am satisfied with the usefulness of learning inputs in improving my performance					

B4	Career Planning and Development	Strongly Agree	Agree	Neither Agree nor Disagree	Disagree	Strongly Disagree
1	The organization supports my development and career aspirations					
2	My supervisor coaches and mentors me to raise my level of competence					
3	I continuously seek to develop myself professionally					
4.	I am involved and consulted in career planning and development by my supervisors					
B 5	Reward Systems	Strongly Agree	Agree	Neither Agree nor Disagree	Disagree	Strongly Disagree
1	Performance is linked to rewards					
2	Rewards are awarded fairly					
3	The rewards in my organization are in form of promotion, certificate of merit, leadership responsibilities and monetary rewards					
4.	Rewards are based on individual employees					