

**EMPLOYEE PERCEPTION OF PERFORMANCE  
APPRAISAL IN COMMERCIAL BANKS IN KISUMU  
COUNTY, KENYA**


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## DECLARATION

I declare that this project proposal is my original work and has not been presented for a degree in any other university.

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## **DEDICATION**

I dedicate this project to my son Xander Cole, my parents and Dr. J.M Nyachae for their sacrifice and immense support throughout my studies.

## **ABSTRACT**

Employees' perception of performance appraisal influences the level of commitment towards achieving organizational goals and ultimately their behaviors. If employees experience satisfaction with performance appraisal, they will have the motivation to adopt positive behaviors in their organization. Employee's perception towards performance appraisal is a vital element in the overall human resource management function in commercial banks. The main objective of this study was to determine employee perception towards performance appraisal in Commercial banks in Kisumu, Kenya. The study adopted cross sectional research design. The study's population were all employees of commercial banks in Kisumu City. This study employed Morgan Krejcie (1970) table to calculate the sample size of 103. Stratified random sampling technique was employed to get a suitable sample from the target population. This research used data of primary nature with the main data collection instrument being a self-administered questionnaire consisting of both structured close and open-ended questions. Collected data was edited, coded and assessed for completeness and information consistency. The study adopted both descriptive and inferential statistics to analyze the data and arrive at the findings. The descriptive findings showed that employee's perception towards the existing performance appraisal was positive. Correlation analysis indicates employees' perception of performance appraisal was positive and significant when managers discuss and review their performance appraisal results, the results are statistically associated with 70% increase in positive perception of performance appraisal by employees. 64.7%. When the current performance appraisal is fair and unbiased and when their organizations provided them with feedback. The findings also established that when employees were not able to express their feelings and views during the processes of performance appraisal, their perception towards performance appraisal to be negative and significant. The study's main limitation was that the findings were limited to the perception of the employees domiciled in commercial banks in Kisumu city and thus, generalization of findings becomes difficult. It's therefore recommended that banks need to develop a good appraisal feedback system, discuss appraisal results, design ways to communicate appraisal results and design an appraisal procedure so that every employee is conversant with the appeal process

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## **LIST OF ABBREVIATIONS AND ACRONYMS**

|             |                                    |
|-------------|------------------------------------|
| <b>BARS</b> | Behaviorally Anchored Rating Scale |
| <b>CBK</b>  | Central Bank of Kenya              |
| <b>FIT</b>  | Feedback Intervention Theory       |
| <b>MBO</b>  | Management by Objective            |
| <b>P A</b>  | Performance Appraisal              |

# CHAPTER ONE: INTRODUCTION

## 1.1 Background of the Study

The management of human resource aims at establishing relationships between employees and the organization which can either enhance or limit employee performance (Ling & Nasurdin, 2010). It's vital for organizations to recognize employees' perception of fairness and appraisal system effectiveness for better employee performance (Bohlander & Snell, 2004). Mullins, (2007) posits that employee perception towards performance appraisal (PA) depends on whether they view it as a useful source of feedback. Employees can potentially accept and participate in a PA if they perceive it as enhancing their personal development and presenting an opportunity to showcase their potential (Seidu & Boachie-Mensah, 2012). However, if they perceive PA as a tool to be used by management to closely control and supervise their tasks, they could react negatively towards it (Boachie-Mensah & Seidu, 2012). Hence, how employees perceive a PA system to be effective will depend on how the process is accurate and fair (Anthony et al., 1999)

This study was anchored in the Feedback Intervention Theory (FIT) (DeNisi and Kluger, 1996), Equity Theory (Adams 1965) and Attribution theory (Weiner 1974). The FIT suggests that when an employee is faced with inconsistency in terms of received appraisal feedback and what he wishes to attain, he will be highly motivated to achieve better performance (DeNisi & Kluger, 1996). The Equity Theory states that when employees perceive PA as fair and just, their level of motivation increases (Adams 1965). The Attribution theory explains how employee's perceived causes for their past appraised performance contribute to their current performance (Weiner, 1974).

Commercial banks in Kisumu County have been crucial in job creation and adding value to the labor market in the Western region of Kenya. Commercial banks in Kenya have generally been spending Ksh39 billion on staff costs including wages and benefits for the more than 30 thousand people employed in the sector every year (Kenya Bankers Association, 2019). While intense use of technology has seen workforce realignments in many banks including those in Kisumu, staff productivity and service delivery has improved. According to the Kenya Bankers Association (2019), in 2016, 1,227 customers were served by one employee, while in 2019 more than 1,544 customers were served by the same employee due to increased efficiency from technology. However, it has generally been observed that despite a performance appraisal system being put in place, under performance of commercial banks has been noted. Despite the adoption of performance appraisal systems by both the public and private sectors, studies on the extent to which employees of commercial banks in Kisumu city perceive appraisal towards employee performance forms the context that study this study focused on.

### **1.1.1 Concept of Employee Perception**

Various scholars have defined employee perception in different ways. Mulyana (2001) defines employee perception as an internal process that permits one to select, put in order, and attach meaning to stimuli from the surroundings. It is also defined as a process of organizing, interpreting and integrating cues received by one's senses (Mullins 2007). Cole (2005) defines it as a mental process concerned with identification and subjective interpretation of objects, concepts, behavior and awareness attainment, insight and perception. It is a process that allows people to organize and attach meaning to their sensory impressions and consequently give meaning to their surroundings

(Robbins & Judge 2007). Despite the differences in the definitions, generally, employee perception is how information in the environment is organized and obtained via feeling, hearing, appreciation, vision and olfaction.

Employees' perceptions can manifest through dimensions of fairness and organizational citizenship behaviors since perceived unfairness can result in detrimental behavior from employees (Messer & White, 2006). When assessing employee perception, Bedarkar & Pandita (2015) state that the focus should be on appreciation by management for good work, equity where decisions regarding promotions and pay hikes are made on the basis of merit and performance and delight where employees feel proud of being a part of the organization. Tsui et al., (1994) identified citizenship behavior and affective commitment as key dimensions of employee perception. Dusterhoff et al., (2014), describes employee perception in terms of job satisfaction and ownership, while Jawahar (2007) attributes it to the extent of fairness and commitment. In addition, Onyango (2013) views employee perception in terms of fairness arising from the results received, procedures used to arrive at those results and how the decision making procedures are implemented. This study viewed employee perception in terms of fairness, equity, job satisfaction and commitment. Prior literature has shown that performance appraisal as problematic, vague and an unsolvable activity in human resource management. Thus, studies on the relationship between employee perception and performance appraisal are rare and inconclusive (Poon 2004; Rabenu et al., 2018).

### **1.1.2 Performance Appraisal**

Performance appraisal (PA) is a discrete and formally sanctioned organizational activity carried out twice or once a year using laid out indicators of performance to evaluate employee work activities (Dessler, 2011). Mathis & Jackson (2011) defines PA as the practice of establishing whether employees perform their tasks as agreed on performance standards and providing feedback to them. Balcioglu & Adewale (2014) define PA as the procedure of assessing performance of a given job in a firm, and in respect to comparing the real employee performance *Vis a Vis* the standard expected by the firm. Rabenu et al., (2018) argue that PA is a formal procedure that is planned to enable managers get precise and reliable information concerning employee performance and their behavior on their job.

Performance appraisal (PA) can be described as an activity that sets employee objectives and performance expectations, collects objective feedback and assign the employees' a score (Mathis & Jackson, 2011). According to Sydanmaanlakka (2000), PA encompasses elements of laying out objectives, feedback, follow-up, and development of employee. PA incorporates both the evaluative and developmental functions, (Boswell & Boudreau, 2000). The evaluative function is used for issues salary, promotions or termination decisions, and individual performance recognition, while the developmental function includes providing feedback, need for training identification and transfers determination. Tersoo et al (2018) portends that PA comprises of setting performance criteria, these criteria must be discussed with the employee before assuming tasks at hand thereafter the employee carry's out the task

and the results are compared to the initially agreed standards and any corrective measures are put in place.

Studies have assessed the association between performance appraisal and employee perception (Addison & Belfield, 2008). A precise, fair and appropriately dispatched performance appraisal can positively influence an employee's attitude and enhance performance. The employee must see the need to adjust, and so they must accept the received feedback (DeNisi & Pritchard, 2006). However, scholars are concerned with the effectiveness of PA since there is limited empirical evidence on how PA impacts employee's perception and their actions in the workplace work place (LeVan – 2017).

### **1.1.3 Commercial Banks in Kenya**

The commercial banking sector in Kenya is supervised by the Central Bank of Kenya (CBK). While the Kenyan Government has majority ownership in three commercial banks, out of the 43 banking institutions, 40 are privately owned. Maintenance of productive workforce is one of the main challenge faced by commercial banks in Kenya. For instance, a report by CBK (2019) indicates that long working hours, stress lack of proper monitoring among banks employee has been a key determinant to high employee turnover in the banks. The general problem inherent in the sector has been meager pay, promotional structure that is irregular and workers achievements not being recognized. While the report does not disintegrate performance issues per town or region, the findings of the report apply to all whole commercial banks in Kenya.

Commercial banks in Kenya have been spending on average Ksh39 billion on staff costs including training and development, monitoring and wages and benefits for the more than 30 thousand people employed in the sector ever year (Kenya Bankers

Association, 2019). In addition, 74 percent of the banks incurred financial resources on employee training, and monitoring through appraisals, 43 percent spent less than Ksh.5 million, 23 percent spent between Ksh.5 million and Ksh.50 million while only 3 percent spent between Ksh.100 million and Ksh.200 million (Central Bank of Kenya 2019). According to the Kenya Bankers Association (2020), while technology has caused realignments in many commercial banks, staff productivity and service delivery has improved. However despite the improvement in productivity, commercial banks in Kenya, including those located in Kisumu still face challenges of employee commitment and job satisfaction due to organizational conflict, inadequate pay, equipment, lack of promotional opportunities, lack of consultations and hence unfairness in the performance appraisal process (Kenya Bankers Association 2020).

## **1.2 Research Problem**

Organizations that make employees to understand how they performed and how the performance was attained and through a fair performance appraisal process, they will most likely accept the results and work smart to improve future performance. Thus, employee perception towards performance appraisal (PA) depends on whether they see it as a key feedback source (Mullins 2010). Employees accept and participate in PA if they perceive it will aide in their personal development and an opportunity to showcase their potential (Boachie-Mensah & Seidu, 2012). Cropanzano et al., (2007) argued that employees' perceptions of performance appraisal's fairness could impact on their level of commitment to the organization. However, other studies point at how the process limits and evokes undesirable employee behaviors (Light, 2010). Dusterhoff et al, (2014) argue that employees' disapproval of the appraisal process is associated with the

employee's increased intentions to resign. Pulakos and O'Leary (2011) argue that PA rarely works as intended despite the resources allocated to the process.

Commercial banks in Kenya have been spending on average Ksh39 billion on staff costs including training and development, monitoring and wages and benefits for the more than 30 thousand people employed in the sector ever year (Kenya Bankers Association, 2019). However, they face major challenges in terms of monitoring and maintaining. A report by the Central Bank (2019) indicated that long working hours, stress and lack of proper monitoring among banks employee has been a key determinant to high employee turnover. In addition, commercial banks have been experiencing low employee performance due to the inadequacy of the performance appraisal process (Kibichii et al., 2016). Thus, the general problem inherent in the sector has been meager pay, promotional structure that is irregular and workers achievements not being recognized.

Interest in employee perception on PA system has attracted various contradictory studies. A study by India, Shrivastava and Purang (2011) showed that private sector employees unlike those in the public sector perceived the PA system to be fair and led to high job satisfaction. Aarathy and Raju (2018) established that employees perceived PA to be very effective and useful when it helped to reduce stress, anger, and other grievances. Other studies have shown that PA is particularly unhelpful for employee development and as such, employees perceive it as pointless (Gruman & Saks, 2011). Results of Gruman and Saks, 2011 are supported by Balcioglu and Adewale (2014) who established that employees do not desire the PA system because they view it as lacking objectivity. Similarly, Muhammad and Surayya (2013) observed that employee



perception of appraisals depended on manager's ability to assess performance accurately. Studies by Onyango (2013) and Korir (2014) found out that employees perceived the appraisal process to ineffective as the process was not properly managed. A study by Ochieng (2016) found out that different cadre of employees perceived PA differently.

A review of the empirical studies, have shown a lack of consensus among scholars due to emerging knowledge gaps. While some studies focused on the subjectivity measures of performance appraisal (Baclioglu & Adewale (2014), other studies used objective measures (Muhammad & Srayya 2013). Studies have also been done in different contextual settings (Onyango, 2013), hence, their findings cannot be generalized to apply to this study. Therefore, in order to address these gaps, this study sought to answer the following question: What are the employee's perceptions towards performance appraisal in Commercial Banks, Kisumu, Kenya?

### **1.3 Objective of the Study**

The study's objective was to determine the perception of employees of Commercial Banks in Kisumu, Kenya, towards performance appraisal.

### **1.4 Value of the Study**

The value of this study will first be of practical help to the human resource managers in making better decisions in regard to designing and implementing an effective performance appraisal process that will enhance employee productivity and thus organizational performance.

Secondly, the study findings will contribute to the existing theoretical foundation of the study by highlighting new knowledge on how they inform the performance appraisal activity. In addition, scholars will find valuable and act as a basis for future research on emerging trends in performance appraisal.

Lastly, this study will help officers who manage employees in the banking sector and other organizations in formulating policy with regard to the effective implementation of a PA system.

## **CHAPTER TWO: LITERATURE REVIEW**

### **2.1 Introduction**

This chapter presented a justification of the theoretical foundation and a review of the empirical literature on employee perception and performance appraisal. It specifically reviewed empirical literature on employee perception towards performance appraisal to bring out the state of knowledge and emerging research gaps that this study will address.

### **2.2 Theoretical Framework**

The study's main theory is the Feedback Intervention Theory (FIT) as it suggests that actions must be taken by managers to provide feedback information regarding employee's task performance. Since feedback is central to PA, FIT will be complemented by Equity theory (Adams 1965) and Attribution theory (Weiner 1974).

#### **2.2.1 Feedback Intervention Theory**

The FIT posits that when an employee is faced with a disparity between what he wishes to attain and the received feedback, he will be highly motivated highly to improve performance (DeNisi & Kluger 1996). Feedback is the one component that can be particularly easily adapted, and significantly affect perception (Burgers et al, 2015). The theory suggests that in PA systems, feedback may be as easy as a correct response confirmation (simple feedback) or as difficult as involving a protracted recommendation elucidation (elaborate feedback).

Serge et al., (2013) argued that feedback occasions augmented effects on behavior of learning and perception compared to simple feedback; even so, this is a function of the employee's attentiveness and action correction ability. Thus, under these

circumstances, this theory predicts that documented feedback that is positive in a PA system can augment autonomy and competence feelings. As a result, documented negative feedback which in-turn reinforces negative perception of the PA system.

### **2.2.2 Equity Theory**

Adams (1965) Equity theory argues that workers will evaluate themselves with each other with respect to outcomes and output. A key aspect of the theory is the highlight on the individual perception of what exists, though not necessarily real. This theory zeroes in on how equitably one being treated according to his/her perception where they work (Culbertson & Muchinsky, 2015). Adams (1965) posits that employees require a sense of equity where they work for them to sustain balance with regards to their psychology. When that equity sense is missing, discordance sets in the employee from within.

Universally demotivation level is commensurate with the perceived inequity or disparity with other people. However, this is not the case for some individuals who for them, just the weakest cue of a disparity that is negative between their situation and other people's is enough to occasion great disappointment and a feeling of significant injustice, causing demotivation, or open hostility at worse. Therefore, the theory will help explain perception of employees on PA system.

### **2.2.3 Attribution Theory**

This theory is about how people attach meaning to events and how this is associated with their behavior and thinking (Weiner, 1985). It goes ahead to postulate that these events, consequently, impact peoples' successive behaviors and feelings. Thus, emotions hinged on attribution involve locus-related emotions like pride, hopefulness feelings following from perceived instability, in like manner anger, guilt, and shame

emotions linked to uncontrollability perceptions. The theory posits that employees perceived causes for their past performance will contribute to their current and future expectations for future performance (Weiner, 1974). Employees will always question when they notice behavioral outcomes even when they have not been prompted to do so (Wong & Weiner, 1981)

The theory postulates that a three-stage procedure underpins attribution where the first stage involves behavior observation, in the second stage there must be a belief that the behavior was by design and finally the appraiser must be beyond reasonable doubt believe the employee was forced to act as they acted which therefore renders the behavior attributed to the other person (Weiner, 1985). Therefore, this theory will further underpin this study in order to understand employee perception of PA system.

#### **2.2.4 Goal setting theory**

This theory postulates that every individual action is motivated with specific goals. Therefore, goals are a catalyst that are used to mobilize effort, increase attention and endurance (Bungard, 2002). This therefore has resulted into the authorities getting rid of any obstacles that might hinder achievement of the objectives thereby creating an efficient business strategy. Achieving one's goals strengthen self-esteem and the awareness of one's competence. It is therefore considered that this experience plays a significant role on individual's future behavior.

### **2.3 Employee Perception on Performance Appraisal**

Many studies have been done in relation to employees' perception of performance. How performance appraisal perceptions relate to increased trust for management, job satisfaction and justice, have been demonstrated by researchers. A study by Boswell &

Boudreau (2000) has shown that PA significantly impact on the attitudes of employees towards their jobs, the appraisal process itself and supervisor. A study by Mayer and Davis's (1999) found out that employees negatively perceived the PA process since there was lack of trust for top management and inaccuracy of the system. A study by Shrivastava and Purang (2011) established that private sector employees perceived the appraisal system as effective and fair, as compared to those public sector employees working in banks. This finding indicates that employees in different contextual backgrounds have different perceptions on performance appraisal.

In a study by Dipboye & de Pontbriand (1981) the results showed that employees' behavior were desirable if the employees' views are incorporated in the appraisal process. Dusterhoff et al. (2014) established that employees had a desirable perception of PA when a good relationship exists between the employee and the appraiser. Brown, Hyatt, and Benson (2010) cemented this finding when they asserted that when employees know what is expected of them, and their supervisors are seen to be objective and give valuable feedback, employees perceived desirable the PA process. A study by Sharma and Rao (2019) on the influence of selected factors on executive-employee perception regarding their performance appraisal, found out that intrinsic motivation and feedback did not positively influence employee perception.

A study by Korir (2014) on the perception of employees on performance appraisal at G4S Kenya Limited established that employees positively perceived PA, however, the study further established feedback was perceived negatively since they never got sufficient feedback to allow them assess their level of performance. On the contrary, Ndung'u (2012) found out that Telkom Kenya Limited employees were not satisfied

with the process of performance appraisal. The study further established that a number of elements regarding perception of employees' at Telkom Kenya on performance appraisal were not given sufficient attention. A study by Ochieng (2016) showed mixed results. While some areas like confidentiality, consistency with organization strategy, purpose, goal setting, were rated positively, others like feedback, fairness, promotion, improvement on relationship between employees and supervisors were rated negatively. Ochieng concluded that if right measures are put in place, performance appraisal is a tool that can be used to enhance efficiency and effectiveness in organizations.

#### **2.4 Summary of Literature and Knowledge Gaps**

A review of the empirical studies, have shown a lack of consensus among scholars due to emerging knowledge gaps. Some studies focused on executive's perception towards performance appraisal (Sharma and Rao 2019), others focused on the extent of adoption of a PA system (Khan 2016), thus raising a conceptual gap. While some studies focused on the subjectivity measures of performance appraisal (Baclioglu & Adewale 2014), other studies used objective measures (Muhammad & Srayya 2013), thus raising a methodological gap. Studies have also been done in different contextual settings (Onyango, 2013), hence, their findings cannot be generalized to apply to this study, raising a contextual gap. These gaps are important in addressing this study objective as it concentrates on employee perception towards PA appraisal in commercial banks in Kisumu

## **CHAPTER THREE: RESEARCH METHODOLOGY**

### **3.1 Introduction**

This chapter dealt with the research design, population of the study, data collection methods and instruments and the data analysis techniques.

### **3.2 Research Design**

The study used the descriptive cross sectional research survey design. The design was aimed at finding out the prevalence of a phenomenon, circumstance, problem, issue or attitude, by taking a population cross-section are good for this design (Kothari, 2004). A cross sectional study occurs at a single point regarding time and it does not include variables manipulation. The design also permitted the researcher to have a view of myriad traits at once such as gender and age as it's used to view the characteristics that are prevailing in a particular population. This allowed for a structured approach to addressing the concerned phenomenon (Kothari 2004).

Cooper & Schindler (2014) argue that a study is descriptive when it focuses on finding what, when and how much of a phenomena at a particular point in time. In a cross sectional survey, either the entire population or a part of the population is sampled and from these units, collection of data is undertaken to answer the research question.

### **3.3 Population**

The population of this study comprised of all employees of commercial banks in Kisumu City. The total number of commercial bank employees in Kisumu City is 140 (CBK, 2020).



### **3.4 Sample Size and Sampling Procedure.**

This section highlights the size of the sample and the procedure for sampling.

#### **3.4.1 Sample Size**

A sample size is recommended to be optimal to meet the requirements of the efficiency of the study, reliability and population representation (Cooper & Schindler 2011). This study employed Morgan Krejcie (1970) table (Appendix II) to establish the sample size. From the targeted population of 140, the established sample size was 103 (Morgan and Krejcie, 1970).

#### **3.4.2 Sampling Procedure**

Stratified random sampling technique was employed to achieve an appropriate sample from the population of interest. Stratified random sampling was used to group employees using bank departments. The employees from each department were selected using random sampling method. This stratification and random sampling enable every employee an equal chance to be included in the study.

### **3.5 Data Collection**

This study used data of primary nature with the main data collection instrument being a self - administered questionnaire consisting of both structured close and open-ended questions. Close ended questions were presented on a 5 point Likert scale, while questions that are open ended were set in such a way to ensure there is no direct answer on employee perception towards performance appraisal. The questionnaire were self-administered to specified number of employees from every department.

### **3.6 Data Analysis.**

Collected data was edited, coded and assessed for completeness and information consistency. Descriptive statistics analysis techniques was used to analyze the data. Descriptive statistics of percentages and frequencies provided a description of the study findings in order to understand some commonalities on how employees perceive PA. Inferential statistics in the form of Pearson moment of correlation was also employed to establish the association between employee perception and performance appraisal.

Sine correlation refers to the strength of association between the variables. It measures the degree to which two sets of data are related. Higher correlation value indicates stronger relationship between both sets of data. When the correlation is 1 or -1, a perfectly linear positive or negative relationship exists; when the correlation is 0, there is no relationship between the two sets of data

## **CHAPTER FOUR: DATA ANALYSIS, FINDINGS AND DISCUSSION**

### **4.1 Introduction**

This chapter presents the data analysis, findings and discussion. The objective of this study was to investigate employee perception towards performance appraisal in commercial banks in Kisumu, Kenya.

### **4.2 Response Rate**

During data collection, the researcher established that only 102 respondents were available. Out of these 102 targeted respondents, 61 responded to the study questionnaire. This represents a response rate of 60% which according to Wainaina (2016) is representative enough to make conclusions for a study. This assertion is supported by Rogers et al. (2009) who posit that a 50% response rate and over, is acceptable for a descriptive study.

### **4.3 Demographic Characteristics**

#### **4.3.1 Years worked**

The descriptive statistics showed that 32.8% of respondents had 10 years of experience, 34.4% had between 6-10 years of experience and 23% have worked for between 11-15 years. Thus, the respondents had the required experience with performance appraisal system which enabled them to competently respond to the questionnaire items.

**4.3.2 The study sought to measure the level of education as shown in Table 4.1.**

**Table 4.1: Level of Education**

|              | <b>Frequency</b> | <b>Percent</b> | <b>Mean</b>   | <b>Standard Deviation</b> |
|--------------|------------------|----------------|---------------|---------------------------|
| Bachelor     | 44               | 72.1           |               |                           |
| Masters      | 17               | 27.9           |               |                           |
| <b>Total</b> | <b>61</b>        | <b>100.0</b>   | <b>3.2787</b> | <b>0.45207</b>            |

The findings in Table 4.1 indicate that majority of the respondents (72.1%) had bachelor’s degree and (27.9%) have master’s degree. This distribution suggests that majority of the employees were generally educated. However, none of the respondents had a PhD qualification. Boachie-Mensah and Seidu (2011) asserted that employees with degrees are expected to perform tasks in their professional areas of expertise. Thus, their behavior manifest in terms of greater co-operation, commitment and willingness to submit to the PAS.

**4.3 Descriptive Statistics of Employee Perception towards Performance**

**Appraisal**

**4.3.1 The study sought to measure Perception on how performance appraisal system is used to evaluate and rate performance as shown in table 4.2**

**Table 4.2: I am satisfied with the way the performance appraisal system is used to evaluate and rate my performance**

|                   | <b>Frequency</b> | <b>Percent</b> | <b>Mean</b> | <b>Standard Deviation</b> |
|-------------------|------------------|----------------|-------------|---------------------------|
| Strongly Disagree | 1                | 1.6            |             |                           |
| Disagree          | 2                | 3.3            |             |                           |
| Not sure          | 1                | 1.6            |             |                           |
| Agree             | 39               | 63.9           |             |                           |
| Strongly Agree    | 18               | 29.5           |             |                           |

|              |           |              |               |                |
|--------------|-----------|--------------|---------------|----------------|
| <b>Total</b> | <b>61</b> | <b>100.0</b> | <b>4.1639</b> | <b>0.75675</b> |
|--------------|-----------|--------------|---------------|----------------|

Table 4.2 depicts how commercial bank employees perceive performance appraisal systems. The results show that the majority of the respondents (62.9%) are satisfied with the way the performance appraisal system is used to evaluate and rate their performance. A third of the respondents (29.5%) strongly agreed that the appraisal system that was applied to evaluate and rate their performance was satisfactory.

**4.3.2. The study sought to measure whether the current performance appraisal is fair and unbiased as shown in table 4.3**

**Table 4.3: The current performance appraisal is fair and unbiased**

|                   | <b>Frequency</b> | <b>Percent</b> | <b>Mean</b>   | <b>Standard Deviation</b> |
|-------------------|------------------|----------------|---------------|---------------------------|
| Strongly Disagree | 1                | 1.6            |               |                           |
| Disagree          | 4                | 6.6            |               |                           |
| Not sure          | 2                | 3.3            |               |                           |
| Agree             | 41               | 67.2           |               |                           |
| Strongly Agree    | 13               | 21.3           |               |                           |
| <b>Total</b>      | <b>61</b>        | <b>100.0</b>   | <b>4.0000</b> | <b>0.8165</b>             |

Respondents were asked to give their perception on the current performance appraisal is fairness and unbiasedness. From table 4.3 above, majority (67.2%) agree that performance appraisal is fair and unbiased. In addition, 21.3% positively perceived appraisal to be fair and unbiased. On the contrary about 8% perceived appraisal process to be unfair and biased.

Table 4.4 gives the summary of frequency distribution and percentage response on

#### **4.3.3: My manager takes my performance appraisal review discussion seriously**

**Table 4.4: My manager takes my performance appraisal review discussion seriously**

|                | <b>Frequency</b> | <b>Percent</b> | <b>Mean</b>   | <b>Standard Deviation</b> |
|----------------|------------------|----------------|---------------|---------------------------|
| Disagree       | 2                | 3.3            |               |                           |
| Not sure       | 3                | 4.9            |               |                           |
| Agree          | 29               | 47.5           |               |                           |
| Strongly Agree | 26               | 42.6           |               |                           |
| <b>Total</b>   | <b>61</b>        | <b>100.0</b>   | <b>4.3167</b> | <b>0.72467</b>            |

whether managers take performance discussion seriously. The results show that the majority of the respondents about 90% agree that managers take performance appraisal discussion seriously. While the rest had the opposite view.

**Table 4.5: Performance appraisal process helps me to find out about my level of performance**

|                | <b>Frequency</b> | <b>Percent</b> | <b>Mean</b>   | <b>Standard Deviation</b> |
|----------------|------------------|----------------|---------------|---------------------------|
| Disagree       | 2                | 3.3            |               |                           |
| Not sure       | 2                | 3.3            |               |                           |
| Agree          | 26               | 42.6           |               |                           |
| Strongly Agree | 30               | 49.2           |               |                           |
| Total          | 60               | 98.4           |               |                           |
| Missing        | 1                | 1.6            |               |                           |
| <b>Total</b>   | <b>61</b>        | <b>100.0</b>   | <b>4.4000</b> | <b>0.71781</b>            |

Table 4.5 gives the summary of frequency distribution on how Performance appraisal process helps an employee to find out about my level of performance. The results show that almost half of respondents (49.2%) strongly agree that the performance appraisal process helps an employee to find out their level of performance. In addition, 42.6% agreed that the performance appraisal process help them find out about my level of performance.

#### **4.3.5: Appraisal Feed back**

**Table 4.6: I am satisfied with the way my organization provides me with feedback**

|                | <b>Frequency</b> | <b>Percent</b> | <b>Mean</b>   | <b>Standard Deviation</b> |
|----------------|------------------|----------------|---------------|---------------------------|
| Disagree       | 3                | 4.9            |               |                           |
| Not sure       | 6                | 9.8            |               |                           |
| Agree          | 31               | 50.8           |               |                           |
| Strongly Agree | 21               | 34.4           |               |                           |
| <b>Total</b>   | <b>61</b>        | <b>100.0</b>   | <b>4.1475</b> | <b>0.79238</b>            |

On whether bank employees are satisfied with the way their organizations provide performance feedback, results presented in table 4.6 showed that 50.8% agree that they are satisfied while 34.4% strongly agree that they are satisfied with how their organizations provide them with performance feedback.

#### 4.3.6: Relevance of Appraisal Feedback

**Table 4.7: The feedback on how to do my job is highly relevant**

|                | Frequency | Percent      | Mean          | Standard Deviation |
|----------------|-----------|--------------|---------------|--------------------|
| Disagree       | 3         | 4.9          |               |                    |
| Not sure       | 6         | 9.8          |               |                    |
| Agree          | 26        | 42.6         |               |                    |
| Strongly Agree | 24        | 39.3         |               |                    |
| Total          | 59        | 96.7         |               |                    |
| Missing        | 2         | 3.3          |               |                    |
| <b>Total</b>   | <b>61</b> | <b>100.0</b> | <b>4.2034</b> | <b>0.82587</b>     |

It could be observed from table 4.7 that 39.3% of the respondents strongly believed that the appraisal feedback they receive on how they perform their jobs is very relevant. Similarly, 42.6% of respondents agree that his appraisal feedback they receive on how they perform their jobs is highly relevant.



### 4.3.7: Feedback Alignment

**Table 4.8: The feedback agrees with what I have actually achieved**

|                | Frequency | Percent      | Mean          | Standard Deviation |
|----------------|-----------|--------------|---------------|--------------------|
| Disagree       | 8         | 13.1         |               |                    |
| Not sure       | 5         | 8.2          |               |                    |
| Agree          | 32        | 52.5         |               |                    |
| Strongly Agree | 14        | 23.0         |               |                    |
| Total          | 59        | 96.7         |               |                    |
| Missing        | 2         | 3.3          |               |                    |
| <b>Total</b>   | <b>61</b> | <b>100.0</b> | <b>3.8814</b> | <b>0.93005</b>     |

From the results in Table 4.8, it can easily be observed that approximately 52.5% of the respondents confirmed that the appraisal feedback is aligned with actual achievements. Similarly, 23% of the respondents strongly support the notion that appraisal feedback received match actual performance.

### 4.3.8 Performance Appraisal Appeals

**Table 4.9: When I don't agree with performance appraisal results, there is an appeal process**

|                   | Frequency | Percent      | Mean          | Standard Deviation |
|-------------------|-----------|--------------|---------------|--------------------|
| Strongly Disagree | 2         | 3.3          |               |                    |
| Disagree          | 1         | 1.6          |               |                    |
| Not sure          | 8         | 13.1         |               |                    |
| Agrees            | 25        | 41.0         |               |                    |
| Strongly Agree    | 22        | 36.1         |               |                    |
| Total             | 58        | 95.1         |               |                    |
| Missing           | 3         | 4.9          |               |                    |
| <b>Total</b>      | <b>61</b> | <b>100.0</b> | <b>4.1034</b> | <b>0.94942</b>     |

Respondents were asked to show if there is an appeals process in case they do not agree with the appraisal process, 41% agrees while 36.1% gave a strong indication that there is an appeals process which gives the employees the opportunity to air his/her disagreements.

#### 4.3.9 Performance Rewards

**Table 4.10: My organization is good at recognizing good performers**

|                | Frequency | Percent      | Mean          | Standard Deviation |
|----------------|-----------|--------------|---------------|--------------------|
| Disagree       | 1         | 1.6          |               |                    |
| Not sure       | 6         | 9.8          |               |                    |
| Agree          | 31        | 50.8         |               |                    |
| Strongly Agree | 22        | 36.1         |               |                    |
| Total          | 60        | 98.4         |               |                    |
| System         | 1         | 1.6          |               |                    |
| <b>Total</b>   | <b>61</b> | <b>100.0</b> | <b>4.2333</b> | <b>0.69786</b>     |

Results from table 4.10 reveals that bank employees are rewarded for good performance. In an effort to establish this, 50.8% of the respondents agreed that their employer is good at providing recognition for good performance. In the same vein 36% of the respondents strongly agreed that their employer rewards performance.

#### 4.3.10 Perception on Performance appraisal process

**Table 4.11: My organization attempts to conduct performance appraisal the best possible way**

|                   | Frequency | Percent | Mean | Standard Deviation |
|-------------------|-----------|---------|------|--------------------|
| Strongly Disagree | 1         | 1.6     |      |                    |

|                |           |              |               |                |
|----------------|-----------|--------------|---------------|----------------|
| Disagree       | 2         | 3.3          |               |                |
| Not sure       | 3         | 4.9          |               |                |
| Agree          | 33        | 54.1         |               |                |
| Strongly Agree | 20        | 32.8         |               |                |
| Total          | 59        | 96.7         |               |                |
| Missing        | 2         | 3.3          |               |                |
| <b>Total</b>   | <b>61</b> | <b>100.0</b> | <b>4.1695</b> | <b>0.81267</b> |

This question sought to establish perception of employees on the appraisal process.

From table 4.11, (54.1%) of the respondents are comfortable with the appraisal process

#### 4.3.10 Perception on Performance appraisal process

**Table 4.12: My organization is engaged in providing positive feedback for good performers than criticizing negative results**

|                   | Frequency | Percent      | Valid Percent | Cumulative Percent |
|-------------------|-----------|--------------|---------------|--------------------|
| Strongly Disagree | 1         | 1.6          |               |                    |
| Disagree          | 4         | 6.6          |               |                    |
| Not sure          | 11        | 18.0         |               |                    |
| Agree             | 31        | 50.8         |               |                    |
| Strongly Agree    | 13        | 21.3         |               |                    |
| Total             | 60        | 98.4         |               |                    |
| Missing           | 1         | 1.6          |               |                    |
| <b>Total</b>      | <b>61</b> | <b>100.0</b> | <b>3.8500</b> | <b>0.89868</b>     |

Results in Table 4.12 show, about 50.8% of the respondents perceived that their organization provide positive feedback for good performers, while 21.3% had a strong

perception that their organization is more engaged in providing positive feedback for good performers than criticizing the poor ones.

#### 4.3.11: Perception on the value of performance appraisal

**Table 4.13: Performance appraisal is valuable to me as well as to my organization**

|                | Frequency | Percent      | Mean          | Standard Deviation |
|----------------|-----------|--------------|---------------|--------------------|
| Disagree       | 1         | 1.6          |               |                    |
| Not sure       | 3         | 4.9          |               |                    |
| Agree          | 31        | 50.8         |               |                    |
| Strongly Agree | 25        | 41.0         |               |                    |
| Total          | 60        | 98.4         |               |                    |
| System         | 1         | 1.6          |               |                    |
| <b>Total</b>   | <b>61</b> | <b>100.0</b> | <b>4.3333</b> | <b>0.65527</b>     |

The results in Table 4.13, showed that 50.8% of the respondents perceived that performance appraisal adds value to the organization, while 41% had strongly and positively perceived that performance appraisal adds value to their organization.

**Table 4.14: I have been able to express my feeling and views during the processes of performance appraisal**

|                | Frequency | Percent      | Mean          | Standard Deviation |
|----------------|-----------|--------------|---------------|--------------------|
| Disagree       | 1         | 1.6          |               |                    |
| Not sure       | 5         | 8.2          |               |                    |
| Agree          | 36        | 59.0         |               |                    |
| Strongly Agree | 18        | 29.5         |               |                    |
| Total          | 60        | 98.4         |               |                    |
| Missing        | 1         | 1.6          |               |                    |
| <b>Total</b>   | <b>61</b> | <b>100.0</b> | <b>4.1833</b> | <b>0.65073</b>     |

It could be observed from Table 4.14 that 59% of the respondents perceived performance appraisal process to be inclusive. Similarly, about 29% strongly agreed that they are able to express their feelings and views on the appraisal process.

#### 4.3.12 Open and honest performance appraisal process

**Table 4.15: Managers are open and honest in their performance appraisals with employees**

|                   | Frequency | Percent      | Mean          | Standard Deviation |
|-------------------|-----------|--------------|---------------|--------------------|
| Strongly Disagree | 1         | 1.6          |               |                    |
| Disagree          | 1         | 1.6          |               |                    |
| Not sure          | 7         | 11.5         |               |                    |
| Agree             | 35        | 57.4         |               |                    |
| Strongly Agree    | 16        | 26.2         |               |                    |
| Total             | 60        | 98.4         |               |                    |
| Missing           | 1         | 1.6          |               |                    |
| <b>Total</b>      | <b>61</b> | <b>100.0</b> | <b>4.0667</b> | <b>0.77824</b>     |

Respondents were asked how they perceive management of the appraisal process. From table 4.15 about 57% perceive managers to be open and honest in their performance appraisal while nearly 26% strongly perceive managers to be honest and open in appraising employees' performance.

#### 4.4 Pearson Correlation

Pearson Correlation analysis was done to determine strength of the association between employee perception and performance appraisal. The result is presented in the table below.

**Correlations**

|   | I am satisfied with the way the performance appraisal system is used to evaluate and rate my performance | The current performance appraisal is fair and unbiased | My manager takes my performance appraisal review discussion seriously | Performance appraisal helps me to find out about my level of performance | I am satisfied with the way my organization provides me with feedback | The feedback I receive on how I do my job is highly relevant | The feedback I receive agrees with what I have actually achieved | If I don't agree with performance appraisal score, there is an appeal process | Performance appraisal is valuable to me as well as to my organization | I have been able to express my feeling and views during the processes of performance appraisal | The process of performance appraisal in my organization is not biased and accurate |
|---|--|--|---|--|---|--|--|---|---|--|--|
| I am satisfied with the Pearson Correlation | 1  | .647**   | .700**  | .402**   | .570**  | .471**   | .464**   | .363**  | .377**  | .322*  | .528**   |



|   |                     |        |        |        |        |        |        |        |       |        |        |        |
|---|---------------------|--------|--------|--------|--------|--------|--------|--------|-------|--------|--------|--------|
| appraisal review discussion   | N                   | 60     | 60     | 60     | 59     | 60     | 58     | 58     | 57    | 59     | 59     | 59     |
| seriously   | Performance         |        |        |        |        |        |        |        |       |        |        |        |
| appraisal process   | Pearson Correlation | .402** | .459** | .714** | 1      | .603** | .569** | .409** | .220  | .285*  | .440** | .461** |
| helps me to find out about my level of performance                    | Sig. (2-tailed)     | .001   | .000   | .000   |        | .000   | .000   | .001   | .101  | .029   | .000   | .000   |
| I am satisfied with the way my organization provides me with feedback | N                   | 60     | 60     | 59     | 60     | 60     | 58     | 58     | 57    | 59     | 59     | 59     |
|   | Pearson Correlation | .570** | .438** | .590** | .603** | 1      | .716** | .696** | .262* | .501** | .610** | .602** |
|   | Sig. (2-tailed)     | .000   | .000   | .000   | .000   |        | .000   | .000   | .047  | .000   | .000   | .000   |
|   | N                   | 61     | 61     | 60     | 60     | 61     | 59     | 59     | 58    | 60     | 60     | 60     |



|  |                                     |        |        |        |        |        |        |        |      |        |        |        |
|--|-------------------------------------|--------|--------|--------|--------|--------|--------|--------|------|--------|--------|--------|
| The feedback I receive on how I do my job is highly relevant                     | Pearson Correlation Sig. (2-tailed) | .471** | .327*  | .556** | .569** | .716** | 1      | .728** | .109 | .441** | .374** | .466** |
|  | N                                   | 59     | 59     | 58     | 58     | 59     | 59     | 59     | 58   | 59     | 59     | 59     |
| The feedback I received agrees with what I have actually achieved                | Pearson Correlation Sig. (2-tailed) | .464** | .424** | .491** | .409** | .696** | .728** | 1      | .256 | .488** | .376** | .655** |
|  | N                                   | 59     | 59     | 58     | 58     | 59     | 59     | 59     | 58   | 59     | 59     | 59     |
| If I don't agree with my performance appraisal score, there is an appeal process | Pearson Correlation Sig. (2-tailed) | .363** | .485** | .256   | .220   | .262*  | .109   | .256   | 1    | .197   | .332*  | .433** |
|  | N                                   | 58     | 58     | 57     | 57     | 58     | 58     | 58     | 58   | 58     | 58     | 58     |

|  |                                     |        |        |        |        |        |        |        |        |        |        |        |
|--|-------------------------------------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|
| Performance appraisal is valuable to me as well as to my organization                          | Pearson Correlation Sig. (2-tailed) | .377** | .220   | .393** | .285*  | .501** | .441** | .488** | .197   | 1      | .411** | .619** |
|  |                                     | .003   | .091   | .002   | .029   | .000   | .000   | .000   | .138   |        | .001   | .000   |
|  | N                                   | 60     | 60     | 59     | 59     | 60     | 59     | 59     | 58     | 60     | 60     | 60     |
| I have been able to express my feeling and views during the processes of performance appraisal | Pearson Correlation Sig. (2-tailed) | .322*  | .348** | .386** | .440** | .610** | .374** | .376** | .332*  | .411** | 1      | .585** |
|  |                                     | .012   | .006   | .003   | .000   | .000   | .003   | .003   | .011   | .001   |        | .000   |
|  | N                                   | 60     | 60     | 59     | 59     | 60     | 59     | 59     | 58     | 60     | 60     | 60     |
| The process of performance appraisal   | Pearson Correlation                 | .528** | .549** | .536** | .461** | .602** | .466** | .655** | .433** | .619** | .585** | 1      |

|   |                     |      |      |      |      |      |      |      |      |      |      |    |
|---|---------------------|------|------|------|------|------|------|------|------|------|------|----|
| nce<br>appraisal<br>in my<br>organizati<br>on is not<br>biased<br>and<br>accurate | Sig. (2-<br>tailed) | .000 | .000 | .000 | .000 | .000 | .000 | .000 | .001 | .000 | .000 |    |
|   | N                   | 60   | 60   | 59   | 59   | 60   | 59   | 59   | 58   | 60   | 60   | 60 |

\*\* . Correlation is significant at the 0.01 level (2-tailed).

\* . Correlation is significant at the 0.05 level (2-tailed).

The study carried out correlation analysis to enable the researcher to establish how the variables are associated to each other. The significance level was determined by the  $p$  – values as provided in Table 4.16.

It can be concluded that employee's will positively perceive performance appraisal when managers discuss and review their results given an  $r$  value of .700, and  $p$  value of .000. In other words, when managers discuss and review performance appraisal results with employees is statistically associated with 70% increase in positive perception of performance appraisal by employees of commercial banks in Kisumu City.

Similarly, when the current performance appraisal is fair and unbiased, employees perception has a positive association of performance appraisal ( $r = .647$  and  $p < .000$ ) which can also be interpreted that when the appraisal process is considered fair and unbiased, it's statistically associated with employees perception on performance appraisal to be positively associated at 64.7%. Another factor that was statistically established as significant towards employee perception of performance appraisal of commercial banks in Kisumu City, is when their organizations provided them with feedback with an  $r$  value of .57 and  $p$  value of .000. Employees perception of performance appraisal was positive when the process was not biased and accurate ( $r = .528$  and  $p$  value of .000)

On contrary, the results further revealed that employee perception is not statistically associated to performance appraisal even when employees were not able to express their feelings and views during the processes of performance appraisal as it provided an  $r$  value of .322 a weak  $p$  value of .006. The findings have indicated that employees of commercial banks in Kisumu City perceive performance appraisal that involves both

managers and employees reviewing and discussing the results, the process is considered is fair and unbiased, the way there organization provides them with feedback and the performance appraisal process is accurate as the main variables that have significant association with performance appraisal.

#### **4.5 Discussion of Findings**

This study which primarily involved a cross sectional survey conducted in commercial banks in Kisumu City was to find out the perception of employees on performance appraisal system. The study findings shows that employees had a positive perception towards the performance appraisal process. The empirical literature on performance appraisal suggests that how the appraisal process was conducted had a significant influence on employee perception towards performance appraisal. Correlation analysis indicates employees' perception of performance appraisal was positive and significant when managers discuss and review their performance appraisal results, when the current performance appraisal is fair and unbiased and when their organizations provided them with feedback. The findings of this study mirror those of Korir (2014) who found out that most employees had a positive perception towards the appraisal system.

The findings also established that when employees were not able to express their feelings and views during the processes of performance appraisal, their perception towards performance appraisal to be negative and significant. Ndung'u (2012) found out that Telkom Kenya Limited employees were not satisfied with the process of performance appraisal. The study further established that a number of elements regarding perception of employees' at Telkom Kenya on performance appraisal were not given sufficient attention and therefore performance appraisal was perceived

negatively. The findings established that feedback that agreed with what employees actually achieved led to the positive perception towards performance appraisal. Thus, Employee perception about performance appraisal system will be positive if they know that the appraisal process is useful tool to get feedback which enables them to improve their performance (Mullins, 2007). This study also established that employees' perception is positive towards performance appraisal when it is used to evaluate and rate their performance. This has the ripple effect of making employees feel appreciated and in turn are predisposed to improve their performance

## **CHAPTER FIVE: SUMMARY, CONCLUSION AND RECOMMENDATIONS**

### **5.1 Introduction**

This chapter presents a summary of the findings of the study, conclusions, recommendations, limitations and suggestions for further research.

### **5.2 Summary**

This study examined bank employee perception on performance appraisal system. The study used primary data obtained from the employees of commercial banks in Kisumu City. Cross-sectional data was used covering all commercial banks in Kisumu City. Based on cross-sectional research design, descriptive and inferential statistics was used to examine bank employees' perception of performance appraisal process. Descriptive statistics showed that performance appraisal system was perceived to be satisfactory, fair and unbiased. Managers give the process seriousness it deserves. Employees perceive appraisal as a tool to unlock their potential. Employees perceive performance feedback management as satisfactory. That appraisal results match actual performance. Employees consider managers to employ best practices in appraisal process. Employees perceive performance appraisal as a valuable process.

Inferential statistics concluded that employee's will positively perceive performance appraisal when managers discuss and review their results when the current performance appraisal is fair and unbiased and when their organizations provided them with feedback. It was further observed employee perception is not statistically associated to performance appraisal even when employees were not able to express their feelings and views during the processes of performance appraisal.

### **5.3 Conclusion**

This study set out to investigate the perception of employees on performance appraisal systems in the banking industry, a case of Kisumu City. The results revealed a positive perception that the employees held of the PAS. Most employees viewed the system as important to both their individual career goals as well as the objectives of the institution.

### **5.4 Recommendations**

This study recommends that managers of commercial banks should provide prompt feed-back to employees as far as their performance is concerned. In addition, employees should also be involved in performance goal setting so as to take ownership of the appraisal process. It's therefore recommended that banks need to develop a good appraisal feedback system, discuss appraisal results, design ways to communicate appraisal results and design an appraisal procedure so that every employee is conversant with the appeal process

This study further recommends that commercial banks need to formulate a human resource policy on performance appraisal process that gives employees and their managers an opportunity to review employee performance, work content, review on what has been achieved during the past year and a framework on future objectives.

### **5.5 Limitations of the Study**

The study focused on commercial banks with branches in Kisumu and the findings cannot be generalized to apply to other companies that offer financial services.

Since the study adopted a cross sectional descriptive survey to determine the relationship between employee perception and PA, the study did not address the relationship between employee perception and performance of employees.



## **5.6 Suggestions for further Research**

To better understand employee perception on performance appraisal, further studies need to be done targeting all financial institutions to enhance understanding of the association between employee's perceptions towards performance appraisal.

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Appendix 1: Questionnaire

**Section A: Demographic Information**

- i) Your organization’s name (Optional): \_\_\_\_\_
- ii) How many years have you worked in your present organization? \_\_\_\_\_
- iii) Your current job title: \_\_\_\_\_
- iv) Education level (Tick one):
  - a) Certificate [ ]
  - b) Diploma [ ]
  - c) Bachelors [ ]
  - d) Masters [ ]

**Section B: Employees Perception of Performance Appraisal**

Please mark the number that best explains how you would assess your experience as it relates to your most recently conducted performance appraisal that you have received. Responses range from a Strongly Disagree (1) to a Strongly Agree (5).

|   |  | Strongly Disagree | Disagree | Not Sure | Agree | Strongly Agree |
|---|--|-------------------|----------|----------|-------|----------------|
| 1 | I am satisfied with the way the performance appraisal system is used to evaluate and rate my performance |                   |          |          |       |                |
| 2 | The current performance appraisal is fair and unbiased   |                   |          |          |       |                |
| 3 | My manager takes my performance appraisal review discussion seriously                                    |                   |          |          |       |                |
| 4 | Performance appraisal process helps me to find out about my level of performance                         |                   |          |          |       |                |
| 5 | I am satisfied with the way my organization provides me with feedback                                    |                   |          |          |       |                |
| 6 | The feedback I receive on how I do my job is highly relevant   |                   |          |          |       |                |
| 7 | The feedback I receive agrees with what I have actually achieved   |                   |          |          |       |                |

|    |  |  |  |  |  |  |
|----|--|--|--|--|--|--|
| 8  | If I don't agree with performance appraisal score, there is an appeal process  |  |  |  |  |  |
| 9  | My organization is good at providing recognition for good performers   |  |  |  |  |  |
| 10 | My organization attempts to conduct performance appraisal the best possible way                                      |  |  |  |  |  |
| 11 | My organization seems more engaged in providing positive feedback for good performers than criticizing the poor ones |  |  |  |  |  |
| 12 | Performance appraisal is valuable to me as well as to my organization  |  |  |  |  |  |
| 13 | I have been able to express my feelings and views during the processes of performance appraisal                      |  |  |  |  |  |
| 14 | The process of performance appraisal in my organization is not biased and accurate                                   |  |  |  |  |  |
| 15 | Managers are open and honest in their performance appraisals with employees.   |  |  |  |  |  |
| 16 | Performance appraisal allows me to be candid and open when discussing my performance with my manager.                |  |  |  |  |  |
| 17 | Performance appraisals are conducted in a professional manner.   |  |  |  |  |  |

## Appendix II: Morgan and Krejcie Sampling Table

TABLE 1  
Table for Determining Sample Size from a Given Population

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

Note.—*N* is population size.  
*S* is sample size.