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EFFECTS OF PERFORMANCE APPRAISAL ON EMPLOYEE PERFORMANCE IN PUBLIC UNIVERSITIES COAST, KENYA

(A CASE STUDY OF TECHNICAL UNIVERSITY OF MOMBASA)

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ABSTRACT

Performance appraisal is a component of performance management which is intended to increase efficiency and productivity of an employee and provides an opportunity to continuously review agreed-upon objectives in the organization. The main purpose of this research project was to find out the performance appraisal on the employee performance in public universities in Coast, with the case study of technical university of Mombasa. Specifically, the study determined how rater accuracy, interpersonal factors and information factors affects employee performance at the technical university of Mombasa. Theoretically, the study was guided by Procedural Justice Theory, the Expectancy Theory and Goal Setting Theory. Descriptive research design was adopted for the study. The main instrument for data collection was questionnaire which had structured questions in the Likert-scale format for easy understanding by the respondent. By use of Krejie and Morgan formula, the sample size was 63 members selected randomly from the total target population of 72 members of the selected departments at the Technical University of Mombasa. Data analysis was done statistically by use of regression and correlation analysis by use of SPSS Version 20 to show the relationship between the variables. The information gotten after the analysis, was presented through tables and graphs. The data analysis showed that all the selected appraisal systems had a positive significance at 0.008 in the 95% confidence level on employee performance. The study recommended that rater accuracy, informational and interpersonal factors should be emphasized at TUM or any other public universities in the Kenyan coast and Kenya as a whole. A further study was also proposed on other similar organizations to check whether the findings could yield a similar result.

Key Words: Performance Appraisal, Rater Accuracy, Informational Factors, Interpersonal Relationships

INTRODUCTION

Performance appraisal involves setting standards, assessing employees' actual performance relative to the standards set and providing feedback in order to motivate or eliminate performance deficiencies (Cole, 2014). Akinyele, (2014) argued that the triumph of any organization mainly depends on the commitment of its human resources strategies. Akinyele, (2014) has further reiterated that to facilitate a continued efficiency and effectiveness of members of staff, each organization has to carry out employee performance appraisal from time to time to keep them in check and replace, motivate, re-train or take any other appropriate action. O'Donnell and Shields, (2014) explored the relationship between performance appraisal satisfaction and employee outcomes in the form of work productivity, organizational commitment and turnover retention in Norweigian Savings Banks. The study concluded that performance appraisal satisfaction was directly related to employee productivity and commitment. The study also revealed a negative relationship between performance appraisal satisfaction and productivity in some employees.

Although in Kenya performance appraisal has been embraced by both the public and private sectors as a tool for performance improvement and productivity, assessment of their productivity has been limited and the actual application of these PAS in financial institutions is begging research at commercial banks in Kenya. Despite setting important guidelines, there was insufficient research to explain how organizations monitor progress and how they address non-performing sections. Mwangi (2013) explored the general use of performance appraisal systems among commercial banks in Kenya. Though the study found that performance appraisals were carried out in the banks, the study did not quite show the link between the employee productivity and interpersonal relationship on the basis of employee appraisal.

Further, the tendency by managers to be lenient in their performance appraisals remains one of the most significant problems related to performance appraisal systems across industries (Digman, 2014; Kane & Russell, 2015; Pulakos & O'Leary, 2015). The magnitude of rater bias effects such as leniency is well documented in studies done by Gilliland and Langdon (2014); Hauenstein, (2014). This form of bias can result in rating inaccuracy and undermine validity because the true rank ordering among targets is thereby obscured (Chambers, 2015). The empirical research on correlation of rater-level bias and accuracy has focused on the influences of particular rater attributes, especially personality, appraisal system characteristics, especially rater accountability factors while few studies have been carried on the relationship between rater rating-level bias and rating accuracy (Tyler & Villanova, 2015; Borman, 2015; Hallam, 2016).

The Universities Act of 2012 states that in each of the 47 counties there should be a university set up by the Government which suggests more institutions for higher education, training and learning are in the offing (Wanzala, 2016). There is an increased interest in evaluating the performance of organization that had not existed before. This is because of the pressures felt by universities to become more competitive, efficient, effective and responsive to stakeholders'

needs. As a result, performance management systems (PMS) has been implemented in some universities (Vilalta, 2017) as a strategic tool for improving organizational effectiveness and maintaining a competitive edge (Caruth & Humphreys, 2017).

According to Coens and Jenkins (2015), imprecisions in appraisal can demoralize employees leading to high turnover rates. A study done by Nduku (2015) on the factors affecting performance appraisal among public service organizations in Kenya, established that lack of proper implementation and acceptance are major factors. Mbunde (2016) in a study on employees' perception of staff appraisal in University of Nairobi established that the purpose of performance appraisal process at the University was not clearly articulated by the management and as a result, the system was ineffective and negatively perceived by the employees. Roberts and Pregitzer (2016) stated that performance appraisal was a yearly rite of passage that elicits fear and apprehension in employees. Another study by Nyaoga (2016) on the effectiveness of performance appraisal systems at Kabarak University indicated that the University found the PAS to be just for formality but in real sense, it never addressed the main intent. These studies (Nduku, 2015; Mbunde, 2016; Roberts & Pregitzer, 2016 & Nyaoga, 2016) revealed that institutions and organizations which had incorporated the performance appraisal with the main aim of evaluating the employees depicted a struggle with issues of training and implementation, familiarity and adoption and finally linking with the basic human resource management practices for the betterment of both Institution and the employees. It is evident that there is a missing gap that connects the selected performance appraisal systems and the Institutional performance to which this study will bridge by focusing on the effectiveness of PA on employees' performance in public universities in Kenya.

Objectives

i.   To determine the effects of Rater accuracy on employee performance at the Technical University of Mombasa.
ii. To find out the effect of informational factors on employee performance at the Technical University of Mombasa.
iii. To determine the effects of interpersonal relationship on the employee performance at the Technical University of Mombasa.

Hypothesis

H_{0a}: Rater accuracy has no significant effect on employee performance at Technical University of Mombasa.

H_{0b}: Informational factors has no significant effect on employee performance at the Technical University of Mombasa.

H$_{0c}$: Interpersonal relationship has no significant effect on employee performance at the Technical University of Mombasa.

LITERATURE REVIEW

Theoretical Framework

Performance appraisal is supported by philosophies founded on various theories as discussed below.

Procedural Justice Theory

Formulated by Thibaut and Walker in 1975, the Theory is concerned with the perceived fairness and equality of the procedures used to make decisions on the distribution of outcomes in an organization as reiterated by George and Jones (2016). Procedural decision pertains on how performance levels are viewed and evaluated how differences (disputes) are handled and how the outcomes are distributed among employees in the organization. In the Procedural Justice Theory, the employee perceptions are considered to be key and the employees' reactions to the set organizational procedures depends on how they perceive such procedures and what the procedures are actually are (Ibdi, 2017). The theory holds that employees can get motivated to better performance if their perception on the procedures use to make decisions on appraisal on the outcomes are fair and exhaustive. Employees will be more motivated if their feel that their performance will be accurately, without biasness, assed and appraised equitably. Consequently, if the employees feel and think that their performance will not be accurately assessed, for instance, the supervisor may not be not be aware of the or recognize their contributions in the work that they do or wrong attitudes by the supervisor, they will not be positively motivated to achieve high goals set for them (Ibdi, 2017).

According to Levy and Williams (2014), the results of the appraisal will define the reaction of the subordinates towards the ratings. The major concern for the utilization of rating to make decisions is how and whether raters are sufficiently trained on or have sufficient expertise so as to assign accurate, rather than inaccurate, ratings (Wolfe, 2014). Performance appraisal emphasizes that the rater should objectively and inclusively draw a conclusion about employees' ability as stipulated and constituted in the measurement standards (Brown et al., 2015). Most organization's performance ratings are based on rater evaluations which are subjective to personnel judgments, personal factors and prejudices which most likely can influence the ratings outcome (Prowse & Prowse, 2016).

The Procedural Justice Theory thus seeks to explain what causes employees to perceive organizational procedures as fair or unfair thus leading to the perceptional consequence. Since the major objective of the study will be to determine the effect of employee appraisal systems in the public Universities in Kenya, the employees come from different backgrounds with varied

perceptions which can either contribute positively or negatively to the performance measures at Technical University of Mombasa. The procedural Justice Theory will help to understand how the employees at Technical University of Mombasa perceives appraisal systems used by the University.

The Goal Setting Theory

Goal Setting Theory as postulated by Locke in 1968, suggested that an individual goal set by an employee's plays an important role in motivating him for the realization of the better performance in the department which are noted during the performance appraisal since employees normally remains loyal to personal goals. Salama (2015) in the application of the theory noted that if an individual set goals are nor achieved, the employee will either work harder to improve or modify the goals to be realistic and achievable. Research by Lock and Latham (2015) showed an inductive connection (relationship) between employee (individual) goal setting and improved performance in an organization. The researches (Lock & Latham, 2015) poised that a well set goal becomes the desire motivating the action for the achievement. Goal setting involves the conscious process of establishing levels of performance in order to obtain desirable outcomes. The goal setting theory implies that the source of motivation is the desire and intention to reach an objective (Eisenberger, 2016). If individuals or teams find that their current performance is not achieving desired goals, then they may basically become motivated to increase their effort or change the tactics (Lock & Latham, 2015).

A review of the Theory by O'Neil and Drillings, (2016) noted that human actions are purposeful and are always based on the achievable goals or objectives since the decision to set a goal is as a result of a dissatisfaction by the current situation (performance level). Achievable goals should be set based on a structure that directs the intended behavior and action of the employees in an organization with the view of improving performance. Coyle-Shapiro and Shore, (2017) on analyzing Goal Setting Theory, stated that employees channel their efforts towards achievement of the set goals which in turn improves an individual and organizational performance. There is a direct linear relationship goals, effort involved and the level of performance in an organization as contributed by the employees (Coyle-Shapiro & Shore, (2017). Finally, it was found out by O'Neil and Drillings (2016) that Goal Setting Theory enhances successful goal achievements by the employees through acceptance and commitment based on the employee feedback. In this study, the goal setting theory will used to show how the employees of technical university of Mombasa have set either, their individual or departmental goals and relate how it encourages or motivates their performance.

Expectancy Theory

The Theory was developed by Victor in 1964, for the direct application in a structural work-sep up. Expectancy theory is a cognitive process theory of motivation, based on the idea that employees believe that there is a relationship between the effort one offer for the work, the performance level and the rewards received from the efforts for the performance. In other words,

people will be motivated if they believe that strong effort will lead to good performance and good performance will lead to desired and required rewards from the organization (Victor, 1964). The Expectancy Theory proposed that motivating employees should consist of elements like; what an employee expects (expectancy), instrumentality of the work and valence of the employer. A person is motivated to the degree that he or she feels that the effort will lead to acceptable and recognized performance (expectancy level), reward for the performance (instrumental) and that the reward is positive (valence).
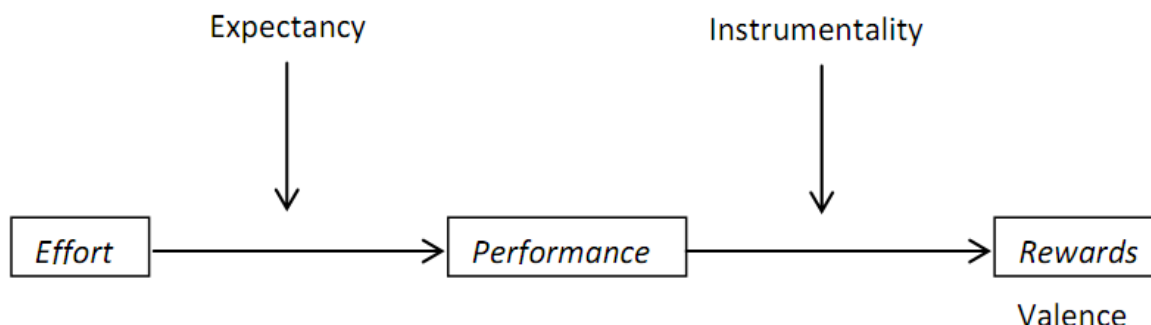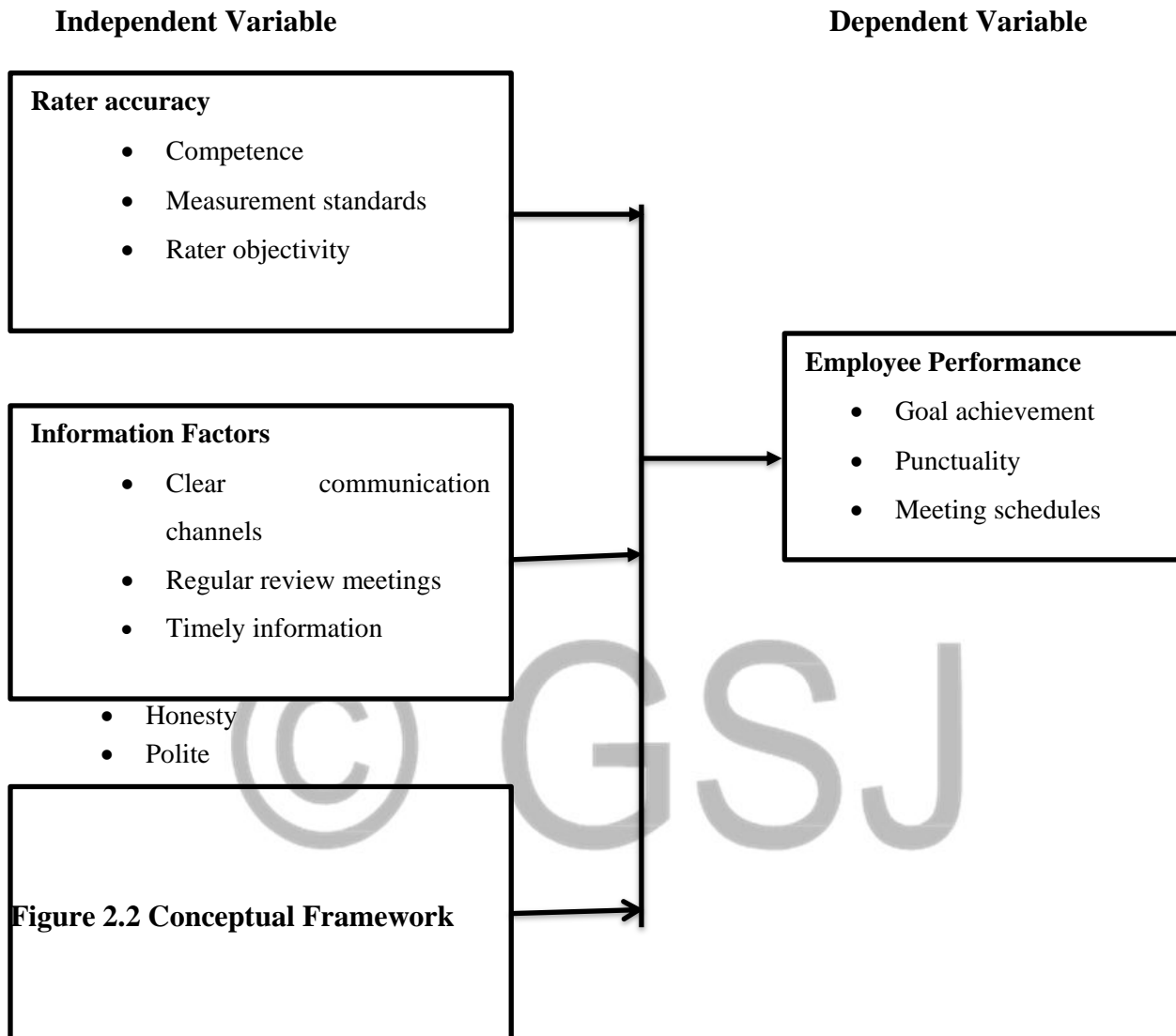

Figure 2.1 The relationship between effort, performance and rewards (Victor, 2016)

Positive attitudes towards work motivate employees to work hard which raises their expectations of good performance that may lead to desired rewards. The performance appraisal system used should have elements that measure effort, outcome and rewards given. Thus, Expectancy theory will be very vital to this study since it will help to relate the expectation and the outcome of the employees of technical university of Mombasa.

Conceptual Framework

A conceptual framework is a diagrammatical illustration of the key concepts in the study and how such concepts relates to one another (Mathieson, 2014). For this study, the conceptual framework has been given to show the relationship between the selected appraisal as the independent variable which includes rater accuracy, feedback and interpersonal factors and how they are related to dependent variable which is employee performance as illustrated below.

Independent Variable   **Dependent Variable**

Rater accuracy

- Competence
- Measurement standards
- Rater objectivity

Information Factors

- Clear communication channels
- Regular review meetings
- Timely information

- Honesty
- Polite

Employee Performance

- Goal achievement
- Punctuality
- Meeting schedules

Figure 2.2 Conceptual Framework

Rater Accuracy

For the performance appraisals to be effective, the rater should be objectively and purposely draw a conclusion about employee's performance as stipulated in the measurement standards in an organization. Prowse and Prowse, (2015) asserted that the dilemma of a performance appraisal process has been always used to developed performance measurement systems. This is because developing performance appraisal measurements that accurately and purposely reflects employee performance is not an easy. The rater systems should thus be tailored to match employee and organizational expectations and characteristics. In most organizations, performance ratings are based on rater evaluations, which are subjective to human judgments, personal factors and attitudes which most likely can influence the rating outcome (Prowse & Prowse, 2015).

One of the common concerns for organizations using ratings to make decisions is how and whether raters have received enough training and have enough (sufficient) technical knowhow so as to assign an accurate rating instead of inaccurate ratings. The knowledge for assigning accurate ratings that shows and demonstrates rater accuracy consequently relies on previous knowledge or experiences that the rater has acquired like education, training or even work experience. The accurate ratings also depend on thinking styles or learning abilities (cognitive factors) and the rating criteria characteristics (degree of similarity of the criteria and the rater's beliefs and understanding of the domain in question) the rating environment (freedom from distractions, types of social interactions that occur in that setting). Therefore, the most suitable raters maybe those who have thinking styles and belief systems that are consistent with the training approach and rating criteria. In addition, rater training, rater monitoring, and the structure of the rating task may facilitate accuracy by providing a suitable rating environment (Wolfe, 2016).

According to Levy and Williams (2014), the results of the appraisal will define the reaction of the subordinates towards the ratings. As observed by Johnson (2015), evaluators' fairness on appraised subordinates as well as the attributions concerning their behaviors, mediates a good relationship between employees and the performance appraisal raters. Poor performance evaluations which are subjective and bias in ratings will not have the desired effect leading to an overall poor performance of an employees. Similarly, Brown (2015); Caruth and Humphreys (2015) indicated that the main rater's factors that affects the effectiveness of an appraisal are factors like the halo effect - which describes the influence of a rater's overall perception on specific rating qualities. It tends to occur when an evaluation rates an employee high on all jobs criteria, even if he has performed well only in one area. For the Contrast error, the rating is always based on performance standards. Contrastingly, the contras error may occur if the rater rates the employee without much considerations to the standards of performance. This can also occur if a rater compares an employee's present performance with their past performance. For the rater biasness, the rater's prejudices and biasness can also influence rating. For example, a supervisor can underrate an employee based on race, sex, religion, appearance and favoritism issues. In order to have best and effective system, ratees can be allowed to appeal against a rating that they feel is incorrect. The appeals may be against any rating that may be perceived to be unfavorable and discriminatory. The appeals may protect the employees from the subsequent or further unfair ratings in the organization. It could also protect the organization from any potential charges of unfair treatment of employees and the confirmation that the raters will not be biased in their evaluations since their appraisals will also be reviewed by others in the organization. For the central tendency error which occurs when the supervisor rates all the employees within a limited and narrow range with the assumption that all employees are of equal level, there can be leniency or severity. Leniency or severity is a state of being more considerate and tolerance more than expected while severity on the other hand refers to the state of being harsh or very strict on the issues of ratings more than expected. Performance appraisal demands that the rater should

objectively draw a conclusion about employee's performance as constituted in the measurement standards set by the organization. The conclusions should not be subjective in nature but subjective in the opinion. There is the Sampling error that may arise in data collection as a result of taking a smaller sample that does not represent all parameters of the whole population of interest. Primary and regency errors may also occur when the rater relies on the most recent occurrences of the employees' behavioral activities rather than the one the previous. The perception or behavior of the ratee at the first stage of rating and at the end of appraisal can affect the rating outcomes. For example, at the beginning of a semester students may perform so well but after sometime due to laxity, the grades drop hence lowering the final score of such a student. At this point a lecturer may be considered incompetent in his work after an appraisal is conducted at the end of that period.

Informational Factors

The informational factors on employee appraisal as asserted by Fletcher and Williams (2016) depicts the quality of interactions and communication between the rater and the employee during the appraisal exercise influences the effectiveness of performance appraisal practices. It is recommended that there should be frequent meetings between the rater and ratee, held in order to to develop time action plans and ensure that performance appraisal used is effective efficient. Walsh and Fisher (2015) asserted that in the action Inquiry meeting, organization employees need to use and embrace dialogue to foster and hasten their working relationships. This kind of dialogue can be used to clear any disagreements and dissatisfactions among employees who may feel that everything has been imposed on them to improve on productivity (Fisher & Tolbert, 2014). During the formal meetings between ratar and the ratees, individual performance should be discussed in details. The performance review may include the actual performance, the tasks that were completed and areas that need improvement. Quarterly communication between the rater and ratee will result in a variety of positive job outcome like job satisfaction and organizational commitment.

Feedback is an important element of the informational factors of the Performance appraisal system in an organization. According to Longenecker (2017), employees need to be informed back on their areas of competency and the overall progress their overall progress in the organization. The feedback need to be specific, at the right time and should be against the pre-determined expectations from the performance. Every employee has the right to know how they are progressing and performing their duties assigned to them. The feedback need to be given continuously and in accordance to the time period; either annually, quarterly, monthly or weekly (Lee, 2015).

McDowall and Fletcher, (2015) poised that the 360-degree feedback may be used though it requires much cost implications, it is the most comprehensive due to the fact that feedback is gotten from everyone who is involved from the rate. The method should combine evaluations from various sources into the overall appraisal and expectations (Gary, 2014). Evaluation may at

times be peers or supervisors. (Tornow, 2016). Sometimes, the evaluations may even come from clients, supplier or customer themselves. When giving feedback, organizations should focus on developing staff to improve their morale, progress in their carrier fields and ultimately enhance the organization performance Rewards should represent important mechanisms by which employee behaviors can be aligned with the interests of the organization, (Eisenhardt, 2015).

Interpersonal Factors

Interpersonal factors also affect the performance of employees during the appraisal process. As indicated by the authors, the interpersonal factors are important in the performance appraisal According to Thurston and McNall (2015), interpersonal factors are those factors that relate to the kind of treatment the subordinates receive in the hands of the supervisors. practices due to their influence on the outcome of the appraisal process and general performance of the employees. Korsgaard and Roberson (2015) point out that the nature of the interactions between the supervisors and employees during the performance appraisal process contribute to fairness perceptions in the whole process. Therefore, it is crucial during the performance-rating period that the supervisors should value and treat subordinates with the highest level of fairness and dignity as this has a great impact on their attitude and approach towards work (Brown *et al.,* 2014). For this reason, to guarantee effectiveness in performance there should be an environment of trust between the subordinates and the supervisors who are evaluating them since the absence of such a trust may make the employees to be dissatisfied with the performance appraisal practices thus rendering the whole process ineffective (Korsgaard and Roberson, 2015).

As indicated by the authors (Boswell and Boudreau, 2014) in scenarios where the performance practices are seen and believed to be partial, extraneous, biased, irrelevant, or political, subordinates become dissatisfied and can sabotage the whole performance appraisal process which leads to poor performances. Good communication between the rater and ratee is very important because it results to a variety of positive job outcomes like job satisfaction and organizational commitment.

At the appraisal exercise, issues like biasness and prejudice should be avoided as they may influence rating outcome. For instance, a supervisor can underrate an employee based his/ her religion, gender political affiliate or appearance. For an effective rating system to be, ratees need to be given room to appeal against rating outcomes which could be considered unfair and unjust. The appeals may be against any rating that may be viewed to be non-inclusive in nature; if the ratings fail to consider key factors that depicts the competency of an employee. The appeals would protect the employees from any unfair ratings caused by poor interpersonal relationships systems. It could also be used to protect the organization from any potential charges of unfair treatment on employees and assure that the raters will not be biased in their evaluations because their appraisals will also be reviewed by others in the organization (Caruth & Humphreys, 2015). In the performance appraisal process, employee feelings (attitudes) towards the system can be strongly linked to satisfaction with the system itself (Levy & Williams, 2014). Employee

perception of fairness relates to the effectiveness of performance appraisal outcomes (Youngcourt *et al.,* 2017). In this respect, previous studies have suggested that justice or fairness of performance appraisal systems can be evaluated into three dimensions; distributive, interactional fairness and procedural (Colquitt *et al.,* 2015). Distributive fairness represents the extent to which outcomes of appraisal are distributed fairly (Smither & London, 2016). The distributive context relates with the ratings of performance appraisal gained by employees. On the other hand, procedural fairness aims at the extent to which procedures deployed by organization for appraisal are fair in deriving outcomes of appraisal (Zapata-Phelan *et al*., 2015).

Employee Performance

The effectiveness of any organization is dependent on the quality of its employees. The right people must be originally selected into the organization, motivated to works; and sound personnel promotion and training decisions must be made in filling non-entry level. An effective personnel performance evaluation system is a crucial cornerstone in this process, as it provides the data needed for most of the required administrative decisions. This system plays a key role in motivating people to utilize their abilities in pursuing the organization's goals (Musgrove & Creighton, 2015). Organizations are mostly interested in high performance of its employees that leads to attainment of their goals and a competitive advantage (Frese, 2016). High employee's performance leads to organization success and has greater opportunities for employees than those who have low performance (Vans, 2016). Performance appraisal should emphasize on the performance variables not on personal traits, employees must believe that in performance appraisals their efforts can be highly recognized and rewarded, hence creating great opportunity for them in the organization (Weick, 2016).

Borman and Motowidlo (2015) differentiate between work and performance. Work relates to the abilities through which employee performs activities that contribute to the technical core. Performance is not related to the technical core characteristics but it cares about the organization psychological environment and social environment which organizations achieve objectives. It involves behaviors such as helping colleagues or being a reliable member of the organization (Frese, 2016). Performance is not only related to the actions but also involves judgment and evaluation process (Ilgen & Schneider, 2014). The activities that can be examined and measured are reflected as performance (Campbell, 2015). The general Performance Characteristics includes; communication ability which refers to the effectiveness with which the employee presents accurate information both verbally and in writing (Borman & Motowidlo, 2015). Relationships with others involve the extent to which the employee establishes positive interactions with co-workers (example, being a good team worker, philanthropic, being tactful and courteous with co-workers). Ability to Work without Supervision is also a characteristic that shows the extent to which the employee can work by himself/herself; requiring very little supervision and is self-sufficient in assuming the duties of the job (Frese, 2016).

Some characteristics include accuracy of work, which entails the degree to which the employee makes mistakes or errors that require correction. The physical appearance of the employee at work; cleanliness, grooming, neatness and appropriateness of dress for the job. Cooperation – that is, the extent to which the employee cooperates with supervisors, associates and those for which work is performed. Dependability - whereby the employee can be relied upon to meet work targets and fulfill job responsibilities or commitments. Use of work time; which refers to how effectively and efficiently the employee uses his/her time to accomplish his/her job tasks (for example, does not wait until the last minute to work on important projects) and meeting schedules – where the employee efficiently completes his/her work and effectively meets deadlines.

After evaluating the employees based on their performance, organizations should provide the pay-for-performance. Financial appraisal is a useful tool to develop employee's passion for their work. Particularly, pay-for-performance is a reward practice that links one's pay increase to one's performance, and could be used to direct, sustain, and motivate desirable behaviors, such as knowledge sharing, (Bartol & Srivastava, 2015), creativity, (Eisenhardt *et al.,* 2015), quality (Cowherd & Levine, 2016) and customer satisfaction (Delaney & Huselid, 2016). Pay-for-performance establishes the behavioral criteria by which rewards are allocated and in doing so underpins the alignment of employee behavior with organizational values and objectives. Therefore, if an employee achieves his or her performance objectives then the employee receives a pay rise. This simple and visible link between pay and performance recognizes an employee for a specific level of accomplishment, therefore nurturing favorable work attitudes, such as satisfaction and commitment, (Heneman *et al.,* 2016) Thus, the effectiveness of pay-for-performance has a direct influence on high levels of service quality and desirable work attitude.

Empirical Review

Performance appraisal is considered as the most critical human resource function in organizations whereby the performance of an employee is measured (Levy, 2015). In this regard, performance appraisal system has been widely researched within organizations to assess its effectiveness and a considerable literature stream suggests that there exists dissatisfaction in employees regarding performance appraisal system in terms of unfairness, inaccuracy and political outcomes (Rao, 2014; DeNisi and Pritchard, 2016). It is important therefore to study the factors affecting outcomes of performance appraisal system. Morgan (2016) noticed that performance appraisal in many organizations has not met expectations of employees. This is evident in a critical analysis of performance appraisal system for teachers in public universities of Pakistan that was conducted by Imran (2016). Imra (2016) found out that obsolete evaluation system, exclusion of students' feedback, untrained evaluators and decreased motivation for the process are the potential hindering factors for performance appraisal systems in the university. Other researchers have also explored various suggestive solutions, after discussing the potential

concerns of teachers regarding the said factors. A study by Nduku (2015) on the factors affecting performance appraisal among public service organizations in Kenya established that lack of proper implementation and acceptance are major factors. Nyaoga, (2015) in his study on the effectiveness of performance appraisal systems at Kabarak University also indicated that the University found the PAS to be just for formality but in real sense, it did not address the important purpose upon which it was designed. According to Coens and Jenkins (2015), inaccuracies in appraisal can de-motivate employees leading to high turnover rates. Mbunde, (2013) in a study on employees' perception of staff appraisal in University of Nairobi established that the purpose of performance appraisal process at the University was not clearly articulated by the management and as a result, the system was ineffective and negatively perceived by the employees.

Literature has identified several indicators that affect the outcomes of performance appraisal system. One critical factor is the appraisal source. This factor suggests that employee performance can be evaluated through multiple sources such as supervisors, managers, self, peers and even customers (Wood & Marshall, 2016). Another important characteristic of performance appraisal is the purpose for which performance has been appraised or evaluated (Thurston, 2015). A study by Nyaoga, (2015) at Kabarak University (Kenya) found out that the performance appraisal system is the only tangible metric way by which an organization can know the level of performance of its diverse employees. Conclusively, because the performance appraisal systems used in private universities are not effective and that they exist just as a matter of formalities, the private universities cannot measure employees' performance hence making it difficult to achieve the intended Human Resource Management objectives. Feedback richness is also an effective indicator that may affect the outcomes of performance appraisal. It elaborates the specific appraisal environment by which frequent, specific and timely feedback is provided by employees to employers regarding their job (Kinicki *et al.,* 2014). There is need for discussions which will enhance performance at the individual, Departmental and organizational levels since there will be continuous flow of idea. The top management also needs to wholly support Performance Appraisals if the system is to be effective. Mathooko and Sitati, (2015) studied the effects of performance appraisal system on civil servants job performance and motivation in Kenya (a case study of ministry of state for public service). From the findings of this research, the author (Mathooko & Sitati, 2015) concluded that employees were given feedback to enable them improve their performance. This shows that PA has a positive impact on the employee's performance which leads to motivation. In the recent performance rankings released by the President and Prime minister the Ministry was number seven. Perceived accuracy of performance appraisal has been regarded as an important aspect to evaluate the satisfaction and motivation in employees in relation to performance appraisal (Wood & Marshall, 2016; Selvarajan & Cloninger, 2016). Prior studies suggest that if employee perceive that appraisal outcomes are accurate, they are more likely to recognize these results and act on them (Roberson & Stewart, 2016).

On the other hand, employee perception of fairness also measures effectiveness of performance appraisal outcomes (Youngcourt *et al.,* 2017). Perceived factors affecting the effectiveness of performance appraisal at the teachers' service commission (Kenya) by Kemunto, (2013) was a relevant study which confirmed the attitude of employees; resistance towards performance appraisal and knowledge and skills of employees on the performance appraisal. It was concluded that, TSC should ensure that there is proper communication of all information on performance appraisal to reduce resistance and provide more knowledge on the process. The attitude of the employee can also change if the commission is able to provide proper training on performance appraisal. The study has established Personal differences between appraisers and employees, modern and complicated appraisal systems as factors which hinder the smooth running of the whole process.

Levy and Williams (2016) suggested that analyzing employee satisfaction is important as it determines reactions of employees towards appraisal. Ngeno (2013) researched on the Performance Appraisal Policy and Tools Used by the Kenya Teachers Service Commission in Bomet Constituency. In his paper, he examined the relationship between policy and performance appraisal as well as the extent to which performance appraisal tools influence performance appraisal in high schools in Bomet County. It was clear that there was dissatisfaction among employees regarding the appraisal system and that TSC should come out with clearer policies that will enhance proper implementation and effectiveness of the tool.

Thurston (2015) addressed the specific aspects related with performance appraisal and also revealed that effectiveness and success of appraisal system depends on reactions and feedback from the employees. A study in Pakistan by Ambreen (2015) on the Islamia University of Bahawalpur, (public university) checked at the performance Appraisal Systems used in that university. The research investigated different aspects of performance appraisal system and how performance appraisal system could be applied to improve the performance of teachers in higher education institutions of Pakistan. The researchers undertook the public sector University of Pakistan, as a case study in the present study. Results showed that although employees were aware of the useful outcomes of performance appraisal systems, there were still some hindering factors like untrained raters, exclusion of multiple raters, absence of feedback in the way of successful implementation of performance appraisal system. Present study also suggests the solutions with their implications regarding said factors. It was suggested therefore that employee feedback is critical factor in assessing effectiveness of appraisal system. This feedback can be positive or negative regarding outcomes of appraisal system. On the other hand, Roberson and Stewart (2016) suggest that if negative feedback is delivered in an effective and persuasive manner, employees will take it seriously and will focus on eliminating the negative aspects in their performance.

A study by Gacheri (2016) on Enhancing Employee Performance in Catholic Institutions of Higher Learning in Kenya focused on the effect that human resource management (HRM) practices have on employee performance. The study sought to establish the effect of training,

performance-related pay, employee empowerment, job-design and job security on employee performance in catholic institutions of higher learning in Kenya. Based on the findings, performance-related pay has the greatest impact on increasing employees' level of performance. Training and employee empowerment have also got an effect of increasing employees' level of performance. Job design and job security have got the least impact on performance. The findings of the study point to the fact that majority of the middle-level employees were provided with training opportunities. However, majority of the employees did not receive any financial rewards, after achievement of the set targets, the level of empowerment was moderate because employees were allowed to exercise minimal control over their work, and job security was not guaranteed since terms of employment were contract-based.

Similarly, Ahmed (2017) discussed Issues and Challenges in the Practice of Performance Appraisal Activities in the 21st Century. In his findings, employees all over the world can be linked and connected through several ICT developments. The new invention and technologies will affect all parties in the organization especially the workers. The job and work activities can be influenced and which can determine performance of the workers both at the micro and macro level. In relation, the performance appraisal activities also has the impact and can make the appraisal become more complicated in the organization. Although the performance appraisal may be viewed in a positive way, it is important to be ready with new ideas and solutions. Performance appraisal system may need to be amended, reconstructed or revised to meet the needs of new challenges and issues in the 21st Century.

Critique of Existing Literature

Katherine Miller (2015) outlined several major objections to the problem with the social exchange theory as developed in early seminal works. The theory reduces human interactions to a purely rational process that arises from economic theory. The theory favored openness as it was developed when ideas of freedom and openness were preferred better, but there may be times when openness is not the best option in a in the employee employer relationship. The theory assumed that the ultimate goal of a relationship is intimacy when this might always not be the case. The theory placed employee-employer relationship in a linear structure when some relationships might skip steps or go backwards in terms of intimacy. Russell and Mitchell, (2015) criticized the theory by contributing that it would be better understood if more research programs discussed in a variety of exchange rules such as philanthropy, group gain status consistency and competition in the organization. Collins (2016) pointed out that within the exchange process, each unit takes into account at least elements like reciprocity, rationality, social responsibility (altruism), group gain, status, consistence and competition or rivalry.

One of the major criticisms of the expectancy theory of motivation decision model is its simplicity in application in the sense that it doesn't explain the different levels of efforts acted out by an individual. There is also the assumption that a reward system can entice an employee

to expand greater efforts in performance in order to obtain the reward offered but neglecting the fact that the reward system in question could have a negative effect for the individual's perception. For instance, a pay increase may make the employee creating high deductions or lifestyle changes which in turn affects his performance on the job. The effectiveness of the expectancy theory of motivation decision model from a managerial perspective relies on the manager to make assumptions on the motivational force of the reward system for the employees. Therefore, the use of reward in an organization should obey the law of effectiveness, enhance positive behaviour since negativity in reward will have the tendency to diminish the employee performance behaviour.

The expectancy theory of motivation has prevailed as an acceptably rational explanation for an individual decision-making model. It's without question that the theory which is a predictive value may enable managers to increase the likelihood of an individual acting out the desired behavior. However, the implementation of the theory in an organizational context isn't an easy task. Many sub-cognitive processes are involved in the overall decision that finding the balance between the individual's reward and the cost to be borne by the organization becomes a tedious task. In addition, each trial changes the equation, in the sense that the individual will use that new experience to alter his or her perception of the future probability of attaining the desired outcome. There's need to shed some light on the "evaluative" as well as the "progressive" nature of motivational forces that drive out employee behaviors in the organization.

Research Gap

A study by Nyaoga (2015) at Kabarak University (Kenya) found out that the performance appraisal system is the only tangible metric way by which an organization can know the level of performance of its diverse employees. It is important to know if performance appraisal system is being used, how it is conducted, and the benefits and challenges that are incurred. Very little literature has been written on how to counteract the challenges faced in the implementation of performance appraisal system in institutions of higher learning (Nyaoga, 2015). Most studies have focused mainly on the importance of the tool despite its ineffectiveness. Other studies (Nduku, 2015; Mbunde, 2016; Roberts & Pregitzer, 2016 & Nyaoga, 2016) revealed that institutions and organizations which had incorporated the performance appraisal with the main aim of evaluating the employees depicted a struggle with issues of training and implementation, familiarity and adoption and finally linking with the basic human resource management practices for the betterment of both Institution and the employees. Leniency is often the focus of field studies because true scores of performance are not available (Ng, Koh, Ang, Kennedy, & Chan, 2014). Because of the measurement problems in distinguishing between rater rating-level bias and differences in "true" performance levels across rated groups or ratees (particular manager's subordinates), an important research question is to what extent mean rater rating levels are related to measures of rating accuracy. Do more lenient (or harsh) raters, defined by the mean rating across all whom s/he rates, also rate less accurately, as defined in a number of

ways, including a rater's rating deviations from the mean levels of ratings on the same people by all other raters on the same performance dimensions (Murphy & Cleveland, 2015).

METHODOLOGY

Research Design

Descriptive research design was adopted in conducting this study. This design was most appropriate where a detailed analysis of a single unit of study was desired as it provided focus and detailed insight to phenomenon that were not unclear. The importance of a descriptive survey design is emphasized by Kothari (2014) who acknowledges the design as appropriate because it gives a better understanding of the relationship between independent and dependent variables.

Sampling

The researcher used a stratified random sampling technique to sample the population for the study. Mugenda and Mugenda (2014) postulated that stratified sampling technique is used for data which does not constitute a homogenous group but that which is heterogeneous in setting". Since the researcher expected to get the information from various department at the Technical University of Mombasa, the different employees in this case depicted a heterogeneous concept thus stratified technique was appropriate.

Due to the relatively large number of the target employees, the sample size was determined by use of the Krejcie and Morgan formula. For this study, a total of 72 members were targeted from which a sample size of 63 was obtained. All these were members from TUM. The sample size above was calculated using Krejcie and Morgan formula as illustrated below;

$S = X^2 NP (1- P) \div d^2 (N -1) + X^2 P (1- P)$ ……………………………………………….. (3.1)
S=   Required Sample size.
X^2 = The table value of chi-square for 1 degree of freedom at the desired confidence level
     (3.841).
N=   The population size.
P=   The population proportion (assumed to be .50 since this would provide the maximum
     sample size).
d =   The degree of accuracy expressed as a proportion (0.05)

Data Collection, Analysis and Presentation

Data was collected using questionnaires and measured on a 5-point Likert type scale.

Data was then organized and coded to convert the replies to a numerical representation. It was then encoded into statistical software Package for Social Scientists (SPSS) version 20.0 (SPSS), which enabled the researcher to enter and store data and engage in statistical analysis. Analysis

of the data was done by use of descriptive statistics, where frequencies and percentages was expressed as tables, graphs and charts for ease of presentation. Pearson correlation coefficient was used to test the hypothesis. Regression analysis was done to determine the relationship between the variables under study. Multiple linear regressions equation used was expressed as;

$$Y = B_0 + B_1Y_1 + B_2Y_2 + B_3Y_3 + e$$

Where:

Y = Employee performance

X1 = Rater Accuracy

X2 = Information Factors

X3 = Interpersonal Factors

RESEARCH FINDINGS AND ANALYSIS

Response Rate

The researcher used a sample size of 63 employees from a specific designation such as Middle Level Management, Deans, Chairpersons (CODs), Sectional Heads (Administration), Human and Resources Management Staff from TUM. All the 63 members were give structured questionnaires to be filled but all 56 selected members filled the questionnaire as illustrated in table 4.1 below.

Table 4.1 Response Rate

	Frequency	Percentage (%)
Responses	56	89
Non responses	7	11
Total	63	100

According to Kothari, (2013), a response rate of 50% is adequate for analysis and reporting; a rate of 60% -70% is better while a response of 80% - 90% is excellence for the study. Since the response rate for this study felt between 80% - 90%, it was considered an excellence response rate and valid for making the study analysis and recommendations. The non-response was contributed to the fact that some respondents were not in their designated places of work on official duties.

Reliability Test

The researcher sought to measure the questionnaires' reliability using Cronbach Alpha value ranging from 0.60 to 0.99 for each variable to know the internal consistency. Kothari (2012) poised that the reliability of the research instrument can be tested by use of Cronbach to determine the internal consistency so as to get credible findings of the research. The Cronbach scale ranges between 0 and 1. Kothari (2013) attested that since the Cronbach Alpha is a measure of internal consistency of the test variable, the coefficient values of the reliability of 0.7 and above is generally accepted to be appropriate, and the higher the score is the more reliable it is. The Cronbach reliability coefficient results is shown in table 4.2 below.

Table 4.2 Cronbach Alpha Reliability Coefficient

Variable	N	Cronbach Coefficient
Rater Accuracy	56	0.769
Informational Factors	56	0.892
Interpersonal Factors	56	0.896
Employee Performance	56	0.927

The findings showed that the test for reliability on all the variables were above 0.7 limit as poised by Kothari (2013). These findings indicated that the questionnaire used as the main instrument for data collection was deemed to give a reliable test.

Age of the Respondents

The researcher structures the age brackets upon which the respondents were just to choose from. The following were the findings.

Table 4.3 Age Bracket of the Respondents

Age Bracket	Frequency	Percent	Valid Percent	Cumulative Percent
21 - 30 Years	5	8.9	8.9	8.9
31 - 40 Years	17	30.4	30.4	39.3
41 - 50 Years	34	60.7	60.7	100.0
Total	**56**	**100.0**	**100.0**	

It was evident that all the age brackets were found to be valid. The observations from the findings indicated that very few target employees were in the age bracket of 21- 30 years. Further, the findings indicated that as the age bracket increasers, the number of sampled employee also increases with the oldest age bracket of 42 -50 years having the largest percentage (60.7%).

Department of the Respondents (Current Designation)

The second demographic information was to know the department from which the respondents were designed at the current time of the study. Thus was to help in getting responses only from the employees who had designated information on the study objectives.

Table 4.4 Department of the Respondents (Current Designation)

Designation	Frequency	Percent	Valid Percent
Middle Level Managers	6	10.7	10.7
Deans of Studies	9	16.1	16.1
Chairpersons of Departments	17	30.4	30.4
Head of Sections (Administrative)	10	17.9	17.9
HRM Staff	14	25.0	25.0
Total	**56**	**100.0**	**100.0**

Years Worked

Then third demographic information that the researcher sought to know was the number of years that the respondent has taken in job. This was important as it would contribute to better experience in performance related activities at the job place. Respondents were given structured options. The results are illustrated in table 4.5 below.

Table 4.5 Years Worked

Experience	Frequency	Percent	Valid Percent	Cumulative Percent
1 -10 Years	14	25.0	25.0	25.0
11 - 20 Years	4	7.1	7.1	32.1
21 - 30 Years	38	67.9	67.9	100.0
Total	**56**	**100.0**	**100.0**	

It was observed that all the structured experience limits were valid. The findings indicated that the respondents in the experience bracket of 1 -10 years were only 25%, 11 -20 years were 7.1% while 21-30 years were the largess at 67.9%. This clearly showed that there are retention strategies at TUM.

Descriptive Findings

The main objective of the study was to determine the effects of performance appraisal on employee performance at public universities in Kenya, case study of Technical University of Mombasa. The specific objectives used included the determining of the rater accuracy, feedback and interpersonal factors on employee performance at technical university of Mombasa. The study adopted a descriptive research design to unearth the information concerning the specific study interest. Data was primarily collected using questionnaires which were structured in a five scale Likert format for clarity and easy analysis on the findings. Below are the descriptive statistics showing the findings of each objective of the study.

Response on Rater Accuracy
Since, rate accuracy was the first specific objective, the researcher sought to determine its effect on employee performance at the Technical University of Mombasa. A list of questions were given to the respondents to fill on a five point Likert scale. The findings are presented in table 4.6.

Table 4.6 Response on Rater Accuracy

Response	Frequency	Percent (%)	Valid Percent
Strongly Disagree	7	12.5	12.516.1
Disagree	9	16.1	16.1
Uncertain	17	30.4	30.4
Agree	19	33.9	33.9
Strongly Agree	4	7.1	7.1
Total	**56**	**100.0**	**100.0**

The findings showed that a larger number of the respondents (33.9%) agree that rater accuracy a positive effect on the employee performance. On the other hand, 12.5% strongly disagree and 16.1% disagree on the effects of rater accuracy on employee performance while 30.4% were uncertain.

In reference to the literature review, Prowse and Prowse, (2015) asserted the dilemma of a performance appraisal process based on rater accuracy. This is because developing performance appraisal measurements that accurately and purposely reflects employee performance is not an easy. The rater systems should thus be tailored to match employee and organizational expectations and characteristics. In most organizations, performance ratings are based on rater evaluations, which are subjective to human judgments, personal factors and attitudes which most likely can influence the rating outcome (Prowse & Prowse, 2015). The findings of this study has shown that cumulatively, the responses on the opposing views were 28.6% and surprisingly, 30.4% were uncertain on the accuracy of rater on employee performance. Therefore, the findings concur with the findings of Prowse and Prowse (2015).

Response on Informational Factors

The second objective that the researcher sought to determine was the informational factors as an appraisal system on employee performance, the case of TUM. Lee, (2015), poised that every employee has the right to know how they are progressing and performing their duties assigned to them. The feedback needs to be given continuously and in accordance to the time period; either annually, quarterly, monthly or weekly. Therefore, the determining parameters to measure informational factors used included information channels, development of time plan actions, regular meetings and timely relay of furnished of the feedbacks. Table 7.7 shows the findings.

Table 4.7 Informational Factors

Responses	Frequency	Percent	Valid Percent
Strongly Disagree	8	14.3	14.3
Disagree	9	16.1	16.1
Uncertain	10	17.9	17.9
Agree	20	35.7	35.7
Strongly Agree	9	16.1	16.1
Total	**56**	**100.0**	**100.0**

The findings showed that 35.7% agree while 16.1% strongly agree that interpersonal factors affect employee performance at TUM. On the other side, the table showed that a cumulative 30.4% were on the negative opinion. In reference to literature reviewed, feedback is an important element of the informational factors of the Performance appraisal system in an organization Longenecker (2017). McDowall and Fletcher, (2015) reiterated that employees need to be informed back on their areas of competency and their overall progress in the organization. The feedback need to be specific, at the right time and should be against the pre-determined expectations from the performance. Cumulatively this research study findings showed that 51.8% were positive that informational factors affects employee performance.

Response on Interpersonal Factors

The third objective was based on the interpersonal factors as a measure of employee performance at TUM. The determinants used for interpersonal factors included honesty, fairness, trust and attitude. The findings are illustrated on table 4.8 below.

Table 4.8 Response on Interpersonal Factors

Response	Frequency	Percent	Valid Percent
Strongly Disagree	8	14.3	14.3
Disagree	9	16.1	16.1
Uncertain	5	9.6	9.6
Agree	23	40.4	30.4
Strongly Agree	11	19.6	19.6

Total	56	100.0	100.0

The findings show that 40.4% agree, 19.6% strongly agree that interpersonal factors affect employee performance at TUM. On the other hand, 8% strongly disagree, 9% disagree while 9.6% were uncertain that the selected interpersonal factors affect employee performance. According to Thurston and McNall (2015), interpersonal factors are those factors that relate to the kind of treatment the subordinates receive in the hands of the supervisors. Korsgaard and Roberson (2015) also pointed out that the nature of the interactions between the supervisors and employees during the performance appraisal process can contribute to fairness perceptions in the whole process. The findings on this research study indicated, cumulatively that the selected parametric measures of interpersonal factors affect employee performance at TUM. Further, the findings concur with Youngcourt *et al.,* (2017) who poised that employee perception of fairness relates to the effectiveness of performance in the organization.

Response on Employee Performance

The mediating parameter for this study was employee performance. The researcher's specific determinants included rater accuracy, information feedback and interpersonal factors on employee performance at TUM. The findings is shown in table 4.9 below.

Table 4.9 Response on Employee Performance

Responses	Frequency	Percent	Valid Percent
Strongly Disagree	4	5.2	5.2
Disagree	6	7.2	7.2
Uncertain	6	10.7	10.7
Agree	27	45.6	45.6
Strongly Agree	13	30.3	30.3
Total	56	100.0	100.0

The findings showed that 45.6% and 30.3% agree and strongly agree respectively that employee performance is affected by rater accuracy, informational feedback and interpersonal factors. However, a smaller response, cumulatively 12.4% responded otherwise. The findings concur with empirical evidence by Thurston, (2015) who revealed that effectiveness and success of appraisal system depends on reactions and feedback from the employees. Stewart (2016) on the other hands suggested that if negative feedback is delivered in an effective and persuasive manner, employees will take it seriously and will focus on eliminating the negative aspects in their performance.

Correlation Analysis

To get the significant level from the study variables, Pearson Correlation analysis was used. Table 4.10 shows the findings.

Table 4.10 Pearson Correlation Coefficient Matrix

		Rater Accuracy	Information Factors	Interpersonal Factors	Employee Performance
Rater Accuracy	Pearson Correlation	1			
	Sig. (2-tailed)				
	N	56			
Information Factors	Pearson Correlation	.588**	1		
	Sig. (2-tailed)	.000			
	N	56	56		
Interpersonal Factors	Pearson Correlation	.444**	.590**	1	
	Sig. (2-tailed)	.001	.000		
	N	56	56	56	
Employee Performance	Pearson Correlation	.469**	.433**	.575**	1
	Sig. (2-tailed)	.000	.001	.000	
	N	56	56	56	56

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

An examination of the correlation analysis from table 4.10 revealed that all the variables were significant at 0.01 (two tailed) as the collinearity between the variables were within the accepted limits. The assumption of multi-collinearity was deemed to have been met as depicted by Creswell (2016).

The correlations between the employee's performance (dependent variable) on the independent variables; rater accuracy, information factors and interpersonal skills showed a positive significance. From the correlation scale ($-1 \leq X \leq 1$), there was a strong relationship between the dependent variable (employee performance) and the selected independent variables.

Hypothesis One

Pearson correlation coefficient was used to determine the nature and strength of the relationship between rater accuracy and employee performance. From the results in table 4.10, a positive and

significant correlation (r=0.469; p<0.05) was established between performance appraisal and employee performance.

Hypothesis Two

Pearson correlation coefficient was used to determine the nature and strength of the relationship between informational factors and employee performance. From the results in table 4.10, a positive and significant correlation (r=0.433; p<0.05) was established between performance appraisal and employee performance.

Hypothesis Three

Pearson correlation coefficient was used to determine the nature and strength of the relationship between interpersonal factors and employee performance. From the results in table 4.10, a positive and significant correlation (r=0.575; p<0.05) was established between performance appraisal and employee performance.

Regression Analysis

The Model Summary

The regression analysis was done to determine the impacts of the selected independent factors (predictor variables) on the dependent factor (employee performance). Further to get how the predictor variables influenced the employee performance, a regression summary was done at a confidence level of 95% with an error margin of 0.05. The coefficient of determination (R) from table 4.11 was 0.622 representing a strong positive correlation between performance appraisal and employee performance in consistency with the findings of (Chepkoech, 2011). R square is 0.387 indicating that 38.7% of variance in performance is explained by performance appraisal.

Table 4.11 Regression Model Summary

Model Summary				
Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.622[a]	.387	.352	5.42528

a. Predictors: (Constant), Rater Accuracy, Information Factors, Interpersonal Factors

The results from the model summary showed that in every unit change of any predictor variable (Rater Accuracy, Informational Factors or Interpersonal Factors) there is a unit change in dependent variable (employee performance). The results therefore depicted a strong impact

between rater accuracy, feedbacks and interpersonal factors as a determinant of employee performance.

ANOVA

To test for the general differences between the means of the variables, an analysis of the variance (ANOVA) was performed. However, on performing the ANOVA, assumption such as error values at zero and normality distribution of the variables was made. This would help on the rejection or acceptance of the hypothesized variables based on the level of significance. The results are illustrated in table 4.12 below

Table 4.12 ANOVA

Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	967.433	3	322.478	10.956	.000[b]
	Residual	1530.549	52	29.434		
	Total	2497.982	55			

a. Dependent Variable: Employee Performance

b. Predictors: (Constant), Interpersonal Factors, Rater Accuracy, Information Factors

Table 4.12 shows the analysis of variance (ANOVA) results. The model for performance appraisal (rater accuracy, interpersonal factors, information factors) and employee performance was significant at 0.000 (P<0.05). This implies that, the overall regression model statistically significantly affects the outcome variable (employee performance).

Regression Coefficients

To test whether there is a negative or positive relationship between each independent variable on the dependent variable (employee performance), a regression analysis was performed and the results illustrated in table 4.13 below.

Table 4.13 Regression Coefficients

Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		B	Std. Error	Beta		
1	(Constant)	3.837	2.778		1.381	.173
	Rater Accuracy	.335	.174	.261	1.925	.060
	Information Factors	.013	.153	.013	.088	.930

Interpersonal Factors	.498	.150	.451	3.318	.002

a. Dependent Variable: Employee Performance

The positive coefficient between the variables indicates that as the value of the independent increases, the mean of the dependent variable also tends to increase and vice versa. Since the coefficient regression shows how much the mean of the dependent variable changes given a one-unit shift in the independent variable, the regression equation for this study can be expressed as

Employee Performance = 3.837 +0.335 Rater Accuracy + 0.013 Information Factors + 0.498 Interpersonal Factors ....…........4.1

The model indicates that a 0.335 increase in rater accuracy led to a 1-point change in employee performance in public Universities of Coast, Kenya, a 0.013 change in information factors led to a 1-point increase in employee performance in public Universities of Coast, Kenya and a 0.498 change in Interpersonal factors led to a 1-point change in employee performance in public Universities of Coast, Kenya.

SUMMARY, CONCUSSIONS AND RECOMMENDATIONS

Summary of the Findings

This section summarizes the study findings based on the hypothesis that were used for the study. The general objective was to determine the effect of performance appraisal on employee performance in public universities in Coast, Kenya. To establish this, the study developed three specific objectives; to determine the effects of rater accuracy on employee performance at the Technical University of Mombasa, to find out the effect of informational factors on employee performance at the Technical University of Mombasa, to determine the effects of interpersonal relationship on the employee performance at the Technical University of Mombasa. To achieve this, a descriptive survey design was adopted. To select the specific individuals to include in the study, both purposive and stratified random sampling was used. A sample of 63 respondents from five major categories were selected. Data was collected using questionnaires and analyzed descriptively using regression and correlation analysis. Results were presented using frequency tables, graphs and charts.

The first objective of the study was to determine the effects of rater accuracy on employee performance at the Technical University of Mombasa. From this objective the null hypothesis; Rater accuracy has no significant effect on employee performance at Technical University of Mombasa was developed. The results of Pearson correlation coefficient indicate that the p-value for rater accuracy was 0.000 which is less than the significant level of 0.05, $(p<0.05)$. This meant that rater accuracy had a significant effect on employee performance. The null hypothesis was

therefore rejected and the alternative hypothesis accepted. Pearson Correlation coefficient (r-value) is 0.469, representing a strong positive relationship between rater accuracy and employee performance. Therefore, the study concluded that rater accuracy determined employee performance at the Technical University of Mombasa.

The second objective of the study was to find out the effect of informational factors on employee performance at the Technical University of Mombasa. From this objective the null hypothesis; Informational factors has no significant effect on employee performance at the Technical University of Mombasa was developed. The results of Pearson correlation coefficient indicate that the p-value for rater accuracy was 0.001 which is less than the significant level of 0.05, (p<0.05). This meant that information factors had a significant effect on employee performance. The null hypothesis was therefore rejected and the alternative hypothesis accepted. Pearson Correlation coefficient (r-value) is 0.433, representing a moderate positive relationship between information factors and employee performance. Therefore, the study concluded that rater accuracy determined employee performance at the Technical University of Mombasa.

The third objective of the study was to determine the effects of interpersonal relationship on the employee performance at the Technical University of Mombasa. From this objective the null hypothesis; Interpersonal relationship has no significant effect on employee performance at the Technical University of Mombasa was developed. The results of Pearson correlation coefficient indicate that the p-value for rater accuracy was 0.000 which is less than the significant level of 0.05, (p<0.05). This meant that interpersonal; factors had a significant effect on employee performance. The null hypothesis was therefore rejected and the alternative hypothesis accepted. Pearson Correlation coefficient (r-value) is 0.575, representing a strong positive relationship between interpersonal factors and employee performance. Therefore, the study concluded that interpersonal factors determined employee performance at the Technical University of Mombasa.

Conclusions

The study was conducted to examine the effects of appraisals on employee performance using TUM as the case study. The study sampled 63 employees on which 57 of the responded to by filling the structured questionnaires. The main objective of the study was to determine the effects of performance appraisals on employee performance at Public University in Kenya, the case of Technical University of Mombasa. Data was analyzed descriptively using inferential statistics based on each objective of the study.

The first objective of the study was to determine the effects of Rater accuracy on employee performance at the Technical University of Mombasa. The findings showed that a larger number of the respondents (33.9%) agree that rater accuracy has a positive effect on the employee performance. On the other hand, 12.5% strongly disagree and 16.1% disagree on the effects of

rater accuracy on employee performance while 30.4% were uncertain. A conclusion is made that the Technical University of Mombasa should increase on the factors increasing on the rater accuracy since it has a positive effect on employee performance.

The second objective of the study was to find out the effect of informational factors on employee performance at the Technical University of Mombasa. Therefore, the determining parameters to measure informational factors used included information channels, development of time plan actions, regular meetings and timely relay of furnished of the feedbacks. The findings showed that 35.7% agree while 16.1% strongly agree (cumulative 51.8%) that interpersonal factors affect employee performance at TUM while cumulatively, 30.4% were on the negative opinion. The observations made were in line with research findings. Since the study showed a positive significant effect of informational factors on employee performance, it was thus concluded that informational TUM should emphasis much on the offering better communication channels to the employees so as to increase on performance.

The third objective was to determine the effects of interpersonal relationship on the employee performance at the Technical University of Mombasa. The findings showed that 40.4% agree, 19.6% strongly agree that interpersonal factors affect employee performance at TUM. On the other hand, 8% strongly disagree, 9% disagree while 9.6% were uncertain that the selected interpersonal factors affect employee performance. A conclusion can be made based on the findings that interpersonal factors affects employee performance at TUM.

Recommendations

Based on the hypothesized objectives of the study, all the selected variables were found to be significant on employee performance at TUM. The study therefore recommends the adoption of rater accuracy, informational factors and interpersonal factors as the some of the determinants of employee performance at TUM.

The findings of this study were also relevant for performance appraisal practices in literature. Specifically, once sources of extraneous variance in performance ratings have been identified, the construct validity of ratings can be improved by identifying conditions that reduce their influence (Murphy, 2014). We also note that a number of additional performance appraisal practices may help to mitigate the influence of rater personality traits on performance ratings, although not explicitly examined here. Research has argued that involving multiple raters in the performance appraisal process (e.g., through 360-degree performance rating systems). It is therefore recommended that such an approach may also be useful in accounting for the effects of rater personality on performance ratings, as pooling ratings across raters would limit the effect of any single rater's personality traits on composite performance ratings at technical university of Mombasa.

Further Research

This study examined performance appraisal and employee performance at TUM. The results suggest that evidently there is a relationship between the performance appraisal and employee performance. However, this study used perpetual measures of employee performance. Consequently, there are several other measures of employee performance. Future studies should be based on other metrics of measuring employee performance such as the balanced score card.

Secondly, this study used cross-sectional data which was collected and measured at one point in time. Due to this, it is not clear on how long it takes before changes in performance appraisal factors can result in changes in employee performance of an organization. This study therefore recommends that future studies be carried out over a long period of time in order to examine the trend between changes in performance appraisal factors and charges in employee performance.

Thirdly, the study was conducted in one university at the Coast of Kenya. It was based on the assumption that all universities have the same culture. This might, however, not be the case. For generalizability purposes, further research is recommended to establish how other factors of performance appraisal affect employee performance in other universities and as well as organizations in other industries other than the education sector.

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