

FACTORS AFFECTING EFFECTIVE EXECUTION OF EMPLOYEE PERFORMANCE APPRAISALS IN ORGANISATIONS: A CASE OF PLAN INTERNATIONAL – UGANDA

BY

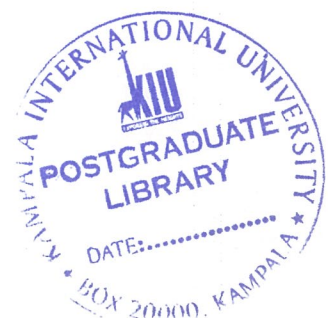


**TEDDY MARY MBABAZI
(MHR/16319/71/DU)**

HF 5549.5.23
1174783
2009

**A THESIS SUBMITTED IN PARTIAL
FULFILMENT OF THE REQUIREMENTS FOR THE
AWARD OF MASTERS DEGREE IN HUMAN
RESOURCE MANAGEMENT OF
KAMPALAINTERNATIONAL
UNIVERSITY**

OCTOBER 2009



DECLARATION

I, Teddy Mary Mbabazi, declare that this work is a result of my own effort and has never been submitted for any award in any other University or Institution of higher learning.



Signature



Date

APPROVAL

This is to certify that this Thesis was written and submitted under my Supervision.


Dr. Kepha Natolooka


Date



DEDICATION

This Thesis is dedicated to my family members who gave me moral support throughout my study; plus all my Pastors who have prayed for me tirelessly throughout my post-graduate study.

ACKNOWLEDGEMENT

I wish to thank the Almighty God for granting me the opportunity, resources, grace, knowledge, wisdom and strength to complete the Master of Arts in Human Resource Management.

I also wish to thank all my family members for their moral support which they have accorded to me during the period of the study.

I also thank my employers who have accorded me support through accessing their internet facilities plus free computer usage.

My gratitude goes to my Supervisor: Dr. Kepha Natolooka for his commitment and continued support during the entire research. I wish to recognise the staff of the School of Postgraduate Studies at Kampala International University for their support.

Lastly, I wish to extend my appreciation to the Management of Plan International Uganda for granting me the opportunity to access their organisation as a case study for this research. My hope is that the findings of this research will go a long way in assisting employees and Management of Plan International Uganda and other similar organisations to value employee performance appraisals.

TMM

TABLE OF CONTENTS

| | |
|---|----------|
| Title | i |
| Declaration: | ii |
| Approval: | iii |
| Dedication: | iv |
| Acknowledgement: | v |
| Table of Contents: | vi |
| List of Tables: | ix |
| List of Figures: | x |
| Abstract: | xi |
| CHAPTER ONE..... | 1 |
| 1.0 INTRODUCTION..... | 1 |
| 1.1 Background to the Study..... | 1 |
| 1.1.1 An Overview of Employee Performance Appraisal..... | 1 |
| 1.1.2 An Overview of Employee Performance Appraisal in Plan International..... | 3 |
| 1.2 Statement of the Problem..... | 4 |
| 1.3 Purpose and Objectives of the Study..... | 4 |
| 1.3.1 Purpose of the Study..... | 4 |
| 1.3.2 Objectives of the Study..... | 5 |
| 1.4 Research Objectives..... | 5 |
| 1.5 Significance of the Study..... | 6 |
| 1.7 Conceptual Framework..... | 7 |
| CHAPTER TWO..... | 8 |
| 2.0 REVIEW OF RELATED LITERATURE..... | 8 |
| 2.1 Introduction..... | 8 |
| 2.2 Meaning of Employee Performance Appraisal..... | 8 |
| 2.3 How Performance Appraisal is done in organizations..... | 9 |
| 2.4 Value attached to employee performance appraisals in Organizations..... | 14 |
| 2.5 Factors that affect effective execution of employee performance appraisals in Organizations..... | 16 |

| | |
|---|-----------|
| 2.6 Measures that may be taken to improve employee performance appraisals' execution in Organizations..... | 18 |
| CHAPTER THREE..... | 23 |
| 3.0 RESEARCH METHODOLOGY..... | 23 |
| 3.1 Introduction..... | 23 |
| 3.2 Research Design..... | 23 |
| 3.3 Study population..... | 23 |
| 3.4 Sample size..... | 24 |
| 3.5 Sampling Procedure..... | 24 |
| 3.6 Types & Sources of Data..... | 25 |
| 3.6.1 Primary Data..... | 25 |
| 3.6.2 Secondary Data..... | 25 |
| 3.7 Data Collection Techniques..... | 26 |
| 3.8 Data Analysis..... | 27 |
| 3.9 Reliability of Data Collection Instruments..... | 28 |
| 3.10 Validity of Data Collection Instruments..... | 29 |
| 3.11 Limitations of the Study..... | 30 |
| CHAPTER FOUR..... | 32 |
| 4.0 DATA PRESENTATION, ANALYSIS AND DISCUSSION..... | 32 |
| 4.1Introduction | 32 |
| 4.2 Respondents Characteristics..... | 32 |
| 4.2.1 Respondents Gender..... | 32 |
| 4.2.2 Respondents Tenure in the organization..... | 33 |
| 4.3 Presentation of Findings..... | 34 |
| 4.3.1 Methods used by Plan International Uganda to appraise its employees..... | 34 |
| 4.3.2 Value that employees attach to performance appraisal systems in Plan International Uganda..... | 38 |
| 4.3.3 Factors affecting effective employee performance appraisal in Plan International Uganda..... | 39 |
| 4.3.4 Measures that Plan International Uganda has taken to address the factors affecting its effective execution of employee performance appraisal..... | 41 |

| | |
|---|-----------|
| CHAPTER FIVE..... | 45 |
| 5.0 CONCLUSIONS AND RECOMMENDATIONS..... | 45 |
| 5.1 Introduction | 45 |
| 5.2 Conclusions arising out of the Study..... | 45 |
| 5.3 Recommendations | 47 |
| 5.4 Areas of Future Research..... | 49 |
| References: | 50 |
| Appendices..... | 51 |
| Appendix 1: Sample Questionnaire(s) | 52 |
| Appendix 2: Letter to Respondents..... | 78 |
| Appendix 3: Letter from the University..... | 79 |
| Appendix 4: Plan International Uganda Organogram..... | 80 |

LIST OF TABLES

| | |
|--|----|
| Table I: Population and Sample size..... | 24 |
| Table II: Respondents analyzed based on Gender..... | 33 |
| Table III: Respondents' Tenure with PIU..... | 33 |
| Table IV: Employee Performance Appraisal methods used by Plan International Uganda..... | 36 |
| Table V: Measures put in place by Plan International Uganda to address factors affecting employee appraisal..... | 43 |

LIST OF FIGURES

| | |
|--|----|
| Figure 1: Factors that affect employee performance Appraisal in Organizations..... | 7 |
| Figure1: Performance Appraisal Methods used by Plan International Uganda..... | 37 |
| Figure 2: Measures put in place by Plan International Uganda to address factors affecting employee appraisal | 44 |

ABSTRACT

The study investigated the factors affecting effective execution of employee performance appraisals in organizations, using Plan International Uganda as a case study. The study was guided by the following main objectives: to find out how employee performance appraisal is done in Plan International Uganda; to establish the value employees of Plan International Uganda attach to employee performance appraisals; and to establish the factors affecting effective execution of employee performance appraisal in Plan International Uganda. The study employed a case study, descriptive as well as explanatory research designs; a self-administered questionnaire was used as the main method of data collection. The study found that: first, Plan International Uganda uses mainly two methods of employee performance appraisals, namely; essay method and 360 degree appraisal. Second, Employees of Plan International Uganda value employee performance appraisal highly because it is a dynamic and transparent system which enables them to link their individual performance to their respective job descriptions, and thus, assist them to achieve their performance objectives. Management's commitment to employee performance appraisals has contributed to enabling employees attach high value to the system. Third, despite the foregoing, lack of adequate interest by employees, lack of an established human resources system to effectively coordinate and harmonize employee performance appraisal issues, unrealistic reward system, and inflexible management styles, were real factors affecting effective execution of employee performance appraisals in Plan International Uganda. To overcome the foregoing, the researcher recommends that Plan International Uganda should promote staff dialogue, enhance upward feedback, give adequate rewards basing on performance, and enhance employees' opportunity to contributing and participating in performance reviews.

CHAPTER ONE

1.0 INTRODUCTION

1.1 Background to the Study

The main objective of this study was to assess the factors that affect employee performance appraisal in organizations. The key variables of interest that were studied in this research were factors affecting effective employee performance appraisal as the independent variable, and execution of employee performance appraisal as the dependent variable.

Employee performance appraisal may be defined as a structured formal interaction between a subordinate and supervisor, that usually takes the form of a periodic interview (annual or semi-annual), in which the work performance of the subordinate is examined and discussed, with a view to identifying weaknesses and strengths as well as opportunities for improvement and skills development (<http://www.performance-appraisal.com/intro.htm>).

1.1.1 An Overview of Employee Performance Appraisal

Performance appraisal systems began as simple methods of income justification. Appraisal was used to decide whether or not the salary or wage of an individual employee was justified. The process was firmly linked to material outcomes. If an employee's performance was

found to be less than ideal, a cut in pay would follow. On the other hand, if their performance was better than the supervisor expected, a pay rise was in order.

Little consideration, if any, was given to the developmental possibilities of appraisal. It was felt that a cut in pay, or a rise, should provide the only required impetus for an employee to either improve or continue to perform well. Sometimes this basic system succeeded in getting the results that were intended; but more often than not, it failed.

For example, early motivational researchers were aware that different people with roughly equal work abilities could be paid the same amount of money and yet have quite different levels of motivation and performance.

These observations were confirmed in empirical studies. Pay rates were important, yes; but they were not the only element that had an impact on employee performance. It was found that other issues, such as morale and self-esteem, could also have a major influence.

As a result, the traditional emphasis on reward outcomes was progressively rejected. In the 1950s in the United States, the potential usefulness of appraisal as a tool for motivation and development was

gradually recognized. The general model of performance appraisal, as it is known today, began from that time.

1.1.2 An Overview of Employee Performance Appraisal in Plan International

Plan International values employee performance appraisal and to this effect the organization has been implementing the same with its staff since its inception in 1945. To ensure this is uniform, the organization has trained all its staff in managing employee performance appraisals and has a streamlined process in place in respect of this.

In Uganda, as a subsidiary of the global organization, Plan International Uganda has taken to ensure that employee performance appraisal systems in the country are given the value it deserves. Staff are given regular orientation in the system. The organization has progressively registered tangible benefits from conducting employee appraisals.

The researcher was inspired by the urge to explore how employee performance appraisal is conducted in organizations. The researcher explored the factors that affect its effective execution using a case study of an organization in Uganda - Plan International Uganda, which has had a track record of managing employee performance appraisal since its inception in the country in 1992.

1.2 Statement of the Problem

Plan International Uganda is one of the leading organizations in Uganda which aim at effectively executing employee performance appraisal. Despite that aspiration, however, the organization sometimes falls short of effective execution of its employee performance appraisal. This scenario leads to several queries: Do employees of Plan International Uganda understand the value of effective execution of performance appraisal? If yes, how come their performance appraisal is not effectively executed? What are the factors affecting effective execution of performance appraisal in Plan International Uganda? Has Plan International Uganda taken any measures to address those factors? If yes, what are those measures and how effective are they? Getting empirical answers to the foregoing questions provided the motivation of carrying out this research.

1.3 Purpose and Objectives of the Study

1.3.1 Purpose of the Study

The main purpose of this study was to investigate the various factors affecting effective execution of employee performance appraisals in organizations; using Plan International Uganda as a case study.

1.3.2 Objectives of the Study

The study was guided by the following four objectives:

- (a) To find out how employee performance appraisal is done in Plan International Uganda;
- (b) To establish the value employees of Plan International Uganda attach to employee performance appraisal;
- (c) To establish the factors affecting effective execution of employee performance appraisal in Plan International Uganda;
- (d) To find out how Plan International Uganda has attempted to address the factors affecting its employee appraisal execution.

1.4 Research Objectives

To achieve the foregoing objectives the researcher used the following questions to guide the study:

- (a) How does Plan International Uganda conduct employee performance appraisal?
- (b) What value do employees of Plan International Uganda attach to employee performance appraisal?
- (c) What are the various factors affecting effective execution of employee performance appraisal in Plan International Uganda?
- (d) What measures if any, has Plan International Uganda taken to address the factors affecting its employee performance appraisal execution?

1.5 Significance of the Study

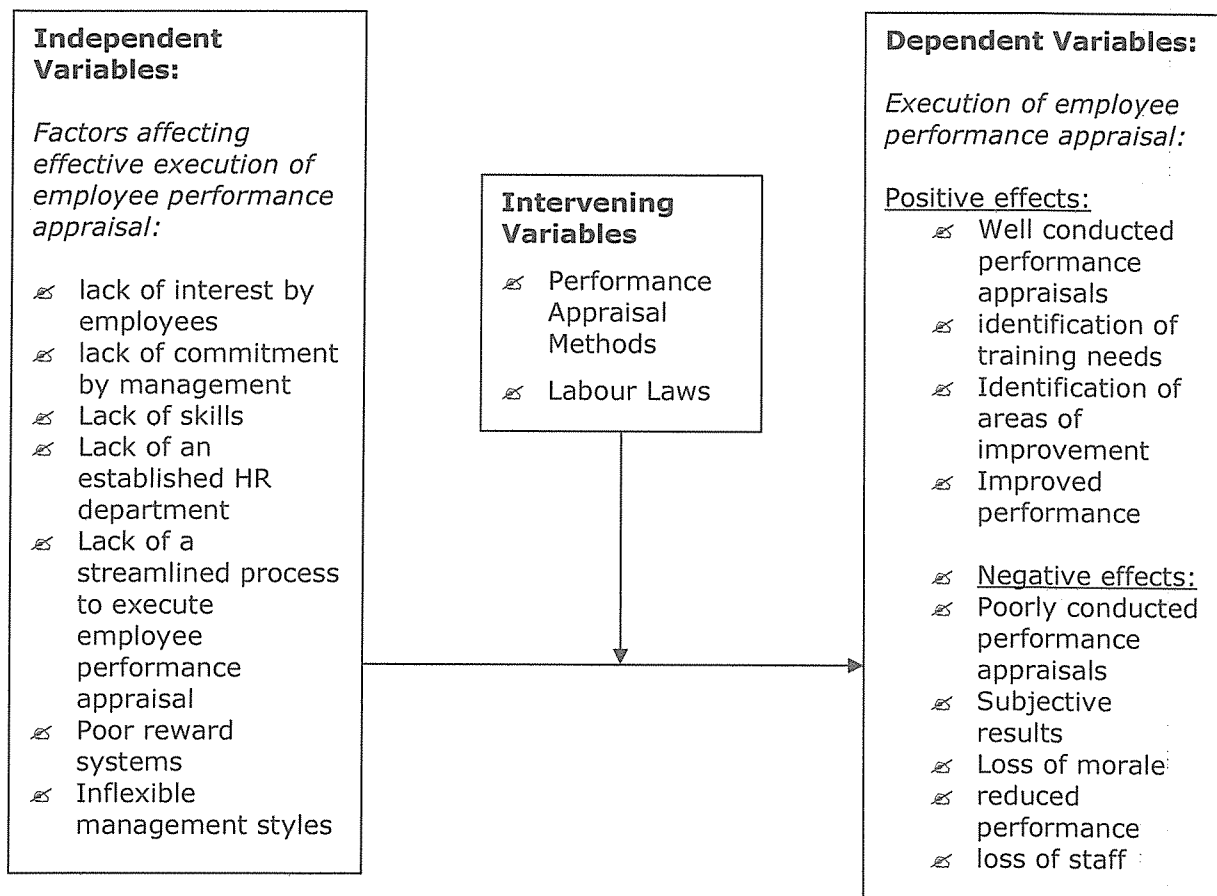
This study is significant in that:

Plan International Uganda will benefit from identifying the various factors that affect its effective execution of the employee performance appraisal. Other organizations will also benefit from learning and adopting the various methods that have helped Plan International Uganda to identify the areas of improvement in executing employee performance appraisal.

The results of this study will increase understanding of the benefits employers can derive in valuing employee performance appraisal and ensure its application and acceptability within staff. The study will also add to the pool of knowledge in the Human Resource Practice.

1.7 Conceptual Framework

Figure 1: Factors that affect employee performance Appraisal in Organizations



Source: Generated by the researcher

The researcher wanted to find out whether the above conceptual framework actually fits and depicts what takes place in Plan International Uganda.

CHAPTER TWO

2.0 REVIEW OF RELATED LITERATURE

2.1 Introduction

The main purpose of this chapter is to review the contributions of different scholars in the area of employee performance appraisal and the factors that affect its effective execution in organizations.

2.2 Meaning of Employee Performance Appraisal

Employee performance appraisal is a process that often combines both written and oral elements, whereby management evaluates and provides feedback on employee job performance, including steps to improve or redirect activities as needed. Documenting performance provides a basis for pay increases and promotions. Appraisals are also important to help staff members improve their performance and as an avenue by which they can be rewarded or recognized for a job well done. In addition, they can serve a host of other functions, providing a launching point from which organizations can clarify and shape responsibilities in accordance with business trends, clear lines of management-employee communication, and spur re-examinations of business practices. Performance appraisal is supposed to be a developmental experience for the employee and a 'teaching moment' for the manager" (Myers, 2001).

Bateman & Snell (2002) define performance appraisal as the assessment of an employee's job performance. Performance Appraisal has two basic purposes. First, the appraisal serves an administrative purpose – it provides information for making salary, promotion, and layoff decisions, as well as providing documentation that can justify these decisions in court. Second, and perhaps more importantly, performance appraisal serves a developmental purpose. The information can be used to diagnose training needs, career planning, and the like. Feedback and coaching based on appraisal information provide the basis for improving day-to-day performance.

The major administrative purpose of performance appraisals is to decide who should receive merit increases and the relative size of the increases. The appraisal purposes also help to identify employees with potential for promotion. High performing teams can be identified as well. Employee's reviews are widely used to provide documentation for discharging, demoting, and downsizing employees who are not meeting performance standards (Dubrin, 1997).

2.3 How Performance Appraisal is done in organizations

Ivancevich (2001) explains that in most organizations, employees are appraised by their immediate managers on the grounds that those who delegate work and monitor performance are best placed to appraise

performance. He argues that appraisals carried out at a more senior level allow employees an opportunity to talk with higher management who, in turn, can find out the views and attitudes of more junior staff at first hand.

A better approach may be for employees' immediate supervisors to write and carry out appraisals and for more senior managers to have an opportunity to comment on the report. This enables senior managers to keep a regular check on the progress of staff and to monitor the appraisal system to ensure that reporting standards are consistent.

Consideration of new approaches to carrying out appraisals may be a natural consequence of other changes in the organization such as team working, increased flexibility and greater emphasis on the importance of communications skills and relationships with people in the workplace. 'Upward appraisal' gives employees the opportunity to comment on the performance of their manager and may provide a more balanced view of the individual's performance. '360 degree evaluation sometimes known as 'multi'-source assessment' potentially offers a wider view of the individual's performance by taking into account comments from several sources of the organization.



Saleemi & Bogonko (1997) noted that there are several ways/methods that explain how employee performance appraisals are conducted. Specifically, they gave the following six methods.

Ranking Method: Under this method, employees are compared with one another on an overall basis and are ranked from best to poorest in order of merit. The overall merit or quality of a worker is considered and his individual qualities are not taken into account. The best or most efficient employee is ranked as number one and the poorest employee is assigned the last rank. Ranking is the oldest and simplest method of appraisal. But ratings are subject to the judgement and bias of the rater who has to consider a wholeman. Moreover, this method does not reveal the amount of difference between the employees with consecutive ranks. In a large group, it is difficult to compare several people simultaneously. Thus, ranking method of appraisal has limited value. The accuracy of this method can be improved by asking the rater to rank employees on certain desirable traits.

Graphic Rating Scale: This is one of the oldest and widely used methods of performance appraisal. A graphic rating scale is a chart or a graph indicating the different degrees or grades of various qualities on which the employees are to be appraised. The typical qualities are quality and workmanship, knowledge of the job, initiative, potential for

development, leadership, dependability, etc. The degrees or grades of a quality are described on the continuum by phrases (poor, below average, average, above average, excellent) or by numericals like 1,2,3,4,5. Every employee is given scores according to the degree to which he possesses a particular trait. The rater estimates the degree of a trait by observing the behaviour of subordinates on the job. The total score will indicate the overall merit of the employee.

Check-list Method: In this method, a list of statements is prepared. The statements describe various types of behaviour for a particular job. For every employee, the rater is asked to tick those statements which correctly describe his actual behaviour. Each statement is given a weight or scale value. The rating for a particular employee can be found by adding up the weights of various statements or phrases ticked.

Forced Distribution Method: Under this method, the raters are asked to distribute the ratings in five categories, i.e., outstanding, above average, average, below average and poor. Employees are rated on the basis of overall performance rather than on individual traits. The distribution of ratings must be such that it forms a normal frequency distribution. In other words, 10 per cent of the employees in

'outstanding' category, 20 per cent in 'above average,' 40 per cent 'average' 20 per cent 'below average' and 10 per cent 'poor'

Critical Incidents Method: Under this method, employees are evaluated on the basis of the behaviour of an employee during a significant or exceptional situation. The exceptional events or occasions are known as 'critical incidents'. Each incident represents a critical situation in the course of work and the reaction of an employee during it reflects his success or failure. Raters are required to record the reactions of an employee during the critical situation. The strengths and weaknesses reflected in the reaction are given scores or ratings.

Goal-Setting Approach. Goal-setting approach to performance appraisal is also known as management by objectives or appraisal by results. Under this approach, an employee is appraised on the basis of his performance in the achievement of agreed goals or objectives.

Besides the foregoing is the **360 degree performance appraisal method**. This is the latest approach to performance evaluation. It provides for performance feedback from the full circle of daily contacts that an employee might have. It became increasingly talked about and widely used in the 1990s. It consists of performance data generated from a number of sources, who can include the person to whom the individual being assessed reports, people who report to

them, peers (team colleagues or others in the organization), and internal and external customers and can also include self-assessment. A recent survey showed that about 12 percent of American organizations are using full 360-degree programmes but the trend is growing.

The researcher wanted to find out whether the above are the very methods that Plan International Uganda uses to appraise its employees.

2.4 Value attached to employee performance appraisals in Organizations

According to Saleemi & Bogonko (1997), employee performance appraisals are valuable in several ways as follows.

- a) Performance appraisal is helpful in testing the effectiveness of selection, placement and induction programmes. It reveals misfits who need to be trained or transferred to the right job. Experience gained through performance appraisal can be used to improve efficiency in the employment of personnel.
- b) Formal and systematic appraisal of employees provides a continuous record of the performance, efficiency and potential of employees. Such information helps to minimize favouritism and arbitrary judgement in the selection, promotion and transfer of

employees. Performance appraisal serves as a sure and scientific basis for sound personnel policy concerning merit-based promotions and transfers. Employees with high potential may be promoted and inefficient employees may be transferred or retrenched.

- c) Measurement of employee performance both in terms of quantity and quality provides a scientific basis for wage differentials and incentive plans of wage payment.
- d) Performance appraisal facilitates the training and development of employees. Every employee comes to know where he stands so that he can take steps to improve his capabilities. The strengths and weaknesses of employees can be found. Hence, performance appraisal helps in ascertaining the deficiencies and training needs of employees.
- e) By focusing attention on performance, employee performance appraisal goes to the heart of personnel management. It puts a psychological pressure on people to improve job performance. When they know that they are being appraised and their future largely depends on such appraisals they tend to adopt productive and acceptable behaviour. Thus, the appraising automatically acts as a control device. Performance appraisal reflects management's

interest in the progress of employees. It helps to bring about cordial relations between workers and management.

- f) Performance appraisal promotes a desire for improvement among employees. The confidence and morale of employees are increased when they are convinced that management evaluates them impartially and rewards individual performance.

The researcher wanted to establish whether the foregoing are the values/benefits attached to employee performance appraisals in Plan International Uganda.

2.5 Factors that affect effective execution of employee performance appraisals in Organizations

According to Saleemi and Bogonko (1997), performance appraisal is not a fool-proof technique; it suffers from limitations/factors that make its effective execution difficult. These are as follows.

- a) All the qualities reflecting the performance and potential of an employee cannot be quantified accurately. As such the rating may become questionable.
- b) Rating may be affected by the halo effect i.e., rating in one factor may affect rating in other qualities. Performance appraisal is also subject to the bias and judgement of the raters. When the rater does not have full information or cooperation of employees, ratings

are likely to be inaccurate. Central tendency, tendency to rate lower than justified, leniency, etc. are other examples of subjectivity in performance appraisal.

- c) Different raters may apply different standards in appraisal and their judgement may differ. This makes the ratings incomparable. A rater may have the tendency to rate most of the employees as average. Some raters may hesitate to assign poor ranks to employees with low performance.
- d) Many raters tend to over-emphasize one quality and rate employees on the basis of their general impression. When different raters give different scores for the same group of employees the reliability of ratings is open to doubt
- e) In order to make the appraisal more objective, complicated procedures are used for ratings. Employees who fail to understand these procedures and the frequent changes made therein they view the performance appraisal process with suspicion.
- f) The process of performance appraisal may create defensiveness among employees. Moreover, all appraisals put emphasis on conformity. Both democratic and autocratic managers are given equal ratings if their performance ratings are the same.

The researcher wanted to find out whether the foregoing are the factors that affect effective execution of performance appraisals at Plan International Uganda.

2.6 Measures that may be taken to improve employee performance appraisals' execution in Organizations

According to Shawn (2004), consistency is very crucial in executing employee performance appraisals. Even the most well designed performance appraisal system is worthless unless the organization is committed to ensuring that it is used properly and consistently. The organization and, specifically, its human resources department, must take an active role in the process, encouraging managers to conduct timely and accurate appraisals, reviewing individual performance evaluations in advance and working with the manager to revise the appraisal as necessary.

Shawn (2004) further argues that if a manager is reluctant to bring up negatives with the employee, the human resources department can conduct workshops or provide individual coaching on techniques for providing constructive criticism. The manager should come to understand that providing accurate and constructive employee feedback is an organizational priority, and an important criterion of acceptable performance as a manager.

On the other hand, Saleemi and Bogonko (1997) noted that the process of performance appraisal is beset with several obstacles. Faulty assumptions of superior and subordinate e.g., managers wish to make fair and accurate appraisal, subordinates want to know where they stand, etc., is the first major obstacle. Psychological feelings of insecurity, resentment, etc. and technical pitfalls like personal bias, errors, halo effect, central tendency, criteria of measurement, constant error etc. are other obstacles to effective appraisals. These obstacles can be removed when a sound and systematic appraisal system is used. The appraisal system should give correct, consistent, comparable and reliable ratings. A sound system of performance appraisal must fulfill the following essentials:

- a) The plan should as far as possible be simple to design and operate and easy to understand. When the appraisal system is complicated, employees may not understand it fully and may look at the plan with suspicion. The plan should not be very time-consuming.
- b) The appraisal plan should be designed keeping in view the objectives of the appraisal programme. The objective of the appraisal programme may be either to evaluate current performance on the job or to determine the potential for higher jobs. In some cases, performance appraisal is linked with specific

objectives like pay raise, training, promotion, transfer, etc. The number of factors to be considered and the data to be collected should be tailor-made to the objective of the appraisal.

- c) The appraisers should be selected and trained properly so that they have no personal bias and possess the necessary capabilities for correct evaluation of employees. In order to ensure objectivity in appraisal, an individual may be rated by two or more persons independently. The appraisal system should have the support of all executives who administer it. Top management must create a climate of reliable appraisal throughout the organization. Goal-orientation, open communications, informal relationships, etc. are the basic elements of such a climate.
- d) The plan should lay down the standards of performance in clear and precise terms. The plan should focus on objective measurement of performance in terms of accomplishments or specific events. The standards should be fully explained to all employees well in advance of the appraisal. In fact, the plan should be devised in consultation with the subordinates. This will increase their commitment to the plan and their understanding of expected performance.

- e) The plan should take into account the appraisal practices prevailing in the industry as well as the latest thinking on performance appraisal. It should fit the structure and operations of the organization. The evaluation must be made by the immediate superior though the personnel department may monitor the system.
- f) The appraisal should be a continuous process. But many firms conduct appraisal half-yearly or yearly due to lack of time and to avoid a sense of fear among employees. The frequency of appraisal in one year should be decided keeping in view the objective and scope of the appraisal programme. Suitable forms should be designed and used for the appraisal of employees.
- g) The appraisal plan should have built-in incentive. In other words, a reward should follow satisfactory performance.
- h) There should be a systematic procedure for the redressal of grievances arising out of the performance appraisal. The appraisal plan should be valid and reliable. The appraisal should be reviewed with the ratee. It will help him to know where he stands and what further actions he should take. It will also minimize resistance to appraisal.

- i) The appraisal plan should be reviewed and revised periodically after full discussion with the employees. Such review will ensure that the system does not become too rigid or outdated and that it continues to meet its objectives.

The researcher wanted to find out whether the foregoing measures are being used by Plan International Uganda to enable it to effectively execute its employee performance appraisals.

CHAPTER THREE

3.0 RESEARCH METHODOLOGY

3.1 Introduction

This chapter describes the research methods used in conducting the research. It describes the research strategy adopted for the study. It also describes the instruments of data collection, including how the instruments were tested for validity and viability. It further discusses the types and sources of empirical data utilized in this research. The chapter also discusses the research population and sample size, and sampling techniques applied. Lastly, the study looks at the limitations of the study.

3.2 Research Design

The researcher adopted descriptive and explanatory research designs to enable her describe and explain the various issues that were under investigation.

3.3 Study population

The study population involved the entire workforce of Plan International Uganda, who were 220 in total. The population involved Senior Managers, Middle Level Managers, Non-Supervisory Staff, and Support Staff.

3.4 Sample size

A sample of 80 was selected to answer the research questionnaires. Respondents were drawn from the four categories of staff as follows: senior management (10), middle level management (20), Non supervisory staff (40) and Support staff (10). Table I shows details of the population and sample size.

Table I: Population and Sample size

| Categories of Respondents | Population | Sample Size | Actual Responses |
|----------------------------------|-------------------|--------------------|-------------------------|
| Senior Managers | 11 | 10 | 7 |
| Middle level Managers | 30 | 20 | 18 |
| Non supervisory staff | 154 | 40 | 20 |
| Support Staff | 25 | 10 | 10 |
| Total | 220 | 80 | 55 |

3.5 Sampling Procedure

Purposive random sampling was used to select respondents from different categories of staff from different offices in Plan Uganda. According to Saunders et al (2003), purposive sampling or judgmental sampling enables the researcher to select cases that will enable him/her to answer research questions to meet his/her research

objectives. They said that this form of sampling is suitable when a researcher has a small sample. This inspired the researcher to use this method of sampling since the sample size was small with 80 respondents.

3.6 Types & Sources of Data

Data was collected to enable the researcher meet the objectives of the study. Two types of data were collected for this research; primary and secondary data.

3.6.1 Primary Data

Primary data was gathered through the use of observations, questionnaires, conducting interviews and focus group discussions specifically to answer the research questions for this study. The primary data that was gathered focused on the factors that affect effective execution of employee performance appraisal systems in organizations.

3.6.2 Secondary Data

The organization under the study had prior secondary data that were significant in answering the research questions. This data was also used to acquire information on the background and profile of the organization and the history of its employee performance appraisal systems. This data was obtained from the organization's human

resource policy manual, and records on human resource planning and career development plans from the human resource development department. Other information was accessed from the organization's website.

3.7 Data Collection Techniques

The researcher utilized a triangulation of data collection techniques for the study. Data was collected using both researcher administered and self-administered questionnaires (*see appendix 1*). The questionnaires were based on predetermined and standardized set of questions. Closed ended questions in a checklist format and open-ended questions were used in the questionnaire. The checklist format enabled the respondents to consider all possible responses to the questions. The open ended questions in the questionnaires were used to solicit responses on positive outcomes associated with employee performance appraisals.

The first section of the questionnaires was designed to capture personal information about the respondents for example, age, gender and number of years worked in the organization. The second section focused on; benefits of performance appraisals; how employee involvement in performance appraisal systems impacts on achieving

individual goals. The third section was on factors that affect effective execution of employee performance appraisals.

A letter explaining the purpose of the research was given to the respondents (*see appendix 2*). This was done to ensure that the respondents clearly understood the objectives of the study and to dispel any fears they might have held about the research. The respondents were also assured of confidentiality of their responses.

3.8 Data Analysis

The researcher applied quantitative analysis and specifically, descriptive data analysis techniques in analyzing the data collected. Descriptive data analysis allowed for calculation of frequency distribution, percentage distributions and tabulation in the presentation of data. Frequency distributions were used to analyze the age and gender distribution of the respondents. Tabulation and percentages was applied to determine the factors that affect effective execution of employee performance appraisals in organizations.

Bar and area graphs were applied to summarize and present the picture of how Plan International Uganda conducts employee performance appraisal, what value employees of Plan International Uganda attach to employee performance appraisals, the various

factors that affect effective execution of employee performance appraisal in Plan International Uganda; and what measures if any, Plan International Uganda has taken to address the factors affecting its execution of employee performance appraisal respectively.

The data was analyzed using statistical functions in Microsoft Excel. The researcher chose to utilize Micro soft Excel software as a tool for analyzing data as the sample size for the research was small; therefore, the software was reliable and accurate in analyzing the data. In addition, the researcher is very proficient in the analysis of the software and was able to achieve optimal results when analyzing the data.

3.9 Reliability of Data Collection Instruments

The researcher pre-tested the data collection instruments to ensure that the questionnaires were reliable and consistent in the event of replication. The researcher selected a group of 10 non-supervisory staff comprising of both male and female in equal numbers. The questionnaires were administered to the group for the first time. The same questionnaire was administered two weeks later to the same group of people and the respondents answered the questionnaires in a similar manner in both times. It was therefore concluded that the questionnaires were reliable.

3.10 Validity of Data Collection Instruments

The data collection instrument was tested for validity using the content validity technique. The researcher tested the validity of the questionnaires to measure the extent to which the data collected represented the indicators or variables of employee performance appraisals. According to Sharman and Bohlander (1992), a representative sample of criterion used to assess employee performance include: morale, organizational commitment, job satisfaction, absenteeism, productivity and turnover. The researcher adopted the above criterion in assessing employee performance in this research and in assessing the validity of questionnaires.

In assessing content validity of the questionnaires, the researcher identified a group of 10 staff with good experience in human resource management. The group was divided into two, one group was requested to assess what concept the instrument was trying to measure. The other group was asked to determine if the set of items on the questionnaire accurately represents the concept the instrument was trying to measure.

Both staff in the first group indicated that the instrument was meant to measure factors that affect the effective execution of employee performance appraisals in organizations. Three (3) staff in the second group indicated that the items in the questionnaire accurately represented the concept under study. Two (2) others pointed out that four items on the questionnaire were consistent with the research questions. The researcher adjusted the items on the questionnaires accordingly. The final results of the content validity test showed that the instrument was highly valid and could be administered in the study.

$$\text{Content Validity Index} = \frac{\text{Number of relevant questionnaires}}{\text{Total number of items in questionnaire}}$$

$$\text{CVI} = 12/16 = 0.75 \text{ (which is good enough to ensure validity).}$$

NB. Formula was adapted from Amin (2005).

3.11 Limitations of the Study

One of the limitations experienced in this study was that the quality of the data collected from the respondents may not have been highly credible. This is because respondents may have not answered the questionnaires freely and honestly due to fear of victimization. In addition, the respondents may have felt that the questionnaires would expose their individual feelings/perception about the organization's

employee performance appraisal system. This is especially so in the cases where the questionnaires were administered by the researcher. This may have happened despite the fact that the respondents were assured that the research was conducted purely for academic purposes and that their responses would be kept confidential. This is a limitation to the study because data that is not credible may lead to misleading conclusions about the factors that affect effective execution of employee performance appraisals in organizations.

CHAPTER FOUR

4.0 DATA PRESENTATION, ANALYSIS AND DISCUSSION

4.1 Introduction

This chapter deals with the presentation, analysis and discussion of empirical data and how they relate to the research questions. The findings are presented in form of tables, frequency distributions, percentage, area graphs and bar graphs.

4.2 Respondents Characteristics

Out of a total of 80 respondents who were targeted, only 55 were responsive, hence, a response rate of 69%. Respondents comprised of varying characteristics in view of gender and tenure periods.

4.2.1 Respondents Gender

Management of Plan International Uganda values gender balance and endeavours as much as possible to ensure gender balance in its workforce. The foregoing notwithstanding, gender imbalance is still a challenge (see table II).

Table II: Respondents analyzed based on Gender

| Gender of Respondents | Actual Responses | Percentage |
|------------------------------|-------------------------|-------------------|
| Female Staff | 25 | 45 |
| Male Staff | 30 | 55 |
| Total | 55 | 100 |

Source: Primary Data

As shown in table II, female respondents in this study constituted 45% of the total sample size while male respondents were 55%. This correctly reflects the general trend in Plan International Uganda because male employees outnumber their female counterparts.

4.2.2 Respondents Tenure in the organization

The researcher was interested in finding out how many years the respondents had worked with Plan International Uganda (PIU). Table III gives the details.

Table III: Respondents' Tenure with PIU

| Period worked | No. of Respondents | %age |
|----------------------|---------------------------|-------------|
| 1 – 3 years | 9 | 16 |
| 3 - 5 | 16 | 29 |
| 5 – 10 years | 23 | 42 |
| 10 and above | 7 | 13 |
| Total | 55 | 100 |

Source: Primary Data

As shown in table III, the study reveal(ed) that employees had worked for Plan International Uganda for varying year periods; 16% had worked for a period of 1 - 3 years in the organization; 29% had worked for 3 - 5 years; 42% had worked for 5 – 10 years; while 13% had worked for 10 years and above. This means that more than 50% of the respondents had worked in the organization for more than 5 years.

4.3 Presentation of Findings

The following findings are presented according to the study objectives and research questions.

4.3.1 Methods used by Plan International Uganda to appraise its employees

Objective one of the study was: *to find out the methods used by Plan International Uganda to appraise its employees*. In order to achieve this objective, the researcher used research question one which states that: *what methods does Plan International Uganda use to conduct employee performance appraisals?*

The findings reveal(ed) that Plan International Uganda uses two methods to appraise its employees, namely, the essay method and 360 degree evaluation method.

(a) Essay Method

Plan International Uganda uses the essay method because it involves an evaluator's written report appraising an employee's performance, usually in terms of job behaviors and/or results. In Plan International Uganda, the subject of an essay appraisal is often a justification of pay, promotion, or termination decisions, in addition to being used for developmental purposes as well.

In using this method, the management of Plan International Uganda focuses on development of the employee, areas of improvement and how the staff can be supported to improve those specific areas and also highlighting the areas of strengths and how they can be made stronger, e.g. through giving the respective staff different tasks or the staff using their strengths to support fellow colleagues.

(b) 360 degree evaluation

Plan International Uganda has adopted the latest approach to performance evaluation which is the 360 degree evaluation. This method provides for performance feedback from a full circle of daily contacts that an employee might have. It consists of performance data generated from a number of sources, who can include the person to whom the individual being assessed reports, people who report to

the appraisee, peers (team colleagues or others in the organization), and internal and external customers as well as self-assessment.

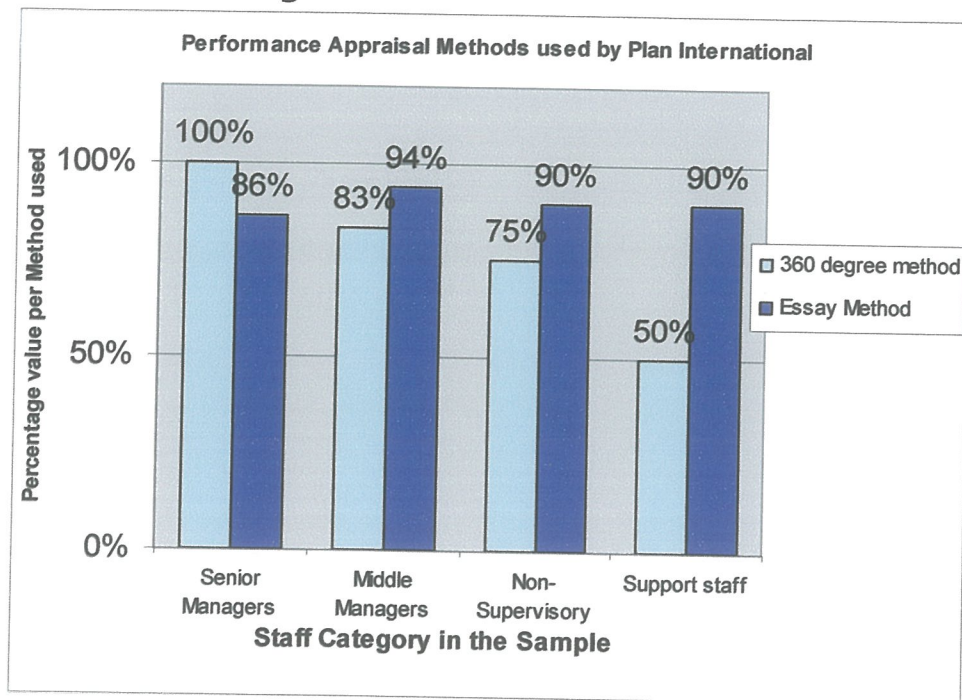
Plan International Uganda chose to use the 360 degree evaluation method basically to ensure that feedback is sought from peers who work with respective employees at the same level, those whom they supervise and others whom they interact with in the course of their day-to-day work. This enables the supervisor and supervised to get all round feedback on the behaviours and relationships the particular employee exhibits while doing their job. Table IV gives details on the usage of the two appraisal methods.

Table IV: Employee Performance Appraisal methods used by Plan International Uganda

| Category of staff sampled | Number of respondents sampled | Total that responded | No. in favour of 360 degree evaluation | Percentage in favour of essay method | No. in favour of essay method | Percentage in favour of 360 degree method |
|---------------------------|-------------------------------|----------------------|--|--------------------------------------|-------------------------------|---|
| Senior Managers | 10 | 7 | 7 | 100% | 6 | 86% |
| Middle Managers | 20 | 18 | 15 | 83% | 17 | 94% |
| Non Supervisory staff | 40 | 20 | 15 | 75% | 18 | 90% |
| Support staff | 10 | 10 | 5 | 50% | 9 | 90% |
| Total | 80 | 55 | 42 | 77% | 50 | 90% |

Source: Primary Data

Figure 2: Performance Appraisal Methods used by Plan International Uganda



The above results show that the two methods are valued by all staff categories. However, it is also evident that support staff display the least value for 360 degree evaluation. The researcher inquired from the support staff why they don't value this method and they said that they don't like the idea of their colleagues having to comment about their work; they don't trust feedback given by their colleagues as they feel their colleagues are out to get them out of their employment.

4.3.2 Value that employees attach to performance appraisal systems in Plan International Uganda

Objective two of the study was: *to establish the value employees of Plan International Uganda attach to employee performance appraisal.*

In order to achieve this objective, the researcher used research question two which states that: *What value do employees of Plan International Uganda attach to employee performance appraisals?*

The findings of this research reveal(ed) that employees at Plan International Uganda appreciate the benefits of performance appraisal to their individual performance and to the achievement of overall organizational goals. There was general agreement that employees have progressively valued the employee performance appraisal systems in place because of the direct link between the process and their output.

Employees of Plan International Uganda value the system because it enables them to identify their areas of improvement and therefore get management's support to improve. In addition, their areas of strength are also rewarded either through promotion, salary increments and others. The fact that the employee performance appraisal system in Plan International Uganda is dynamic, reviewed from time-to-time to meet the requirements of the organization and to take employees



opinion into consideration, has made it a value for both staff and management rather than an administrative hustle.

4.3.3 Factors affecting effective employee performance appraisal in Plan International Uganda

Objective three of the study was: *to establish the factors affecting effective execution of employee performance appraisals in Plan International Uganda.* In order to achieve this objective, the researcher used research question three which states that: *What are the various factors affecting effective execution of employee performance appraisals in Plan International Uganda?*

The research findings show that various factors affect effective employees' performance appraisal in Plan International Uganda. These include: lack of adequate interest by employees; lack of an established human resources system to effectively coordinate and harmonize employee performance appraisal issues; unrealistic reward system and inflexible management styles.

a) Lack of adequate interest by employees. Whereas it is appreciable that many of the respondents of Plan Uganda have interest in performance appraisals, it was also realized that some respondents are not adequately interested in either the entire performance appraisal process or the methods used to appraise them. Some of the respondents revealed that they are not happy

with the 360 Degree performance appraisal because they feel it is not proper, leave alone not being used to it because it is still new in the country.

b) Still wanting Human Resources Systems. Whereas Plan Uganda has Human Resources Professionals, its Human resources department has not yet established an a streamlined system to effectively handle all issues pertaining to employee performance appraisals. As a result, coordination and harmonization of employee performance appraisal issues sometimes hangs in balance which affects the effectiveness of performance appraisals execution in Plan International Uganda.

c) Unrealistic reward system. Although Plan International Uganda carries out performance appraisal yearly, and rewards employees accordingly, findings reveal that some respondents viewed its reward system as unrealistic. This is because, instead of making its reward system or salary increment pegged on performance or performance/merit-based, Plan International Uganda sometimes gives a blanket salary increment to its employees i.e. increasing every employee's salary irrespective of whether they have performed well or not. This not only eludes the essence of performance appraisal but also affects its effective execution.

d) Inflexible management styles. While respondents appreciated that the Management of Plan International Uganda is good, they lamented that it is sometimes rigid and inflexible on some issues of performance appraisal. For example, being rigid that performance appraisal should be done twice a year, and insisting on the use of the 360 Degree Appraisal Method despite the fact that many employees dislike it. All these, respondents said, affect effective execution of performance appraisals in Plan International Uganda as they greatly affect employees' morale and interest in appraisals.

4.3.4 Measures that Plan International Uganda has taken to address the factors affecting its effective execution of employee performance appraisal.

Objective four of the study was: *to find out how Plan International Uganda has attempted to address the factors affecting its effective execution of employee performance appraisal.* In order to achieve this objective, the researcher used research question four which states that: *what measures, if any, has Plan International Uganda taken to address the factors affecting its effective execution of employee performance appraisals?*

The research findings have shown that Plan International Uganda has made it mandatory for management to be committed to supporting the employee performance appraisal systems in place. The organization

achieves this through practice of: Staff Dialogue, Upward Feedback, Performance Rewards and Employees' contribution to reviews.

a) Staff Dialogue. This is the discussion held between the supervisor and supervisee on the performance of the employee being appraised. The discussion focuses on performance during the period under review focusing on areas of strength and areas of improvement. The two parties agree on the final assessment that is documented, signed by both parties and placed on an individual's personnel file.

b) Upward Feedback. Upward feedback provides an opportunity for supervisees to comment on their supervisors' performance during the period and to comment on how they are supervised, the kind of support they are given and their interpersonal skills. It also provides an opportunity to supervisors to get feedback from those they supervise on how they conduct themselves in their day-to-day work.

c) Performance Rewards. This refers to the rewards that employees receive after a performance appraisal. The amount of reward depends on how the employee has performed during the appraisal period. The rewards could be monetary or in form of promotion, training, exchange visits and others. This

motivates the employees to even maintain or improve their performance levels the following year.

d) Seeking employees' contribution. Employees feel valued when their ideas are sought and taken into consideration during review of employee performance appraisal systems. The fact that they are allowed to participate and their voice is listened to, makes them feel valued and part of the organization.

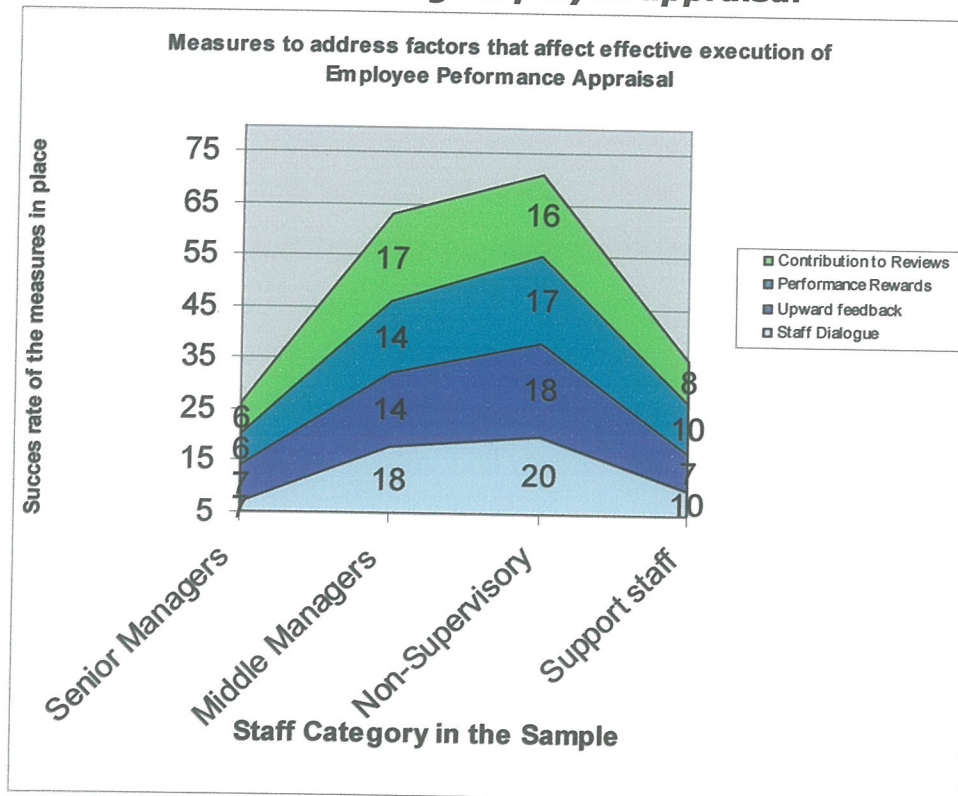
Table V gives details of the various categories of respondents who cited each of the foregoing measures.

Table V: Measures put in place by Plan International Uganda to address factors affecting employee appraisal

| Staff Category | No of staff sampled in respective category | No. of staff that responded | Staff Dialogue | Upward Feed-back | Rewards Performance | Contribution to Reviews |
|-----------------------|--|-----------------------------|----------------|------------------|---------------------|-------------------------|
| Senior Managers | 10 | 7 | 7 | 7 | 6 | 6 |
| Middle Level Managers | 20 | 18 | 18 | 14 | 15 | 17 |
| Non-Supervisory Staff | 40 | 20 | 20 | 18 | 17 | 16 |
| Support Staff | 10 | 10 | 10 | 7 | 10 | 8 |
| Total | 80 | 55 | 100% | 84% | 87% | 85% |

Source: Primary Data

Figure 3: Measures put in place by Plan International Uganda to address factors affecting employee appraisal



The findings above confirm that the various measures that management has put in place to address the various factors and barriers that would affect effective employee performance appraisals have yielded positive results. Employees are comfortable with the measures put in place and they are happy that management regularly seeks their views to make the process dynamic and in that way, the process is owned by all staff.

CHAPTER FIVE

5.0 CONCLUSIONS AND RECOMMENDATIONS

5.1 Introduction

This chapter mainly deals with conclusions and recommendations.

5.2 Conclusions arising out of the Study

From the findings of the study, the researcher makes the following conclusions.

- a) Plan International Uganda uses mainly two methods of employee performance appraisals, namely; essay method and 360 degree appraisal. These methods are used concurrently and they supplement and compliment each other.
- b) Not all support staff are convinced and comfortable with the use of 360 degree feedback because they don't trust feedback from their colleagues. There is a general feeling that their colleagues might be out to witch-hunt them since they many not provide factual feedback.
- c) Employees of Plan International Uganda value employee performance appraisals highly because it is a dynamic and transparent system which enables them to link their individual performance to their respective job descriptions, and thus, assist

24/6/30

them to achieve their performance objectives. Management's commitment to employee performance appraisals has contributed to enabling employees attach high value to the system.

d) While it is appreciable that Plan International Uganda has done a lot to make its performance appraisal a success, various factors still affect its effective execution of employees' performance appraisal. These include: lack of adequate interest by employees; lack of an established human resources system to effectively coordinate and harmonize employee performance appraisal issues; unrealistic reward system and inflexible management styles.

e) Given the foregoing affecting factors, Plan International Uganda has not just sat and spectated. Rather, it has come up with various measures to try to ensure effective execution of employee performance appraisals, including; promotion of Staff Dialogue, Upward Feedback, giving of Performance-based Rewards, and Employees' contribution to reviews.

5.4 Recommendations

In order to remedy the anomalies identified and to further ensure effective execution of employee performance appraisals in Plan International Uganda, the researcher recommends the following:

- a) Plan International Uganda should strive to bring all staff on board into appreciating the benefits of performance appraisal systems in place. Although the research found only a small percentage of employees who were not agreeing and up-to-date with the performance appraisal systems and practices, it is important that management focuses on them too, to ensure they don't impart negative influence to the larger group with time. The human resources personnel should ensure continued orientation and support to staff so that eventually the small percentage will be brought on board.
- b) Plan International Uganda should try to strengthen a third method for use in conducting employee performance appraisals and this is 'Management by Objectives (MBO)'. This is because the method will enable employees to set individual specific measurable objectives which are in line with the overall organizational objectives for specific periods.

- c) Management at Plan International Uganda should dedicate more time to train support staff in the use and benefits of the 360 degree method. This will enable this category to appreciate its benefits and change their perspective of it.
- d) Employee performance appraisal is not entirely the responsibility of organizations and their management alone; rather, it is a responsibility of employees too. Employees, therefore, should contribute towards appraisal discussions, challenge feedback positively, and not just or merely accept everything said by their supervisors; employees should also acquire skills to give constructive feedback to their supervisors. Employees should avoid being defensive, but accept positive criticism and learn from it.
- e) Plan International Uganda should ensure that the performance appraisal exercise is made and maintained as a two-way communication for it to be effective. This means that there must/should be active and effective communication between the supervisor and the subordinate about performance. Employee performance appraisals should also not be viewed as once-a-year completion of rating forms but a continuing process.

5.3 Areas of Future Research

A potential area for future research is still on the factors that affect effective execution of employee performance appraisals. This is based on the fact that only 69% of the respondents participated in the research - leaving out 31% which could provide a different scenario of results. The researcher therefore feels that this is still a potential area of research either in the same organization or in other organizations.

REFERENCES

- Amin M.E. (2005). *Social Science Research – Conception, Methodology and Analysis*. Makerere University Printery.
- Armstrong, M. (2000). *Performance Management – Key Strategies and Practical Guidelines – 2nd Edition*. Kogan Page Publishers.
- Armstrong, M. (2001). *A Handbook of HUMAN RESOURCE MANAGEMENT. PRACTICE – 8th Edition*. Published by Kogan Page Limited.
- Armstrong, M. (2003). *A Handbook of Human Resource Management Practice – 8th Edition*. Printed & bound in Great Britain by The Bath Press Ltd (part of the CPI Group).
- Armstrong, M. and Baron, A. (2004) *Managing performance: performance management in action*. London: Chartered Institute of Personnel and Development.
- Bateman, T.S. & Snell S.A. (2002). *Management: Competing in the New Era. McGraw-Hill Higher Education*. A Division of the McGraw-Hill Companies.
- Beer, M & Ruh, R.A. (1976) *Employment growth through performance management*, Harvard Business Review.
- Cawley, B.D., Keeping, L. M.. & Levy, P.E. (1988). *Participation in the Performance Appraisal Process and Employee Reactions. A Meta-Analytic Review Of Field Instigations*. Journal of Applied Psychology.
- Chuck, W. (2002). *Effective Management: A Multimedia Approach*. South-Western, a division of Thomson Learning – USA.
- Cole, G.A. (2002). *Managing Human Resources*, 12th Edition, South Western College publishing Thomson Learning USA.
- Daft R. L. (1988). *Management – 4th Edition*. The Dryden Press.
- Daft, R.L. & Marcic, D. (2004). *Understanding Management – 4th Edition*. South-Western, a division of Thomson Learning – USA, Pages 4 - 12.

Dubrin, A.I. (1997). *Essentials of Management, 4th Edition*. Library of Congress Cataloging-in-Publication Data.

Fleet, D.D.V. Peterson, T.O. (1994). *Contemporary Management – 3rd Edition*. Houghton Mifflin Company.

Gillen, T. (2007) *Performance management and appraisal*. CIPD toolkit. 2nd ed. London: Chartered Institute of Personnel and Development.

Houldsworth, E. & Jirasinghe, D. (2006) *Managing and measuring employee performance*. London: Kogan Page.

Ivancevich, J.M. (2001). *Human Resource Management*. McGraw-Hill/Irwin, an imprint of The McGraw-Hill Companies.

Maicibi, N.A. (2005). *Pertinent Issues in Management – Human Resource & Educational Management*. Net Media Publishers Ltd.

Maicibi, N.A. & Kaahwa Y. (2004). *Graduate Studies Supervision*. Nemedi Publishers Ltd.

Mathis R. & Jackson J., (1997) *Human Resource Management, 8th Edition*, West Publishing Company, USA.

McShane, S.L. & Glinov, M.A.V. (2005). *al Behaviour*. Library of Congress Cataloging-in-Publication Data.

Plan International Uganda Performance Management System Policies (2008).

Plan International Uganda Terms and Conditions of Service (2008).

Rue, L. W. & Byars L. L. (1995). *Management: Skills and Application*. Library of Congress Cataloging-in-Publication Data.

Robbins S.P. (2001). *al Behaviour – 9th Edition*. Prentice Hall Learning on the Internet Partnership.

Saleemi, N.A and Bogonko, J.B. (1997), *Management Principles and Practice Simplified*, N.A. Saleemi Publishers, Nairobi, Kenya.

Saunders M., Lewis O. & Thornhill A. (2003) *Research Methods for Business Students, 3rd Edition*. Prentice Hall.

Shaman, A. & Bohlander, G. (1992). *Managing Human Resources*. 9TH Edition. South Western Publishing Company Ohio.

Shawn S. (2004) *The HR Answer Book: An Indispensable Guide for Managers and Human Resources Professionals*

Susann, D. (1999). *Keeping Your Valuable Employees: Retention Strategies for your Most Important Resource*. John Wiley & Sons, Inc.

Whetten, D.A., Cameron, K.S. (1988). *Developing Management Skills*. Library of Congress Cataloging-in-Publication Data.

Reports

CHARTERED INSTITUTE OF PERSONNEL AND DEVELOPMENT. (2005) *Performance management*. Survey report. London: CIPD.

INCOMES DATA SERVICES. (2007) *Performance management*. HR Studies. London: IDS.

Journal Articles

Cunneen,, P. (2006) *How to improve performance management.- People Management*. Vol. 12, No 1, 12 January.

Houldsworth, E. (2007) *In the same boat. People Management*. Vol. 13, No 2, 25 January.

Risher, H. (2005) *Getting serious about performance management - Compensation and Benefits Review*. Vol. 37, No 6, November/December.

Myers, Joel. "How to Evaluate Your Evaluation System." *Memphis Business Journal*. February 9, 2001.

Website sources

<http://www.cipd.co.uk/subjects/perfmangmt/general/perfman.htm>

<http://www.peoplestreme.com/what-is-performance-management.shtml>

<http://www.performancecoachinginternational.com/resources/articles/highperformance.asp>

<http://www.plan-international.org>

<http://blogs.siliconindia.com/DharmeshSharma>

APPENDICES

APPENDIX 1(a): QUESTIONNAIRE (FOR SENIOR MANAGERS)

SECTION A: BACKGROUND INFORMATION

1. Date of interview ----- (DD/MM/YYYY)
2. Position of Respondent -----
3. Gender -----
4. Number of years worked in the Organization -----

SECTION B: THE BENEFITS OF EMPLOYEE PERFORMANCE APPRAISAL SYSTEMS

(To be self administered)

1. Organizations that promote employee performance appraisals will attract and retain quality employees and increase staff morale;

- (a) Strongly Agree
- (b) Agree
- (c) Disagree
- (d) Other (*please specify*) _____

2. In order to have a dynamic employee performance appraisal system, organizations need policies in place plus management's commitment to implement it;

- (a) Strongly Agree
- (b) Agree
- (c) Disagree
- (d) Other (*please specify*) _____

3. If employees feel valued as individuals and are given full access to training, promotion and development opportunities internally, identified through a formal employee performance appraisal system, they are less likely to leave and more likely to be flexible in their work;

- (a) Strongly Agree
- (b) Agree
- (c) Disagree
- (d) Other (*please specify*)

4. By establishing formal and dynamic employee performance appraisal system, organizations would expect to gain a greater appreciation of staff input towards achieving organizational effectiveness and attaining a competitive edge over their competitors;

- (a) Strongly Agree
- (b) Agree
- (c) Disagree
- (d) Other (*please specify*)

5. In adopting employee performance appraisal system, organizations will benefit from being perceived as valuing staff and appreciating their development needs;

- (a) Strongly Agree
- (b) Agree
- (c) Disagree
- (d) Other (*please specify*)

6. A dynamic employee performance appraisal system is more responsive to change and therefore a powerful resource in the process of managing change;

- (a) Strongly Agree
- (b) Agree
- (c) Disagree
- (d) Other (*please specify*)

7. Good employee performance appraisal skills and abilities are entirely compatible with good people management skills;

- (a) Strongly Agree
- (b) Agree
- (c) Disagree
- (d) Other (*please specify*)

8. Litigation cases over biased employee performance appraisal practices are less likely in organizations that effectively implement dynamic employee performance appraisal systems;

- (a) Strongly Agree
- (b) Agree
- (c) Disagree
- (d) Other (*please specify*)

SECTION C: FACTORS THAT AFFECT EMPLOYEE PERFORMANCE APPRAISALS

9. Which of these terms best describes the factors that affect employee performance appraisals in your organisation?

- (a) Lack of interest by employees
- (b) Lack of commitment by management
- (c) Lack of skills
- (d) Poor reward systems
- (e) Other (*please specify*)

10. What would you say is the relationship between the factors mentioned above and the success of employee performance appraisal systems in the organization?

- (a) Very Close
- (b) Close
- (c) Supportive
- (d) Fair

- (e) Not related
- (f) Other (*please specify*)

11. How do you think the current employee performance appraisal system in your organization contributes to employee turnover over?

- (a) Positive (*helps maintain low turnover rates*)
- (b) Negative (*leads to high turnover rates*)
- (c) Not related
- (d) Other (*please specify*)

12. How do you think the current employee performance appraisal system in your organization contributes to achievement of organizational goals?

- (a) Positive (*helps achieve planned goals*)
- (b) Negative (*leads to low attainment of goals*)
- (c) Not related
- (d) Other (*please specify*)

[illegible]

SECTION D: ALTERNATIVE SUGGESTIONS

Suggest other alternatives, if any, employee performance appraisal systems in Plan International Uganda could be improved:

This image shows a single sheet of white paper with horizontal ruling lines. The lines are evenly spaced and run across the width of the page. There are no margins, text, or other markings on the paper.

END

Thank you very much for your responses and cooperation.

APPENDIX 1 (b): QUESTIONNAIRE (FOR MIDDLE LEVEL MANAGERS)

SECTION A: BACKGROUND INFORMATION

1. Date of interview ----- (DD/MM/YYYY)
- 2 Position of Respondent -----
3. Gender -----
4. Number of years worked in the Organisation -----

SECTION B: WHAT VALUE DOES MANAGEMENT AND EMPLOYEES ATTACH TO EMPLOYEE PERFORMANCE APPRAISAL SYSTEMS?

(To be self Administered)

1. Does your organization have an employee performance appraisal system in place?
 - (a) Yes
 - (b) No
 - (c) Don't know

 2. Is your organisation's employee performance appraisal policy incorporated into the following? *(please tick against all that is applicable)*
 - (a) Organisational core values
 - (b) Strategic Plans
 - (c) Performance Indicators
 - (d) Human Resource Manual
 - (e) Succession Planning
 - (f) Not Incorporated
 - (g) Don't know
 - (h) Other *(please specify)*
-
-

3. Does your organization have a budget to support employee performance appraisal and its outcomes?

- (a) Yes
- (b) No
- (c) Don't know

4. Listed below are some dimensions of employee performance appraisals. Please mark all the dimensions that are specifically addressed in your organization's employee performance appraisal policy;

- (a) Performance indicators
- (b) Key result areas
- (c) Succession Planning
- (d) Training
- (e) Promotion
- (f) Disability
- (g) Political affiliation
- (h) Other (*please specify*)

5. Does your organization measure the effectiveness of its employee performance appraisal policy?

- (a) Yes
- (b) Know
- (c) I don't know

6. If yes, what feedback mechanism does your organization use to check the success of its employee performance appraisal policy, and what mechanisms are the most effective in providing it with the needed information?

| | Feed back | Used | | Effectiveness | | |
|-----|----------------------------|------|----|---------------|--------|------|
| (a) | Baseline Survey | Yes | No | Low | Medium | High |
| (b) | Staff Survey | Yes | No | Low | Medium | High |
| (c) | Focus Groups | Yes | No | Low | Medium | High |
| (d) | One-on-One interviews | Yes | No | Low | Medium | High |
| (e) | Suggestion Box | Yes | No | Low | Medium | High |
| (f) | Staff /Management meetings | Yes | No | Low | Medium | High |

7. How often does your organization measure the effectiveness of its employee performance appraisal policy?

- (a) Quarterly
- (b) Semi-annually
- (c) Annually
- (d) Don't know
- (e) Other (*please specify*)

8. Does your organization have a process in place to support your employee performance appraisal policy?

- (a) Yes
- (b) No



9. Who has the lead responsibility for implementing employee performance appraisal in your organization?

- (a) Senior Management Team
- (b) Human Resource department
- (c) Line Managers
- (d) Employees
- (e) All the above
- (f) None of the above

10. Does your organization have a formal succession planning process?

- (a) Yes
- (b) No
- (c) Don't know

11. What does senior leadership currently do to demonstrate its commitment to employee performance appraisal? *(Please tick against all that is applicable)*

- (a) Regular orientation of employee performance appraisal at meetings
- (b) Mentoring /coaching
- (c) Staff involvement in conducting reviews of the employee performance appraisal processes
- (d) Managing by example
- (e) Dedicated Resources
- (f) Recognition of employee performance appraisal champions
- (g) Ensuring active involvement of staff in the employee performance appraisal process
- (h) Recognition of high performers through the employee performance appraisal process
- (i) Other *(please specify)*

12. Selecting from the list in no. 10 above, please identify the three (3) approaches that are most effective;

- (a) _____
- (b) _____
- (c) _____

13. Which of the following identifies how senior management is held accountable for employee performance appraisal?

- (a) Performance standards
- (b) Recognition
- (c) Rewards
- (d) Performance Reviews
- (e) Not held accountable
- (iv) Other (*please specify*)

SECTION C: MANAGEMENT STYLES

14. Which of these terms best describes the style of management used by the organization?

- (a) Autocratic
- (b) Bureaucratic
- (c) Top/Bottom
- (d) Open/Participatory
- (e) Other (*please specify*)

15. What would you say is the relationship between the current style of management and the employee performance appraisal systems in the organisation?

- (a) Very Close
- (b) Close
- (c) Supportive
- (d) Fair
- (e) Not related
- (f) Other (*please specify*)

16. How do you think the current employee performance appraisal systems in your organization contributes to employee turnover over?

-

Suggest other alternatives if any, employee performance appraisal management systems in Plan International Uganda could be improved:

68

END

Thank you for your responses and cooperation

APPENDIX 1(c): QUESTIONNAIRE (NON SUPERVISORY & SUPPORT STAFF)

SECTION A: BACKGROUND INFORMATION.

1. Date of interview ----- (DD/MM/YYYY)
2. Position of Respondent -----
3. Gender -----
4. Number of years worked in the Organisation -----

SECTION B: DOES EMPLOYEE INVOLVEMENT IN EMPLOYEE PERFORMANCE APPRAISAL SYSTEMS CONTRIBUTE TO THEIR INDIVIDUAL PERFORMANCE?

(To be conducted through focus group discussions and interviews by Research Assistants)

1. What employee groups does your organization currently have in place? (Please tick all that apply)

- (a) Task Force
- (b) Staff Associations
- (c) Focus Groups
- (d) Advisory Council
- (e) Union
- (f) Other (*please specify*)

2. Do Senior managers involve any of the employee groups identified in 1 above to participate in any of the following?

| | | | |
|-----|---------------------------------|-----|----|
| (a) | Human Resource Planning | Yes | No |
| (b) | Peer Review | Yes | No |
| (c) | Employee benefits | Yes | No |
| (d) | Policy Planning | Yes | No |
| (e) | Performance management reviews | Yes | No |
| (f) | Budgeting | Yes | No |
| (g) | Other (<i>please specify</i>) | | |

3. Which of the following identifies how employees are held accountable for their performance? (*Please tick against all that is applicable*)

- (a) Performance standards
- (b) Recognition
- (c) Rewards
- (d) Promotion
- (e) Demotion
- (f) Performance Reviews
- (g) Not held accountable
- (h) Other (*please specify*)

4. How often does your organization conduct employee performance appraisals in a year?

- (a) Weekly
- (b) Monthly
- (c) Quarterly
- (d) Bi-annually
- (e) Other (*please specify*)

5. Staff being appraised are given an opportunity to participate in the appraisal process;

- (a) Strongly Agree
- (b) Agree
- (c) Disagree
- (d) Other (*please specify*)

6. Which of the following methods do supervisors use to involve staff in their own appraisal processes? *(Please tick against all that is applicable)*

- (a) Self Appraisals
- (b) Upward Feedback
- (c) Open Discussions during appraisals
- (d) Staff Feedback
- (e) Other *(please specify)*

7. The organization's employee performance appraisal system is a transparent process;

- (a) Strongly Agree
- (b) Agree
- (c) Disagree
- (d) Other *(please specify)*

8. Management is committed to ensuring the employee performance appraisal system is well known to all staff and applied objectively;

- (a) Strongly Agree
- (b) Agree
- (c) Disagree
- (d) Other (*please specify*)

9. Which of the following methods does management use to ensure the point in number 8 above? (*Please tick against all that is applicable*)

- (a) Staff Orientation
- (b) Staff training
- (c) Refresher trainings
- (d) Documented employee performance appraisal manual with free access
- (e) Other (*please specify*)



10. The employee performance appraisal system is a useful tool because of the following outcomes; *(Please tick against all that is applicable)*

- (a) Identification of training needs
- (b) Opportunities for promotion
- (c) Opportunities of transfers
- (d) Career growth
- (e) Improved communication
- (f) Improved Relationships between supervisors and supervised
- (g) Other *(please specify)*

**SECTION C: FACTORS AFFECTING EFFECTIVE EXECUTION OF
EMPLOYEE PERFORMANCE APPRAISALS**

11. Which of the following styles of management is a big factor in executing effective employee performance appraisals in your organization?

- (a) Autocratic
- (b) Bureaucratic
- (c) Top/Bottom
- (d) Open/Participatory
- (e) Other *(please specify)*

12. What would you say is the relationship between the above mentioned factors and the employee performance appraisal systems in your organisation?

- (a) Very Close
- (b) Close
- (c) Supportive
- (d) Fair
- (e) Not related
- (f) Other (*please specify*)

SECTION D: ALTERNATIVE SUGGESTIONS

Suggest other alternatives if any, employee performance appraisal systems in Plan International Uganda could be improved:

This image shows a blank sheet of white paper with horizontal ruling lines. The lines are evenly spaced and run across the width of the page. There are no margins, text, or other markings on the paper.

[illegible]

Appendix 2

15th March, 2009

Teddy Mary Mbabazi,
Kampala International
University,
P.O. Box 20000,
KAMPALA

Dear Respondent,

**RE: RESEARCH ON THE IMPACT OF PERFORMANCE
MANAGEMENT IN ORGANISATIONS – A CASE OF PLAN
UGANDA**

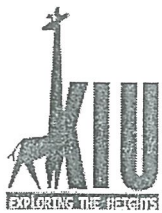
I am a student at Kampala International University pursuing a Master of Arts Degree in Human Resource Management. I am conducting a Research on the factors affecting effective execution of employee performance appraisals in organisations using a case of Plan International Uganda as a partial fulfilment for the degree award.

I have been authorised to access your organisation as a case study for this research. Kindly take a few minutes of your time to fill out the attached questionnaire. The data that will be collected from this Research is meant for academic purposes only and will not be used in any other forum. Please be assured that your responses will be kept confidential.

Thank you for accepting to participate in this research.

Yours sincerely,

Teddy Mary Mbabazi.



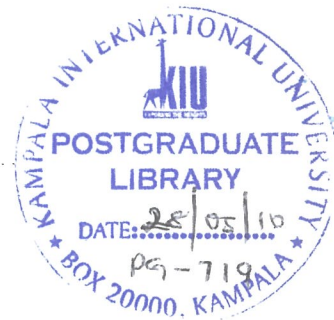
**KAMPALA
INTERNATIONAL UNIVERSITY**

P.O.BOX 20000
KAMPALA- UGANDA.
TEL:-041-266813

**OFFICE OF THE DIRECTOR
SCHOOL OF POSTGRADUATE STUDIES AND RESEARCH**

May 5th, 2009

To:
The Country Director
Plan Uganda
P.O Box 12075
Kampala



Dear Sir/Madam,

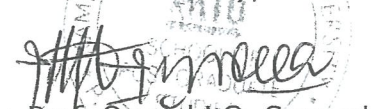
RE: INTRODUCTION FOR MBABAZI TEDDY MARY

This is to inform you that the above named is our registered student
(MHR/16319/71/DU) in the School of Post Graduate Studies pursuing a
Master of Arts in Human Resource Management (MA HRM)

She has completed her taught modules and is left to embark on thesis entitled"
The impact of Performance Management in Organizations: A case Study of
Plan Uganda".

Any assistance rendered to her regarding research, will be highly appreciated.

Yours faithfully,


Prof. Owolabi O. Samuel

DIRECTOR-SCHOOL OF POSTGRADUATE STUDIES AND RESEARCH

