

UNIVERSITY OF CAPE COAST

STAFF PERFORMANCE APPRAISAL AS A HUMAN RESOURCE
MANAGEMENT TOOL IN THE GHANA PORTS AND HARBOURS
AUTHORITY

BY

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MANAGEMENT

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DECLARATION

Candidate's declaration

I hereby declare that this dissertation is the result of my own original work and that no of it part has been presented for another degree in this University or elsewhere.

Candidate's Signature Date

Name: Romeo Teimang Bortey

Supervisor's declaration

I hereby declare that the preparation and presentation of this dissertation were supervised in accordance with the guidelines on supervision of dissertation laid down by the University of Cape Coast

Supervisor's Signature Date

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ABSTRACT

The study examined to a greater extent, the organizational policies, procedures and resources that support the appraisal system of the Ghana Ports and Harbours Authority. The timing, frequency, uses of appraisal data and other relevant issues that affect the performance appraisal system were also critically evaluated.

The data collection tools employed in the study included questionnaires, interviews and focus group discussions. The simple random sampling technique was used to draw the sample size. A key informant from the Human Resource Department provided useful information on the subject and the study area.

The main findings of the study portrays that the performance appraisal system in GPHA is effective but faces challenges; the important stage of appraisal interview in the process is grossly overlooked. The assessors have no training and there are policies and manuals to guide them in the appraisals. The usage of appraisal data is also limited to promotions and award of salary increment. It was recommended that the policy and the manuals should be written, the raters trained, and feedback to appraisees given at the end of the process to improve the overall performance of the appraisal system in the Ghana Ports and Harbours Authority and other organisations using such a tool for human resource management.

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DEDICATION

To my wife Abigail Mensah, daughters Rebecca Bortey, Nancy Bortey and Wendy Bortey and my son David Bortey.

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LIST OF ACRONYMS

AMA	American Management Association
BARS	Behaviourally Anchored Scales
BOS	Behaviour Observation Scales
GPHA	Ghana Ports and Harbours Authority
DG	Director General
ECOWAS	Economic Commission for West African States
GHATIG	Ghana Trade and Investment Gateway
GCHC	Ghana Cargo Handling Company
GJT	Golden Jubilee Terminal
GPA	Ghana Port Authority
HR	Human Resource
HRD	Human Resource Department
MBO	Management by Objectives
MPS	Meridian Port Services
NDC	National Democratic Congress
OECE	Overseas Economic Cooperation Fund
PNDCL	Provisional National Defense Counsel Law
SBU	Strategic Business Unit
TLCL	Takoradi Litrage Company Limited

CHAPTER ONE

INTRODUCTION

Background to the study

The Ghana Ports and Harbours Authority (GPHA) is a state-owned organisation in the service sector. The basic function of GPHA is to provide services to importers and exporters at internationally competitive prices and to handle all goods with care and at a fast transit time. As a statutory board it is mandated to plan, build, manage and control seaports in Ghana and to provide maritime services to importers, exporters and ship-owners.

The maritime industry is global and dynamic, with regional competition between ports in the West Coast of Africa, particularly for the transit and transshipment trade to the Sahelian region. The ports of Togo, Benin, Nigeria and Ivory Coast are in competition with the Authority to capture the transit business in the three landlocked countries of Burkina Faso, Mali and Niger. To achieve competitive advantage over its competitors, GPHA ensures that the right caliber of staff, with the right background, attitudes and expertise are employed to push forward the strategic agenda of the organisation. It is the vision of the organisation to become a maritime hub, the most efficient one-stop services centre in the Economic Commission for West African States (ECOWAS) sub-region and Africa as a whole and indeed a reliable maritime gateway to the West Africa sub-region.

In line with this objective, the Government of Ghana, under the Gateway programme, is undertaking massive infrastructural development along the Ghanaian corridor and reviewing Customs and Excise procedures, and removing police barriers and other bottlenecks or obstacles to ensure fast, safe and free flow of goods in order to make the corridor attractive. GPHA's market share in the transit business is negligible but a huge opportunity exists if language barriers, xenophobia, and police harassment along the corridor are removed.

A collaborative study conducted by GPHA, Shippers Council and the Customs Excise and Preventive Service in 2001 and another by Michael Luguje in 2004 revealed that there is a huge opportunity for the Authority to increase its market share of the transit business if efficiency of the staff could be improved. Figure 1 shows the percentage share of the various competing corridors for the transit trade from 1997 to 2003.

As the share of Abidjan, the market leader for a long time declined from 2000 towards 2003 after a record peak in 1999 that of Tema rose from zero in 1997 to 22 percent in 2003. The Takoradi Port which also had zero shares even up to 2001 started recording some growth in cargo handling. The aggregate throughput (the total volume of imports and exports handled in a given period of time) of the ports of Ghana make the corridor one of the current most attractive in the sub region after Lome Port which had a market share of 26 percent as at 2003.

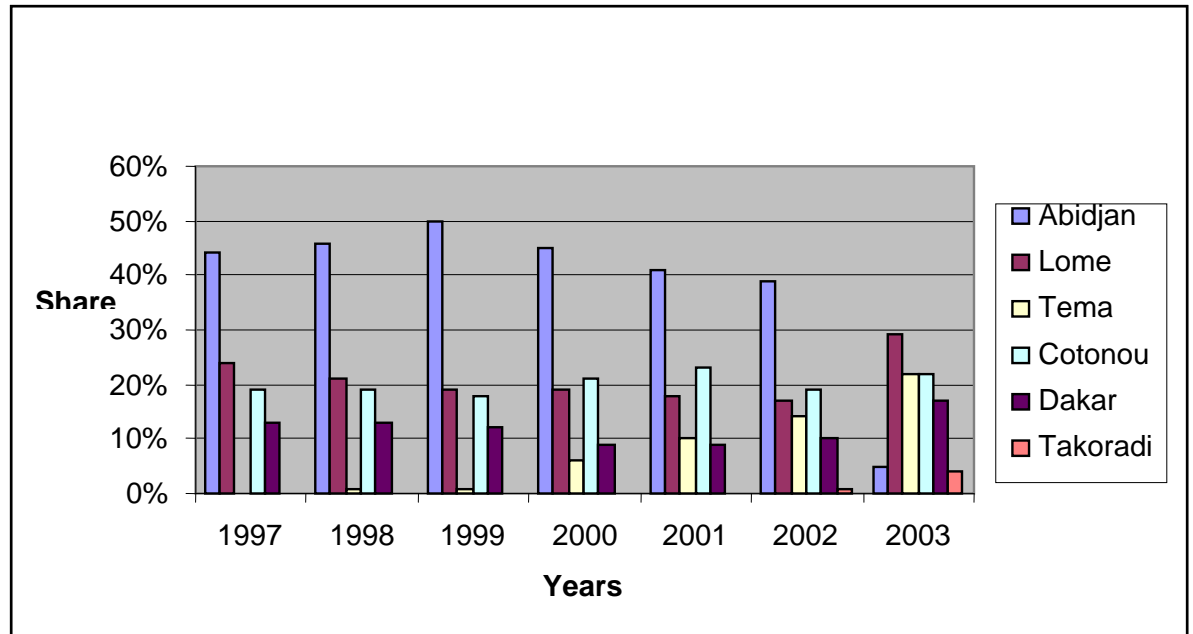


Figure 1: Market share of transit trade

Source: Luguje 2004

Apart from these statistics, there has been a recent influx of transit and trans-shipment business along the Ghanaian corridor due to conflicts in the sub-region, particularly in Cote d'Ivoire. GPHA views this development as a huge opportunity to reposition herself to capture and control the transit market.

Recent developments in the maritime industry and globalisation have turned the whole world into a global market place with competition transcending national boundaries. GPHA for instance, no longer has the monopoly over its maritime business as other ports such as Lome and Abidjan are competing not only for the transit and trans-shipment businesses but also the capture and control of the domestic market. In the face of this extreme competition, it is incumbent on the organisation to constantly render quality services to its customers – ship owners and agents, shippers, freight forwarders and consignees-, through efficient, satisfactory services and competitive tariffs.

In line with this broad objective, the performances of the employees of the Authority need continuous improvement and consistent monitoring to be able to improve the organisation's competitive edge it urgently required to ensure survival in the global market place. The performance of the workers therefore must be directed, monitored and guided so as to achieve the corporate objectives. Among the main managerial tools adopted by the Authority to determine the levels of performance of the workforce is performance appraisal. GPHA uses the formal appraisal system as a human resource management activity to measure the effectiveness of the workforce in achieving organisational goals and to make administrative decisions such as salary raises, training, transfers and promotions.

Moreover, in pursuit of the Government of Ghana Trade and Investment Gateway (GHATIG) programme, GPHA is to be transformed from a service port where all cargo and ship operations are handled, including shore handling to a landlord port and where it literally becomes a regulator while private business concerns handle the port operations. This presupposes ceding off of all operational activities of the Port to private business entities. This then calls for major restructuring of the organisation and its programmes. It is obvious that the direction and impact of these developments cannot be adequately assessed without putting in place an objective and reliable employee performance appraisal system.

An overview of Ghana Ports and Harbours Authority

GPHA was established as a statutory corporation in June 1986 under the

PNDC Law 160. The Authority is a merger of three erstwhile organisations that operated at the ports of Ghana. The Ghana Cargo Handling Company (GCHC), The Ghana Port Authority (GPA), and the Takoradi Lighterage Company Limited (TLCL) existed independently until the merger in 1986 to form the GPHA. Earlier on, GPA had separated from the erstwhile Ghana Railways and Ports Corporation in 1977, whilst TLCL was established out of GCHC in 1979.

Prior to the merger, GPA was the landlord of the ports of Tema and Takoradi with GCHC and TLCL as private companies and tenants. The TLCL only operated in the Takoradi Port whilst GCHC operated in both Ports. GPA owned the infra and superstructures and took no part in cargo handling and stevedoring (loading and off-loading of ships). The stevedoring activities were handled by private companies namely GCHC, Atlantic Port Services (APS), Speedline Limited and TLCL. GPA was only concerned with the maintenance of the port facilities – warehouses, cranes, floating crafts, dredging, sewerage, pollution control, and marine services such as towage, pilotage, navigational lights and charts.

GPHA legally owns the two seaports of Ghana – the Takoradi Port was established in 1928 and the Tema Port in 1962. It also owns the Tema Fishing Harbour which is being run as a strategic business unit (SBU) and the Albert Bosumtwi-Sam Fishing Harbour in Sekondi. The statutory functions of GPHA as defined by the PNDC Law 160 of 1986 Part 111 section 5(1) enjoined the Authority to plan, build, develop, maintain, operate and control the sea ports in Ghana and in particular to:

provide in the ports such facilities as appear to it to be necessary for the efficient and proper control of the port; maintain the facilities, extend and enlarge such facilities as it shall deem fit; regulate the use of any part of the port facilities; Maintain and deepen as necessary, the approaches to the navigable waters within and outside the limits or any part and also maintain lighthouses and beacons and other navigational services and aids as appear to it to be necessary; Carry on all of the business of stevedoring, master portorage, and lighterage services; and provide and maintain pilotage services and generally, discharge any other functions which are necessary or incidental to the provision of adequate port services, PNDCL 160 (1986).

Figure 2 shows the locations of the Tema and Takoradi Ports of Ghana.



Figure 2: Map of Ghana

Source: World Atlas



Figure 3: Layout of Tema Port

Source: GPHA Corporate Plan (2008)

The Tema Port is lying at the Eastern Port City of Ghana within the Greater Accra Region and the Takoradi Port in the Western Region as depicted in figure 4.

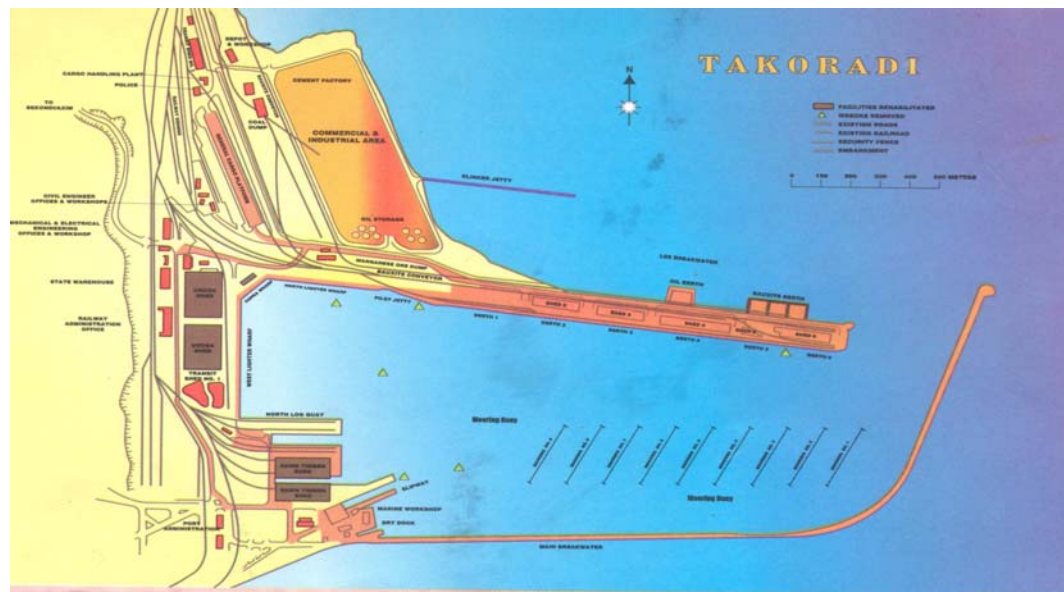


Figure 4: Layout of Takoradi Port

Source: GPHA Corporate Plan (2008)

Organisational structure

GPHA employs 2,849 workers made up of 302 management staff and 2,547 junior staff. The administration is strategically structured into three: The Headquarters located at Tema and the Port Administrations which are located at the Port cities of Tema and Takoradi.

Table 1: Staff position of GPHA as at 31st December 2008

Location	Senior Staff	Junior Staff	Total
Tema	194	1727	1921
Takoradi	108	820	928
Total	302	2547	2849

Source: GPHA Annual Report, 2008

Administration

The GPHA owns and partially operates stevedore and the whole of marine services at the Ports of Tema and Takoradi, the Tema Fishing Harbour and the Bosumtwi-Sam Fishing Harbour at Takoradi. The two Ports are semi-autonomous in operations and management whilst the Headquarters co-ordinates generally policy, overall financing, investment planning, training and other areas of common interest.

The Authority is under the Ministry of Railways and Harbours and is administered by an eleven- member Board of Directors which includes the Director General (DG), the two directors of the Ports and a workers'

representative chosen by the unionized workers of the Authority. The remaining members are drawn from the sector ministry and other stakeholders such as Ship owners and Agents Association of Ghana (SOAG), Chamber of Commerce, the Railways Corporation and the Ghana Shippers Authority to complete the list. The Board is responsible to the Ministry for the formulation of policies for efficient running of the ports.

The day to day administration of the ports however, devolves on the DG, the two Directors and the Heads of Departments at the Headquarters and principal officers of the Authority. The Authority is structured along the following departments as captured in figure 5 below and their functions.

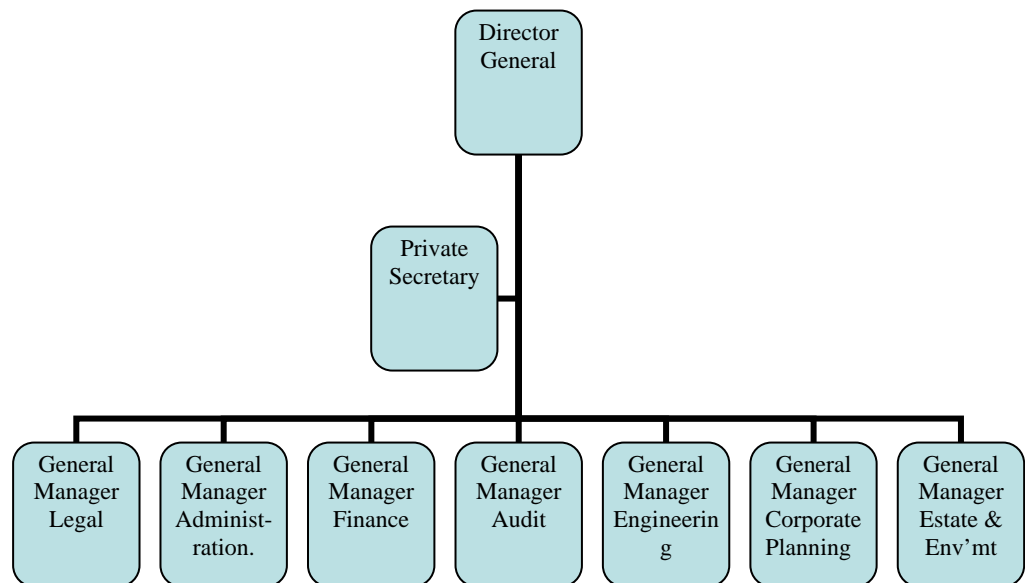


Figure 5: GPHA Headquarters Organogram

Source: GPHA Corporate Plan (2008) (page 2)

Figure 5 shows the organisational structure of the Headquarters of GPHA which is administered by a Director General and seven General Managers who are

the Departmental Heads of all the functional areas of the organisation. This group forms the core management of the Authority.

<i>Department</i>	<i>Functions</i>
Human resource	Responsible for personnel and administration and formulation and implementation of human resource policies
Corporate Planning	Responsible for overall co-ordination, development, evaluation of corporate goals, operational systems and strategies
Finance	Responsible for establishing financial policies and procedures
Internal Audit	Responsible for ensuring that all financial transactions, operational and other management systems of the Authority are effectively monitored
Legal	Responsible for providing legal services to the Authority
Engineering	Responsible for co-coordinating all engineering projects at the Ports with the object of achieving and maintaining operational efficiency
Marine Operations	Responsible for the provision of marine services
Fishing Harbour	Responsible for the operation of the fishing harbour

Security

Responsible for the protection of port properties and overall security of the port

The structure of administration at the Port level is presented in Figure 6

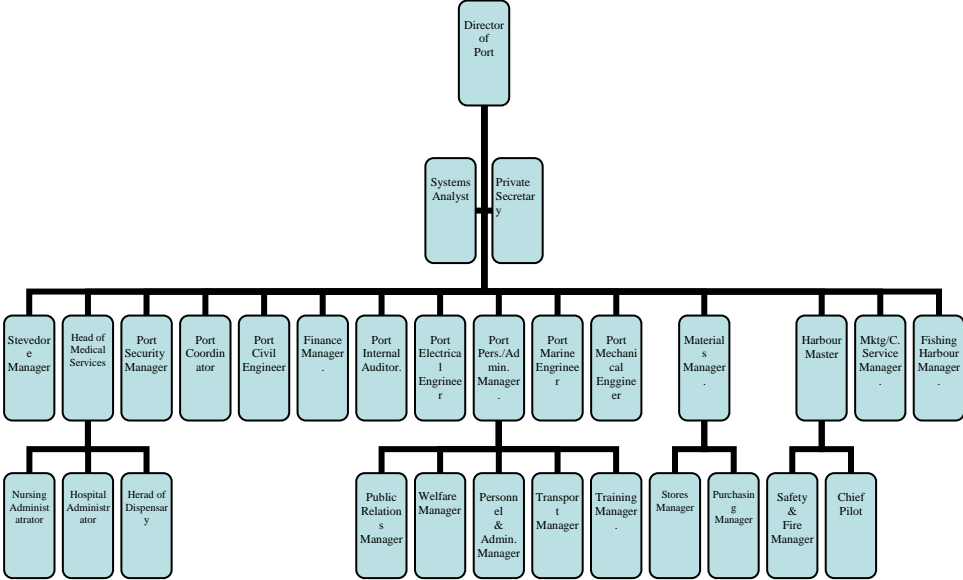


Figure 6: Organogram of the Ports (Tema and Takoradi)

Source: GPHA Corporate Plan (2008) (page3)

Figure 8 shows the organisational structure of the Port Administrations of Tema and Takoradi. There are fifteen managers and eleven sectional heads, which are responsible for the various functions of the organisation at the Port levels.

Statement of the problem

There are several reasons why appraisals are carried out in organisations. According to Cole (2002), appraisals are done; to identify employees’ strengths and weaknesses; to identify individual’s current level of job performance; to

provide a basis for rewarding employees in relation to their contribution to organisational goals. Bohlander et. al, (2001) also added that, the appraisals are done; to give the employee the opportunity to discuss performance and performance standards regularly with their supervisor; to provide a format enabling the supervisor to recommend a specific programme designed to help the employee improve on his performance; to provide a basis for salary recommendation.

The main purpose of employee performance appraisal is to improve the overall performance of employees in an organisation for greater effectiveness. The purpose could be looked at under three major headings: administrative decisions, employee feedback, and development and evaluation of human resource policies and programmes.

Organisations use performance appraisal measures primarily to make administrative decisions about employees. Decisions relating to compensation, promotions, disciplinary actions are usually based on appraisals. Identification of training needs and layoffs are best done through performance appraisal of employees.

A very important purpose of performance appraisal is to provide appraisees with feedback information on their performances. Such feedbacks have very important consequences on human resource development. Individuals like organisations are information processing systems, they need the feedback information to know how well or badly they are performing so that corrective actions could be taken to redirect actions on behaviours through appropriate

channels for the achievement of goals. Byars and Rue (1994) also see the purpose of performance appraisal as helping employees to know how they are performing as it brings to the fore, their strengths and weaknesses.

Performance appraisals could be used to evaluate policies and programmes implemented to influence work behaviour. On the basis of performance measurement, it could be possible to evaluate job design policies and programmes. For instance it could be used to find out whether performance is related to job description, Belcourt et al (1999). According to Bohlander et al (2001), the overall goal of performance appraisal systems is to improve the effectiveness of the organisation by developing and communicating information about the human resources in the organisation. This invariably requires providing feedback to employees on their performance. Thus, performance appraisal is aimed at helping organisations in developing and maintaining quality workforce through evaluation and development.

Evaluation makes employees aware of where they stand relative to set objectives and standard. It therefore focuses on past performance and measurement of results against standards. It also documents performance for administrative records and provides basis for allocating performance contingent rewards. Development on the other hand assists in the training and continued personal development of individuals (employees). For this reason, performance appraisal focuses on future performance of the staff and helps to clarify expectations and standards for success. It also provides an opportunity for both the superior and subordinate to discover any performance obstacles for necessary

redress. It also helps to identify training and developmental needs and the development of succession planning, Bohlander et al (2001).

In a study conducted by Cleveland, Kevin, Murphy and Williams (1989), 20 uses of performance appraisal were identified. These were rated and ranked. Salary administration, performance feedback, individual strengths and weaknesses, recognition of individual performance and documentation of personnel records were found to be the most frequently used appraisal data by human resource management practitioners. On the other hand, evaluation of personnel system, establishment of criteria for validating research, personnel planning and reinforcement of authority structure were found to be the least used. Assistance in goal identification, evaluation of goal achievement, determination of transfers, decisions on layoffs and identification of individual training needs, however, were among the appraisal data sparsely used by organisations, Bohlander et al (2001).

In spite of the obvious benefits associated with employee performance appraisal systems in most large organisations, such as GPHA, the system sometimes create problems for both management and employees, especially between appraisers and appraisees. There seems to be tension and hostile tendencies surrounding the performance appraisal system in GPHA as the staff claim that the process is just a mere formality and absolute waste of resources and time. Many staff hold the view that the exercise is a deliberate management's tactics designed purposely to seek for and 'punish' perceived bad workers and to reward cronies and sycophants at the workplace. There also seems to be no

standard measurements for performance evaluation as different managers apply different methods of assessing the staff. Appraiser-appraisee conflicts emanating from misunderstanding of the exercise also create suspicion and apathy in the process. Others view the whole process with a lot of trepidation.

It is this state of affairs, in one breath, that has provided the stimulus for the researcher to conduct an evaluation into the formal performance appraisal system of the Authority to unearth the underlying problems that affect the smooth running of the system.

Earlier study done by one Kwame Owusu in 2000 highlighted some of the shortcomings in the appraisal system in GPHA. The study was an evaluative assessment of the appraisal system with respondents drawn from Tema Port and the company's headquarters only. The outcome of the study was mind-boggling and most revealing. Many appraisers do not give feedback to the appraisees, there were no formal appraisal interviews and training of the assessors was never done. A view at the methodology, however, indicates that the study was not rigorous enough hence the penchant to do a further research on the topic.

Thirdly, this study was to explore how performance appraisal data influence management decisions on human resource management, training and development. Fourthly, there seems to be lack of appraisee participation in the exercise and thus generating some doubts about the objectivity of the outcomes. The researcher therefore was inspired to carry out an evaluation of the system to bring to light any shortfalls and to recommend policy changes in that regard. Finally, GPHA management was not satisfied with the appraisal system as there

were too many complaints from both raters and staff. The complaints emanated from lack of understanding of the appraisal document on the part of the appraisers, the rating criteria and the mode of assessment. On the part of the staff, the complaints borders on the philosophy of the appraisal system which was not clear enough to them and therefore view the whole process with a lot of trepidation. In the apparent confusion, the Authority sought to review the entire appraisal system.

The study was therefore designed to discover the problems associated with the appraisal system in GPHA and to provide solutions for its resolution.

Objectives of the study

The broad objective of the research is to evaluate the current performance appraisal system as it operates in GPHA with a view to determining its effectiveness in realising results.

Specific objectives

The specific objectives of the study are to:

- Describe the type of appraisal method being used; at GPHA
- Examine the process of staff performance appraisal in GPHA;
- Assess the validity and reliability of the method used to appraise staff performance.
- Determine whether appraisers have training to carry out the appraisal exercise more effectively.

- Make recommendations to management for improvement in the appraisal system.

Research questions

In the research, attempts will be made to answer the following research questions.

- What appraisal method(s) does GPHA use?
- What is the process of staff performance appraisal in the GPHA?
- How valid and reliable are the selected methods in the assessment?
- Are the appraisers trained before carrying out the appraisal exercise?

Significance of the study

The findings of the study would provide the needed guide to management of the Authority and other interested agencies and organisations in the design and use of staff performance appraisal system. It will also serve as the basis for further research in organisations in Ghana and elsewhere.

Limitation of the study

The appraisal system of the Ghana Ports and Harbours Authority is considered in the study. The right sample frame could not be applied as the management of the organisation limited the researcher to only 200 respondents due to the busy schedules of the staff. Interviews and focus group discussions were therefore used to supplement the main research instrument. Besides, time and financial constraints could not allow a wide scale study.

Organisation of the study

Chapter One is the Introduction and covers sub-topics such as background to the study, statement of the problem, the objectives and the research questions. Chapter Two is devoted to the reviews of relevant literature and provides a comprehensive description of best practice performance appraisal and methodology as well as the problems associated with the practice. Chapter Three discusses the methods used to collect and analyse data. Chapter Four is the main chapter and therefore constitute a comprehensive discussion of the results or findings of the research. Chapter Five contains a summary of the work, its conclusions and implications for policy changes and recommendations.

Scope of the study

The study covered the staff of GPHA and was concentrated on the staff performance appraisal system only. Sampled staff from the two ports and the two fishing harbours were involved in the study.

CHAPTER TWO

REVIEW OF LITERATURE

Introduction

Human resource is a vital component in the productive machinery of any business concern. Material and capital resources are essential but require the knowledge and expertise of human beings to turn them into a productive mixture that can give a company competitive advantage. A company's success according to Cole (2002) hinges on the quality of staff it hires and their performance levels. It is, therefore, imperative to monitor the performances of people at the work place to ensure achievement of organisational goals. This chapter reviews literature on the concept of performance, performance appraisal and its purpose, processes, methods and uses as well as problems associated with its application.

The concept of performance

According to Byars and Rue (1994), performance is the degree of accomplishment of the tasks that make up an employee's job. They contended that this shows how an employee is seen doing his or her job and it is measured in terms of results. Performance, however, is different from effort. For example, a worker will make tremendous effort at work and finally produce low work output. In this case, the effort was high yet performance was low. This scenario demonstrates an inverse relationship between performance and work output.

Performance is dependent on several factors such as effort, ability, motivation and right attitude among others. Performance is perceived to be the contribution made by employees towards achieving organisational goals. Every management of an organisation will want to know the performance levels of the staff at any point in time. This then calls for performance appraisal of the employees to determine their strengths and weaknesses, for goal achievement. The outcome of appraisals is used to plan strategies as observed by Byars and Rue (1994) that may lead to high staff performance and improved productivity.

Performance appraisal, therefore, can be said to be a human resource management tool used in determining and communicating to an employee his/her performance on an assigned job over a period, and essentially establishing a plan for improvement. The system seeks to unearth the employee's strengths and weaknesses for appropriate management decisions such as training, promotion, transfer, lay offs and motivation to be taken, Bohlander et al (2001).

Chatterjee (1999) defines performance appraisal as the systematic evaluation of the employees' job performance and also their potential for growth and development. According to Chatterjee, formal performance appraisal is a system set up by an organisation to regularly and systematically evaluate employee performance. Other terms commonly used include performance evaluation, performance review, personnel rating, and employee appraisal or employee evaluation.

According to Certo (2000), performance appraisal is a formal feedback on how well an employee is performing on the job. Inancevich (1998) also defines

performance appraisal as the human resource management activity that is used to determine the extent to which an employee is effectively performing the job assigned him/her.

Invancevich (1998) and Certo (2000) share a common view on performance appraisal. They look at the subject as an evaluative process usually used to gather information about an employee's performance. They, however, omit the inherent potential of the job performer that could be developed and also the measurement of the performance against a set standard, which is so crucial. There is also an overlook of communication or feedback to the employee in the definitions. Chatterjee's (1999) definition also identifies evaluation of an employee's performance as a key factor. He explains further that it is not only the job performance that is evaluated but also the worker's potential for growth and development. He, however, omits feedback to the employee.

French and Bell (1994) put forward an elaborative and far-reaching definition on performance appraisal. To them, performance appraisal is the formal assessment of how well employees are performing their jobs in relation to established standard and the communication of that assessment to the employees. This definition captures the salient points in the subject area which include formal assessment, performance, established standards and a feedback system.

Anderson (1994) defines performance appraisal as involving the systematic review of the performance of staff on a written basis at regular time intervals and the holding of performance interview at which staff have opportunity to discuss performance issues, past, present and future, on a one-to-

one basis with their immediate line manager. Kreitner (1986) also defines performance appraisal as the process of evaluating individual job performance as a basis for making objective personnel decisions. Kreitner's definition excludes day-to-day coaching in which a supervisor casually checks an employee's work and gives immediate feedback. Although personal coaching is fundamental to good management, formally documented appraisal is also needed to ensure equitable distribution of opportunities and rewards and avoid prejudicial treatment of disadvantaged workers such as the physically challenged and women. But Anderson's (1992) definition sets criteria for effective personnel performance appraisal.

From the above definitions, a number of issues can be derived. They include the following;

- Performance appraisal is a comparison of an employee's performance with performance standards.
- A performance standard describes what the employee is expected to do in terms of behaviours' and results.
- Performance appraisal is a systematic process and essentially must be related to the employee's performance on the job.
- Performance appraisal must also provide information to management about the workers' strengths and weaknesses as far as their job performances are concerned and to help them develop their potentials.

- Performance appraisal must also lead to a feedback to the employees to enable them know how they fare on the assessment scale for possible improvement.
- Performance appraisal is also an evaluation of the staff's potential for growth and development

In 1984, a survey of nearly 600 organisations belonging to the American Management Associations (AMA) found that managers use performance appraisal results as follows; for compensation, counseling, training and development, promotion, manpower planning, retention/discharge, and validation of a selection technique, Bohlander et al (2001).

Belcourt et. al, (1999) conclude that performance appraisal programmes, which are among the most helpful tools in organisations, can be used to maintain and enhance productivity and to facilitate progress towards strategic goals. All managers monitor the ways employees work and assess how these match organisational needs. They form impressions about the relative value of employees to the organisation and seek to maximize the contribution of organisations and also have a performance appraisal once or twice yearly.

Bohlander et. al, (2001) maintained that the failure of performance appraisal programme depends on the philosophy underlying it, its connection with business goals, and the attitudes and skills of those responsible for its administration. Many different methods can be used to gather information about employees' performance. However, gathering information is only one step in the appraisal process. The information must be evaluated in the context of

organisational needs and communicated to employees so that it will result in high levels of performance.

As a working definition, performance appraisal may be defined as a structured formal interaction between a subordinate and superior, 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 potential for growth and development.

The focus of a performance appraisal system is determined, that is, what an employee has done over a period of time and whether that performance measures up to the required standard or target. Gaps in performances are identified from the appraisal data and addressed appropriately.

Types of appraisal

There are several ways by which appraisal can be carried out. Belcourt et al (1999) identify seven different types used in performance appraisal. These are discussed in the following paragraphs.

Managerial / supervisor appraisal

The managerial or supervisor appraisal has been the traditional approach to evaluating an employee's performance. Belcourt et. al, (1999) and other writers such as Certo (2000) conclude that, in this appraisal, the superior appraises the subordinate and in most situations a review is done by the

supervisor's superior. The reviews, according to them, reduce subjectivity, superficial and or biased evaluations. This appraisal style is more acceptable to staff than the others.

Self – appraisal

Sometimes employees are asked to evaluate themselves on a self – appraisal form. This form of appraisal according to Belcourt et. al, (1999) is beneficial when managers seek to increase an employee's involvement in the review process. This process gets the employees thinking about their strengths and weaknesses and may lead to discussions about barriers to effective performance. During the performance interview, the manager and employee discuss job performance and agree on a final appraisal.

Critics of the style argue that self-raters are more lenient than managers in their assessments and may tend to present themselves in a highly favourable light. Used in conjunction with other methods, self-appraisal can be a valuable source of appraisal information.

Subordinate appraisal

This is a system where managers give feedback on how their subordinates view them. Subordinate appraisals give employees power over their bosses, and this creates hesitation among managers to endorse such a system. Nevertheless, to avoid potential problems, Bohlander et al (2001) opined that subordinate appraisal should be submitted anonymously and combined across several individual raters.

Peer appraisal

This is a process where individuals of equal rank who work together are asked to evaluate each other. Peers can readily identify leadership and personal skills along with other strengths and weaknesses of their co-workers. One advantage of peer appraisal is that it gives more accurate and valid information than appraisal from supervisors.

Team appraisal

This is an extension of the peer appraisal while peers are on equal standing with one another, they may be seriously together. In a team setting, it may be nearly impossible to separate one's individual contribution from the others. Writers such as Mathis and Jackson (2006), argue that in such situations appraisal can be dysfunctional since it detracts from the critical issues.

Customer appraisal

This is the situation where customers of the organisation are asked to rate the performance of staff they come into contact with mostly. The belief behind this method is that overt behaviours exhibited by workers towards the clients can better be assessed by the customers. The organisation develops a simple and user-friendly format that is used by the customers to rate the performances of the staff. This kind of appraisal also has the added advantage of truly identifying good and bad performers from yet another credible source. The information gathered are

therefore analysed in conjunction with other relevant data for the overall rating of the staff.

360° Appraisal

This is a combination of all the other styles to arrive at an objective reality of situations. This style removes subjectivity from the ratings as others would be compared with each other. The 360° feedback method of appraisal, assesses employee performance from several angles; peers, customers, supervisors and subordinates. According to Fletcher (1993), normally the ratings are collected and collated by an external consultant or by an internal human resource department. Edwards and Even (1996) in their view, the 360° is an extraordinarily effective tool for change.

The question of who should conduct performance appraisal has been easily resolved. Majority of writers in human resource management are of the opinion that employee performance appraisal should be conducted by every employee's superior. That is, the superior assesses or evaluates the performance of his subordinate over a period of time. For example, Drucker (1954) writes that, 'to appraise a subordinate and his performance is part of the manager's job'. According to Cole (2002), Drucker's view as a whole is that managers are responsible for assessing their subordinates.

A critical version of performance appraisal is however given by McGregor (1960). According to him, appraisal programmes are designed not only to provide more systematic control of the behaviour of subordinates, but also to control the

behaviour of supervisor. Implied in McGregor's perception of performance appraisal is that the superior or the manager expects a certain level of minimum performance from the subordinates so he/she should also operate within a certain minimum level of performance. McGregor thus sees his position on performance appraisal as giving credence to the cause of 'theory X'. The theory is a management style that assumes that people are unreliable, unable to take responsibility and therefore require close supervision and control.

To buttress the above view, McFarland (1968), states that the ability to appraise others skillfully also becomes a criterion for judging each manager. As a result, appraisal schemes are designed not only to provide systematic control of the behaviour of subordinates but also to control behaviour of supervisors who are to serve as "helpers" rather than "judges" over their subordinates.

Performance appraisal process

Performance appraisal process is a mode of evaluation or assessment. It is the procedure which an organisation has outlined to be followed or used by managers or supervisors to ascertain the level of performance of their employees. Cole (2002) is of the opinion that any systematic approach to performance appraisal should commence with the completion of an appropriate appraisal form. The form should be designed in such a way that it will elicit the appropriate performance response from an employee. The performance appraisal process as illustrated by Cole is shown in Figure 7.

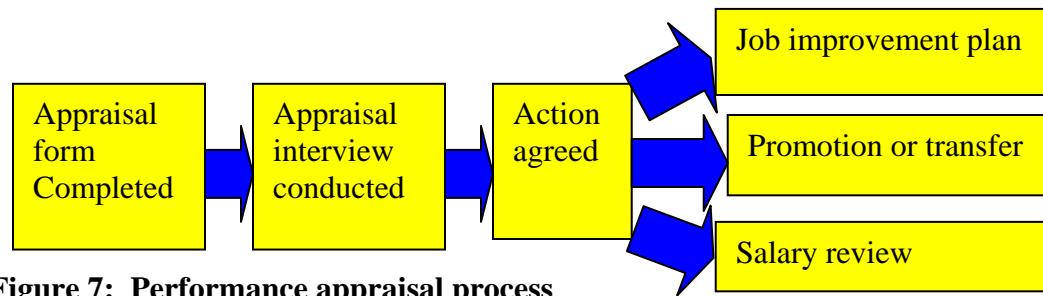


Figure 7: Performance appraisal process

Source: Adapted from Cole (2002: 299)

This stage is then followed by an interview between the superior (appraiser) and the subordinate (appraisee). The interview is a discussion on both the strengths and weaknesses of the subordinate. The main purpose of the interview is to assist the subordinates to improve upon their performances through an action mutually agreed upon between them and the supervisor. The agreed action may lead to job improvement, promotion or transfer and appropriate salary review as Cole put it (See Fig 2).

Appraisal process, therefore makes both the superior and the subordinate aware of the direction of which the performance of an employee should go and the means for correcting performance defects. When the process is clearly defined and laid-out, and objectively followed by the superior, it makes the subordinate repose confidence in it.

Performance appraisal methods

In reviewing the literature three distinct methods for performance evaluation emerge. These are the traits methods, behavioural methods and results (task outcomes) methods.

Trait methods

Traits approaches to performance appraisal according to Bohlander et al (2001) are designed to measure the extent to which an employee possesses certain characteristics-such as dependability, creativity, initiative, and leadership-that are viewed as important for the organisation in general. There are four distinct ways of measurement under this method. These are;

- Graphic rating scale

This approach involves rating an individual's personal traits or characteristics such as initiative, dependability, decisiveness, intelligence and loyalty. For instance rating someone low on initiative tells him or her nothing about how to improve job performance. Also employees tend to react defensively to feedback about their personality (Lathan and Wexley, 1986). Robbins (1991) also describes traits as the weakest set of criteria because they are farther removed from the actual performance of the job itself.

- Mixed- standard scales

This approach is a modification of the basic rating scale method. In this method, the rater is given three specific descriptions of each trait which reflects three levels of performance: superior, average and inferior. After this, the descriptions of the traits are randomly sequenced to form the mixed-standard scale. Supervisors evaluate employees by indicating whether their performance is better than, equal to, or worse than the standard for each behaviour pattern.

that is, having rated the person favorable or unfavorable on one dimension, it is very difficult to rate the person otherwise on a different dimension.

- Descriptive essay method

Under this method the appraiser is expected to write a portrait on the performance of the subordinate with emphasis on achievement and failures of the appraisee. The method requires the manager or the appraiser to have a free hand to write about the performance of his/her subordinates. There is the need for a sense of direction so that the appraiser will not concentrate writing on a particular aspect of the appraisee's performance. For example, the appraiser may be directed to write fairly on areas such as strengths, weaknesses, quality and quantity of work, job knowledge, ability to get on well with others, etc. when this is done, the tendency to concentrate too much in a particular area will be drastically reduced.

This method has the advantage of not forcing the appraiser into making specific choices as in the case of some of the rating methods that is the appraiser is free to express his/her assessment and not forced into any particular mould. However, it has certain drawbacks which include the following:

- The manager may be reluctant to complete a portrait if he/she feels that his/her language in writing such a portrait is not adequate.
- The report is seen to be very subjective in the sense that the appraiser may leave out facts damaging the worker if he/she likes him/her.

- It must be seen that such a method would not make reports throughout the organisation to be consistent. It could therefore be very difficult to develop an appraisal format for the organisation.

Behavioural methods

Behavioural methods have been developed to specifically describe which actions should (or should not) be exhibited on the job. They are frequently more useful for providing employees with developmental feedback.

- Critical incident method

This method of rating is also known as “performance – record program”. Here a list of critical job requirements is drawn for each job after which managers are to be on the look out for the critical incidents or outstanding examples of success on the part of the subordinate in meeting the requirements. These requirements may include improving equipment, meeting schedules, leaving work without permission. Critical incident occurs when employee behaviour results in unusual success or unusual failure in some part of the job. The manager then lists the incidents as he/she observes them and gradually builds a record for each subordinate with ‘debits’ on one side and the ‘credits’ on the other.

An advantage of this method is that the ratings are based on objective rather than on a subjective evaluation of traits which is ensured by the manager by recording each incident immediately instead of trying to recollect something over a period of time. Another advantage is that it covers the entire appraisal period

and therefore may guard against recency error. They can also facilitate employee feedback and development. However, unless both the favourable and unfavourable incidents are discussed, employees may have negative feelings about the method. Some employees refer to the method as the “Blue book” or the “Black book”.

- Behavioural checklist method

According to Bohlander et al (2001), the Behavioural checklist method is one of the oldest appraisal techniques. It consists of having the rater check those statements on a list that the rater believes are characteristics of the employee’s performance or behaviour. A checklist developed for computer salesperson might include a number of statements like the following:

- Is able to explain equipment clearly
- Keeps abreast of new developments
- Tends to be a steady worker
- Reacts quickly to customer needs
- Processes orders correctly

Source: Adopted from Bohlander et al (2001)

- Behaviourally anchored rating scale (BARS)

A behaviourally anchored rating scale (BARS) consists of series of 5 to 10 vertical scales-one for each important dimension of performance identified through job analysis. These dimensions are anchored by behaviours identified

through a critical incidents job analysis. The critical incidents are placed along the scale and are assigned point values according to the opinions of experts.

BARS is typically developed by a committee of workers that includes both subordinates and managers. The committee's task is to identify all the relevant characteristics or dimensions of the job. Behavioural anchors in the form of statements are then established for each of the job dimensions. Several participants review the anchor statements and indicate which job dimension each anchor illustrates. Anchors which receive 70 percent and above approvals are the ones retained. The anchors are then attached to their job dimensions and placed on the appropriate scales according to values that the group assigns to them.

One major advantage of the BARS is that personnel from other departments team up with human resource staff to develop the scale. The involvement of others and collaboration can lead to greater acceptance of the performance appraisal exercise and the performance measures that it uses.

The procedures followed in developing BARS also result in scales that have a high degree of content validity. A major disadvantage of BARS is that it requires considerable time and effort to develop. In addition, because the scales are specific to particular jobs, a scale designed for one job may not apply to another.

- Behaviour observation scales (BOS)

This approach is similar to the BARS as they are both based on critical incidents. A BOS is designed to measure how frequently each of the behaviours

has been observed. The advantage of the BOS is that the approach allows the appraiser to play the role of observer rather than of judge. In this sense, he/she may more easily provide constructive feedback to the employee.

Research shows that users of the system frequently prefer it over the BARS or trait scales for the following reasons: maintaining objectivity; distinguishing good from poor performers; providing feedback; and identifying training needs.

Results methods

These methods focus on employee accomplishments on the job rather than looking at their traits or the behaviours they exhibit during the performance of work. Advocates of results appraisals argue that they are more objective and empowering for employees. Looking at results such as sales figures and production output, the result method involves less subjectivity and therefore may be less open to bias. In addition, results appraisals give employees responsibility for their outcomes, while giving them discretion over the methods they use to achieve them.

- Productivity measures

A number of results measures of performance evaluation exist. Sales people are evaluated on their sales volume both the number of units sold and the revenue generated. Production workers are evaluated on the basis of the number of units they produce and the number of defects that are detected. Executives are

often evaluated on the basis of company profits or growth rate. Each of these measures has direct links to employees' accomplishment and results that benefit the organisation. According to Bohlander et al (2001), results appraisals can directly align employee and organisational goals.

The productivity approach of performance appraisal suffers from two criteria contaminations. The results appraisal may be contaminated by external factors that the employee cannot control such as lack of materials for a production staff to use may affect his/her output. Under this circumstance, it will be unfair to hold the productivity level against the staff. The other problem is called criteria deficiency where results appraisals may encourage employees to look good in the short term while ignoring the long term effects.

- Management by objectives (MBO)

The desire to overcome the limitations of the other results-oriented methods of appraisal brought about a new approach from a philosophy of management known as Management By Objectives (MBO). The MBO is the brainchild of Drucker (1954). This method is based on quantitative, measurable or at least concrete performance goals that are often set jointly by the supervisor and subordinate. Five basic elements are crucial to this appraisal method.

Firstly, managers and employees must be willing to establish goals and objectives together which will form the basis for performance evaluation. Secondly, the objectives must be quantifiable and measurable for the long and short term. Goal statements should be accompanied by a description of how the

goal will be achieved. Thirdly, expected results must be under the employee's control. Fourthly, the goals and objectives must be consistent for each level- top executive, manager and employee and finally, managers and employees must establish specific times when goals are to be reviewed and evaluated.

It could be seen from the above elements that the MBO approach is an effort to be fair and reasonable to predict performance and judge it more carefully. By providing feedback, it helps subordinates to know their strengths and weaknesses and this enhances learning. Moreover, this method has the merit of ensuring that performance is measured against objective criteria and subordinates could correct shortfalls or could do that jointly with the superior. These advantages, notwithstanding, the MBO approach has been criticized by scholars. Levinson (1976), states that the method is more challenging and difficult and demand a lot from managers. Also this approach breaks down unless its participants, the managers are committed to making it work.

Each of the three appraisal methods has its advantages and disadvantages. Among its advantages, the trait method uses meaningful dimensions and it is easy to use. On the other hand, it has the disadvantages of high potential for rating errors and it is not useful for employee counseling. It is also not useful for allocating rewards and making promotion decisions.

The behavioural method has the advantage of using specific performance criteria in measuring employee performance. It is acceptable to both staff and supervisors and useful for providing feedback. Rewards and promotion decisions

based on the behavioural method are transparent and fair. It is however, time consuming and costly to develop and use and has the potential for rater errors.

The result method is time consuming to develop and use and it encourages short term perspective. It may also use deficient and contaminated criteria in the measurement of employee performance. Despite these shortcomings, it is a good tool for performance measurement as it is more objective, acceptable to both staff and superior and encourages mutual goal setting. It also links individual and organisational performance and enhances promotion and reward decisions.

Frequency of appraisal

A concern in organisations is how often appraisals should be conducted. There seems to be no real consensus on the question of how frequently performance appraisals should be done. A review of the literature reveals that in many organisations staff are appraised annually, Bohlander et al (2001).

Kay et al (1965) and Mullen and Cooper (1994), however, advise that the frequency of appraisal should be related to the nature of the organisation, the purpose and objectives of the scheme and characteristics of the staff employed. They recommend more frequent appraisals, that is more than once a year for organisations operating in a dynamic environment, when a staff is appointed to a new position and most importantly for those whose performance falls below required standards. Kay et al (1965) further add that heavily bureaucratic and stable organisations tend to do performance appraisal annually.

The management structure of an organisation also determines the frequency of appraisal. In an organisation with a flattened pyramid structure, the number of subordinates under a manager may be so many that appraisals have to be done annually or less than annually, (Fletcher and Williams, 1992). They further suggest that younger staff with potential may need more frequent appraisal than staff nearer retirement. Byars and Rue (1994) though agreeing to the annual formal appraisal, recommend that mid-cycle performance appraisal be conducted two or three times a year in addition.

Who should be appraised

Some organisations apply appraisal schemes only to staff in managerial, supervisory or administrative positions. However, it is suggested that appraisal should be applied to all sorts of groups, including manual workers, especially skilled workers and those involved in technical duties, Belcourt et al (1999). According to Fletcher and Williams (1992), appraisal may meet different needs for both the organisation and the individual at different levels; hence the content, style and frequency should be different for different levels.

Appraisal interview

According to Bohlander et al (2001), appraisal interview is the most important part of the whole appraisal process. Apart from the interview giving the manager the opportunity to discuss a subordinate's performance record and explore areas of possible improvement and growth, it also provides an opportunity

to identify the subordinate's attitudes and feelings more thoroughly and thus to improve communication. Mathis and Jackson (2006), however, argued that the appraisal interview presents both opportunity and danger as it can be an emotional experience for the manager and the employee because the manager must communicate both praise and constructive criticism. If this is not handled efficiently, the employee may feel resentment when criticised which may lead to conflict in future working relationships. There are three types of appraisal interviews: tell and sell tell-and-listen and problem- solving.

The Tell-and-Sell interview is the situation where the appraiser tries to influence behaviour change in the subordinate through persuasion and subtle use of motivational incentives. In the Tell-and-Listen interview, the manager uses his/her strong communication skills to point out the strong and weak points of the subordinate's job performance during one leg of the interview. In the second leg, the feelings of the staff are thoroughly explored. The appraiser listens to disagreements while coping with defensive behaviour and making effort not to refute any statements. The underlying assumption in this method is that if a subordinate is given the opportunity to release frustrated feelings they will be reduced or removed entirely in him.

The last of the appraisal interview is the Problem-Solving in which the supervisor listens, accepts, and respond to feelings of the subordinate. According to Bohlander et al (2001), the Problem-Solving also seeks to stimulate growth and development in the employee by discussing the problems, needs, innovations, and

satisfactions the employee may have encountered during the performance of his job.

Problems in performance appraisal

The effectiveness of any appraisal system depends on the quality and reliability of assessment. The appraisal methods reveal a number of problems that may hamper the effectiveness of the appraisal process. According to Ivancevich (1995), most employees are wary of performance appraisal. Perhaps the most common fear is that of rater subjectivity. Introducing subjective bias and favoritism are real problems that create opposition to most performance appraisal systems.

System design and operating problems

Performance appraisal systems break down because they are poorly designed. The design can be blamed if the criteria for evaluation are poor; for example initiative, emotional stability, to mention a few; the technique used is cumbersome, or the system is more form than substance. If the criteria used focus solely on activities rather than output results, or on personality traits rather than performance, the evaluation may not be well received. Some evaluation techniques take time to carry out or require extensive written analysis, both of which many managers resist.

Rater problems

According to Ivancevich (1995), even if the system is well designed, problems can arise if the raters (usually supervisors) are not cooperative and well trained. Supervisors may also not be comfortable with the process of evaluation. This is often because they have not been adequately trained or have not participated in the design of the program. Inadequate training of raters can lead to series of problems in completing performance evaluations exercises. According to Byars and Rue (1994) among the common errors (Rater Problems) of performance appraisal are; leniency, central tendency, recency error and Halo effect.

Leniency error

This occurs when ratings are grouped at the positive end of the performance scale instead of spreading them throughout the scale. This shows bias on the part of certain supervisors by consistently assigning high values to subordinates.

Central tendency error

Central tendency or clustering in the middle error occurs when a rater avoids using high or low ratings and assigns average ratings. According to Ivancevich (1995), this type of “average” rating is almost useless in the sense that it fails to distinguish between subordinates. Thus it makes it difficult for making human resource management decisions regarding compensation, promotion, and training.

Recency of events error

Recency of events error occurs when supervisors evaluate subordinates performance based on work performed most recently. Raters forget more about past behaviour than current behaviour. Generally, the above errors make it difficult if not impossible to separate good performance from poor performance.

The halo effect

Halo effect error occurs when a rater assigns ratings on several dimensions of performance based on an overall, general impression of the appraise. Halo error can be either a positive or a negative error, meaning that the initial impression can cause the ratings to be either too low or too high. Furthermore, this occurs when managers allow high prominent characteristics of an employee to influence their judgment on each item in the performance appraisal. This often results in the employee receiving approximately the same rating on every item.

Other sources of error such as personal preferences, prejudices and bias can hamper the appraisal process. Lack of senior management commitment has also been identified as an obstacle to the success of performance appraisal. A lot of senior management personnel consider the whole exercise as time wasting process.

Eliminating rater errors

According to Ivancevich (1995), one method for dealing with the kinds of errors we have been discussing has been to change the format of the rating scales

that supervisors are asked to complete. The trend has been to move from graphic rating scales with ambiguous anchors (fair, poor, excellent) to behaviourally oriented scales in which the appraiser has a list of key job items arranged with a number of descriptors, or just two extreme statements as according to Cole (2002), to demonstrate a range of possible behaviours from the *best* to the *worst*. For example, using customer relations the *best* behaviour could be 'Deals graciously and competently with clientele at all time', and to the *worst* behaviour, 'Is scarcely social to clientele, is inefficient'. After years of research, however, there is no clear superiority of newer rating formats.

This lack of improvement in the accuracy of ratings by focusing on changing the format of rating scales has led researchers to concentrate more on the rating process. In other words, many attempts to improve the accuracy of performance evaluations now focus on the rater's (appraiser's) ability to observe, recall, and report subordinate behaviour. In these newer traditions, raters do seem more accurate when they are asked to evaluate specific aspects of an employee's performance in comparison to providing an overall evaluation. In addition, diary keeping also seems to improve their rating accuracy, Bohlander et al (2001).

Rater training

According to Ivancevich (1995), another approach to improving performance appraisal has been to train raters to become more effective users of the organisation's performance appraisal system. The two most popular types of training programs designed to eliminate common rating errors such as halo error

are programs designed to improve the supervisor's observation and recording skills. Programs focused on observation and recording skills may offer greater improvements in accuracy than those that simply focus on errors. In either case, training alone will probably not solve the performance appraisal dilemma. Unless raters are motivated to use the system effectively and unless they are given the opportunity to observe their subordinates' performance, errors such as those discussed are likely to continue, Bohlander et al (2001).

Employee problems

For the evaluation system to work well, the employees in the organisation must understand it and feel that it is a fair way to evaluate performance. In addition, they must believe that the system is used correctly when making decisions concerning pay increases and promotions. Thus for a performance appraisal system to work well, it should be as simple as possible. Unnecessary complexity or rating forms in other evaluation procedures can lead to employee dissatisfaction.

Conclusion

The literature reviewed has shown that staff performance appraisal is a good tool to measure the performance of staff in an organisation. The reviewed literature identified that among the three methods of assessment - traits, behavioural and results- the last two are more reliable for performance appraisal. The literature reviewed also identified that feedback to employees about their performance is

crucial; also appraisal interview is fundamental to the process. Appraiser training was also identified through the literature reviewed to very important in any appraisal exercise.

The conceptual framework for the study

The reviews of relevant literature led to the development of a conceptual framework for the current study based on the ideas of Philips 1983. This is represented by Fig 3.

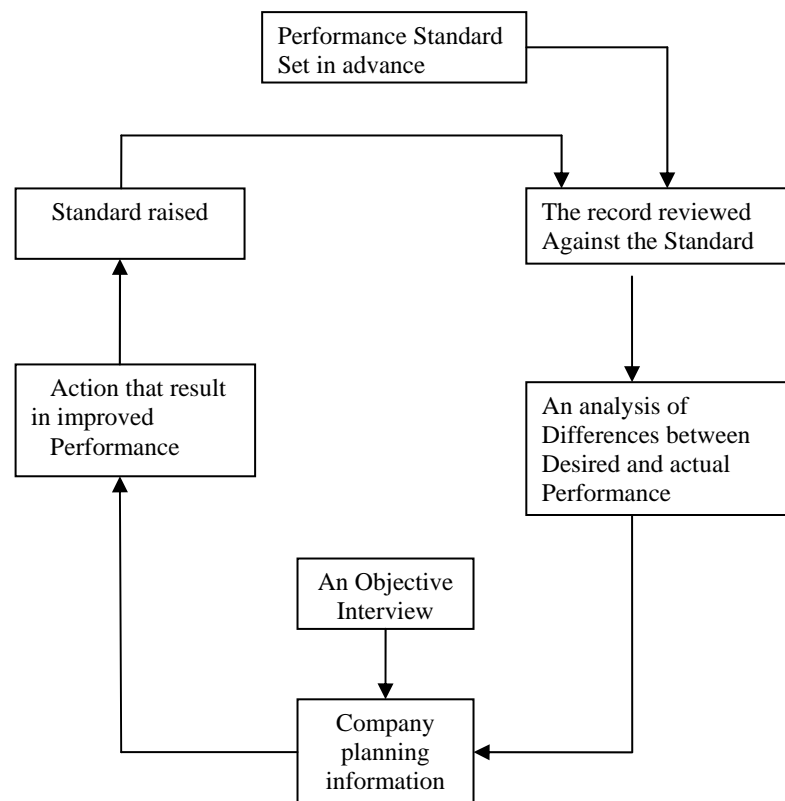


Figure 8: Model for effective performance appraisal

Source: Philip (1983)

The Philip's (1983) model explains the flow of an effective staff performance appraisal system in an organisation. According to the model, a

performance standard must be set well in advance and the parties informed about it. The staff's performance is then recorded over the appraisal period and measured against the standard. Analyses of observed differences are then made which set the stage for objective appraisal interview. The data gathered from the interview becomes the organisation' planning information for improvement. The next stage is the action point where all the necessary steps are taken to ensure improvement in performance. The standard is then raised and the cycle begins again.

Essentially, an organisation must have a policy statement on performance appraisal as a starting point of the exercise. The policy must set out the aims and objectives of the exercise, timing and roles of appraiser and appraisee, and the human resource directorate. The statement must also outline the structure, process and frequency of performance appraisal. Confidentiality, outcomes and implementation of decisions must all be enshrined in the policy.

Conclusion

It can be concluded that for any appraisal system to be effective, there must be an established standard of performance and a set target to be used for assessment. The standard must be reviewed after each appraisal cycle. For appraisal to be effective there must be an objective appraisal interview during the process in all cases. The organisation should also have a policy on the system and the grading criteria must be clear.

CHAPTER THREE

METHODOLOGY

Introduction

This section sets out the methodology of the study. It deals with the research design, population and sampling, methods of data collection, sources of data and the framework for data analysis. The limitations of the study are also indicated.

Research design

The design used is cross – sectional case study. It is non-interventional, concentrating on the staff performance appraisal system of the Ghana Ports and Harbours Authority. The study was to undertake a critical examination of an existing system. This approach allowed for in-depth study of the performance appraisal system as practiced in GPHA.

In the study, however, opinions were sought from human resource practitioners of other organisations. Information gathered from such sources combined with others from literature provided recommendations for a better model of performance appraisal system in this work.

The population and the Sample

GPHA employs about 2,849 staff made up of 302 senior and 2,547 junior staff. The simple random sampling method was used to draw the sample size of two hundred respondents (this was determined by GPHA and not statistically derived). This was complimented by interviews and focus group discussions to obtain opinions that represented the views of the entire staff.

The various departments were put into strata and proportionate samples drawn from each stratum. In selecting the 200 respondents, the size of the population as per each stratum was employed to get a good proportion of each group or department. This sampling technique was used so as to get a representative view of all the staff in the organisation. No attempt, however, was made to compare departmental responses as evidence from the pilot study indicated that there were no wide variations or differences in the responses. The technique was also considered because of the sample size (200), convenience, proximity, cost and time limitations.

In selecting the final sample, a sample frame consisting of a list of all employees at each department was obtained; numbers were assigned to the names and put in a card box. Each number was picked at random to get the sample size from the departments. Table 3 shows the distribution of respondents (frequency) drawn from the various departments.

Table 2: Departments of Respondents

Department	Strength	Frequency	Percent
Human Resource	705	75	37.5
Marine Operations	239	25	12.5
Finance	135	15	7.5
Engineering	45	5	2.5
Audit	135	15	7.5
Fire/Safety	274	30	15.0
Medicals	270	30	15.0
Marketing/Customer Care Service	46	5	2.5
Total	1849	200	100.0

Source: Fieldwork (2008)

The purposive sampling method was used to select two HR managers, one from each port, for the study. This method was applied because it became prudent to use respondents who have in-depth knowledge and expertise in the performance appraisal system in GPHA.

Pilot study

The questionnaire and the various data collection instruments were pre-tested at the Port of Takoradi but using non GPHA staff. Six employees selected randomly from the Ghana Dock Labour Company, Unicontrol Commodity Limited, Golden Gate Stevedoring Company, Stella Logistics, Atlantic Port Services and Customs Exercise and Preventive Services were supplied with the

questionnaires and asked to complete them. Copies of the research instruments were also extended to the Head of HR for his comments and suggestions. This was done to test the validity of the instrument and to ensure that all elements of ambiguity have been removed. Identified problems such as poor wording of sentences, misleading questions, spelling errors were smoothed and the instrument modified before the fieldwork.

Ethical considerations

Due to the hazardous nature of the port work, busy staff and the restricted work environment, it became necessary to prune down the study sample to 200 for both ports in agreement with demands from the head of the human resources department. A proposed sample size of about 616 which is a third of the total workforce could, therefore, not be applied because of the reasons mentioned above. It was based on this agreement that permission was finally granted for the study to commence.

In order not to violate the rights of the subjects to free consent, all potential research participants were duly informed that the study was for academic purposes only and that any information disclosed will be treated with utmost confidentiality. To ensure anonymity, they were asked not indicate their names and staff numbers on the questionnaires. A face sheet conveying this information was also added to each set of questionnaires to help allay the fears of the participants. They were then advised to make up their minds about their participation or otherwise in the study. There were no rejections from the selected respondents.

The information received from the participants and the employee records were treated confidentially and nobody's name was assigned to any statements or views. Questionnaires were mostly used in the study as the respondents were literate and could handle the instrument efficiently. Besides, the respondents were allowed time to take home the questionnaires, work on them and submit them after one week. Interviewing was also used extensively especially with the human resource managers.

Appropriate research methodology and data collection instruments were used in the study. Copies of the interview guides and the focus group discussions were given to a Human Resource Management consultant and the supervisor of this study for vetting and suggestions. This was done to test the validity of the instrument after which its accuracy was checked and validated by pre-testing on a few staff.

Data collection

Five main data collection methods- interview, focus group discussions, questionnaires, key informant interviews and official records - were used. Firstly, interview guides were designed and used to gather information on the GPHA appraisal system and to collect employees' opinion on the contribution of the system to higher performance in the organisation. The guides were first distributed and the respondents were asked to study the questions in preparation for the detailed interviews to be conducted later. The interviews were conducted

later to solicit information at all departments and levels of the organisation on the subject matter.

Secondly, semi-structured questionnaires were administered to respondents who were given time to complete them. Two assistants, staff of the organisation, one each from the two ports were engaged to help distribute and collect the completed questionnaires. Two hundred questionnaires were thus distributed and collected indicating a 100% response rate. This was made possible as the supervisors at the various departments were specifically asked by their heads to assist in collecting the questionnaires. A sample of the questionnaire is presented in Appendix A.

Thirdly, structured interviews with mostly open – ended questions were designed and used to interview the human resource managers and key the informants. Two HR human resource managers and the key informant, who is also the General Manager of Human Resource Department, were interviewed face to face. This method became apparent due to the busy job schedules of the interviewees.

The fourth method applied in the research was the focus group discussion which was organized at each of the two Ports with the assistance of the HR managers. The groups were made up of ten staff members from each of the Ports, drawn from the various departments. In these two encounters, the discussions were secured on digital voice recorder. In addition, handwritten notes were taken. The discussions allowed for the sharing of ideas and opinions from both officers and the junior staff on the topic. The approach helped the researcher to assess the

perceptions of the group on the appraisal system with regard to its shortcomings and challenges.

In the fifth method, performance appraisal documents such as manuals, memoranda and past appraisal records provided sources of information and data collection. Official documents such as appraisal records spanning over a 5 year period were studied to identify trends, frequencies and to describe how the exercise had been carried out over time. Administrative reports on appraisals were also studied to discover how appraisal data were used in administrative decisions. The difficulty involved here was that it took a long time to assemble useful data base for analysis.

Data analysis

The data collected from the various sources were transcribed, edited, sorted and categorised. Checks for quality were done through return trips to respondents and key informant for clarification. The questions were presented in components to reflect the various objectives of the study.

Group of data that shows some commonalities were segregated and assigned different codes. All the gathered materials from the various data collections sources were diligently worked to identify patterns, sequences and themes. The data was then transferred into the Statistical Package for Social Sciences (SPSS), the software used in the study, for analysis. The summarized data show distribution of frequencies and percentages of responses.

The data collected from the field was analysed and interpreted using tables and frequencies. A number of questions were posed to the respondents to enable the researcher discover the perceptions of the staff on the performance appraisal exercise in GPHA. The responses were scored and grouped for.

Practice of performance appraisal

The research instrument used in the study sought to elicit information on several aspects of performance appraisal in GPHA. These are: the process, type or style, uses of appraisal data, and appraisal interview. The reliability of the measure employed, frequency of the exercise, staff involvement, the feedback system and the overall satisfaction of the staff were examined. The results were presented and discussed along these lines.

Discussions with the key informant, the HR Manager, at the corporate headquarters of the Authority confirms that staff performance appraisal scheme exist in the organisation. Subsequent interviews with a cross section of the staff and the respondents in the study corroborated the submissions made by the key informant.

CHAPTER FOUR

RESULTS AND DISCUSSION

Introduction

This chapter is devoted to analysis of data collected from the field by means of self-administered questionnaire, focus group discussion and interviewing methods. The chapter is in three segments. The performance appraisal policy and procedures in GPHA, analysis of the socio-economic characteristics (bio-data) of the respondents, and extensive discussions of the perceptions and views expressed by the respondents on the study topic vis a vis the objectives.

Performance appraisal policy and procedures in GPHA

The Ghana Ports and Harbours Authority has no formal policy document on staff performance appraisal. However, there is a procedure set out in a Human Resource Manual which provides the purpose, objectives, and procedures for carrying out staff performance appraisal in the organisation. The guide is set out as follows;

The purpose of the appraisal is to recognize and award deserving employees for performances displayed in their field of work over the appraising period. The objective of the appraisal policy and procedure is to provide the

necessary guidelines for consistent administration. The appraisal system is designed to have two evaluations of staff performance within a year – one for departmental purposes at midyear and the other for organisational purposes at the end of December. The departmental appraisal is to ensure that the staff are on course in the performance of their duties.

By January ending every year, all appraisal forms are sent to the Human Resource Department (HRD) for processing during which period, recommendations for awards or sanctions to employees are made. When an employee's performance is adjudged poor, a report is made which is discussed with him at a later date with a view to pointing out his weaknesses and strengths. Heads of department who are themselves on incremental scales are appraised by the respective directors of Port or the Director General. Appraisal forms prepared on them and other senior officers at the Port level are sent to the Director-General for final approval or otherwise. In the case of the company's Headquarters, the appraisal forms on all officers are forwarded to the General Manager of the Human Resource Department for processing. New employees (junior staff) are not eligible for increment unless they have completed six months service by 31st December in a particular year. Eligibility in the case of senior staff is twelve months.

The type of appraisal method used in GPHA

The second objective of the study relates to the type of appraisal method in use at GPHA. As seen in the literature, there are three different methods that

can be used in measuring staff performances. These are the traits, behaviours and task outcomes (results). The study has shown that GPHA uses a mixture of the three methods. The elements used for the measurement of staff performances in GPHA are designed as follows;

- Pace of work
- Quality of work
- Job knowledge
- Reliability
- Attendance/Punctuality
- Relationship with colleagues and
- Health records.

Assessors are required to use the following award system to grade the staff based upon the performance criteria listed above.

- 10 points to be awarded if staff's performance '*Exceeds Job Requirements*',
- 8 points to be awarded if staff's performance '*Fully meet Job Requirements*',
- 6 points to be awarded if Staff's performance '*Generally Meets Job Requirements*' and
- 4 points to be awarded if staff's performance '*Does Not Meet Job Requirements*'.

These performance criteria are grouped under the three methods shown in Table 13.

Table 3: Performance grading criteria

Trait	Outcome	Behaviour
Reliability	Pace of work	Attendance
	Quality of work	Relationship with others
	Job knowledge	Health records

Source: GPHA performance appraisal document

The performance criteria of ‘Health record’, ‘Relationship with others’ and ‘Attendance/punctuality’ measure behaviours of the staff hence fall under the behavioural method. Reliability is a trait and therefore an aspect of the trait method. Pace of work, quality of work and job knowledge relates to productivity and therefore fall under the task outcome or the results method. There is, however, heavy reliance on task outcomes and behaviours. Manuals to guide raters in the performance of this all-important assignment do not exist in the organisation. Grading staff performance therefore becomes a daunting task to undertake especially to first time appraisers. It can be said that the appraisal exercise in GPHA faces challenges in the area of practice.

The study also revealed that the appraisal format describes a section as a ‘Career Plan’ which is represented in Table 4.

Table 4: Career Plan

Career Plan	Tick as appropriate
Has potential for promotion now	-----
Good for Deployment (state where)	-----
Should remain in current post	-----
Suitable for promotion after further development (How)	-----
Date----- Signature of Reporting Manager	-----

Source: GPHA appraisal document

Obviously, the career plan is confusing and lacks clarity. Sampled views of appraisers confirmed that what is described in the document is really not a career plan. The key HR informant agreed with the researcher on the obvious error contained in the format which is a flaw in the system design. The ‘career plan’ seeks to address appraisees’ potential and suitability for promotion instead of clear cut lines of progression along defined career paths such as an accounts clerk becoming an accountant after periods of experience and qualification.

Background information of respondents

Critical view of the background characteristics of the respondents establishes the fact that the study had been comprehensive as it covered a broad spectrum of the Ghana Ports and Harbours staff. In all 200 staff were involved in the survey and were drawn from the two ports of Tema and Takoradi. Two hundred questionnaires were administered to the respondents and were collected, returning a response rate of 100%.

One hundred and forty respondents constituting 70 percent were made up of males and the remaining 30 percent were females. Sixty percent of the respondents have tertiary education background whilst 40 percent were senior high school graduates. It can therefore be inferred that the respondents were literates and therefore understood the questions asked in the questionnaire.

The ages of the respondents placed an impact on the study as it reflects the respondents' level of understanding and judgment. Age, status and level of education were very relevant to the study as they lent credence to the responses provided to the research questions. Table 4 depicts that over 60 percent of the respondents were between the ages of 40-60 and about 15 percent between the ages of 20 -29. This finding point to the fact that the respondents were matured staff in terms of knowledge of the workplace, understanding of the import of the study and general experience.

Table 5: Age of the respondents

Age (Years)	Frequency	Percent
20-29	30	15.0
30-39	45	22.5
40-49	60	30.0
50-59	65	32.5
Total	200	100.0

Source: Fieldwork 2008

Length of service of the participants demonstrates the respondents' appreciation and familiarity with the appraisal scheme in GPHA and therefore ability to comment on it succinctly. Table 6 shows that only 30 percent of the

respondents have worked within the GPHA for the last five years and therefore have performance appraisal experiences.

Table 6: Length of service of respondents

Years	Frequency	Percent
Under 5	60	30.0
6 -10	30	15.0
11 – 15	20	10.0
16 – 20	5	2.5
21 and above	85	42.5
Total	200	100.0

Source: Fieldwork 2008

The performance appraisal process in GPHA

One of the objectives of the study was to find out the processes of performance appraisal in GPHA. To this regard, analysis was made following the framework of Cole (2002) who developed the systematic approach to performance appraisal which has three distinctive stages; completion of a form, appraisal interview and agreed action. Also considered is the Phillips’ model which is akin to the Cole’s model but with some elaborations.

The performance appraisal exercise in the organisation is a yearly ritual which starts at the end December and completed by 31st January. The Human Resource Department (HRD) prepares appraisal forms for each employee and forwards same to the various departments for assessment of the staff. The

completed forms are returned with the head's recommendations for management's consideration. Each staff is supposed to see the assessment made on him/her and when satisfied, he/she signs an appropriate column on the form signifying his approval of the assessment, or to lodge a protest with the assessor or the head of department for necessary review. When the parties fail to reach an agreement, the issue degenerates into a dispute which then goes through a grievance procedure as outlined in the collective bargaining agreement of GPHA for resolution. The HRD processes all the received appraisal forms and the head then makes recommendations on each staff. The completed forms are then forwarded to the Director of Port for administrative decisions except promotions which is done by corporate management.

In the study, respondents were questioned about how the appraisals are done in GPHA. About half of the respondents said they only signed relevant portions of the completed appraisal forms presented to them by the supervisors. A few others, representing 22.5 percent, however, indicated that the assessments were done between them and their bosses. Another 22.5 percent claimed that they only filled out the appraisal forms. Seven and half percent said the assessment was done on 'one-on-one' basis that is, between them and their assessors. In all, over half of the staff claimed that they were actively involved in the appraisal process. The responses are captured in Table 6.

Table 7: The appraisal process in GPHA

Responses	Frequency	Percent
Filling an appraisal form	45	22.5
One-on-one discussion with boss	15	7.5
Boss and self completes form together	45	22.5
Only sign a completed appraisal form	95	47.5
Total	200	100.0

Source: Fieldwork 2008

The appraisal style applicable in the organisation is the management type, where the superior officer appraises the subordinate staff with management reviews before administrative actions are taken.

Cole (2002) regards completion of the appraisal form as the preparatory stage of the process. This view holds only if basic issues such as targets and performance standards are set earlier on. To this end, respondents were asked whether they worked according to performance standards. They confirmed that this has been the practice. Majority of the staff, however, followed internal standards whilst about 10 percent followed internationally crafted ones. Twenty percent of the workforce actually uses a mixture of both standards in the performance of their jobs (Table 8 refers). GPHA has general work standard that the staff must follow; this borders on quality of work, cargo damage control levels per ton, ship turnaround time, labour and ship productivity, stevedore rate per gang hour and cargo theft.

Table 8: Standard of work

Standard of work	Frequency	Percent
International	10	5.0
Internal	150	75.0
Both	40	20.0
Total	200	100.0

Source: Fieldwork 2008

Based upon the perceptions of the respondents, it can be said that staff of GPHA work according to standards which are internally and internationally derived. However, an undisputed conclusion can only be made after the application of more scientific basis such as observation to support the perceptions of the workers.

Performance target

Every staff, however, worked according to set targets. These targets were mostly set at the sections. The departments and management also prescribed certain targets that must be achieved by the staff. The customers of the organisation sometimes determined the target to be achieved by the staff. This actually comes through persistent demands and informal negotiations which are normally formalised by the supervising authority of the staff concerned. Table 8 carries the summary of the responses.

Table 9: Setting of performance target

Responses	Frequency	Percent
Customer's target	5	2.5
Managements target	45	22.5
Departmental target	55	27.5
Sectional target	95	47.5
Total	200	100.0

Source: Fieldwork 2008

Over 47 percent of the respondents declared that they followed sectional targets whereas 27.5 percent stated that they had departmental targets to achieve. A small proportion (2.5 percent) of the responses claimed that they followed customer targets. The majority of the staff, however, followed sectional and corporate targets. The staff of GPHA work according to set targets upon which their performances were measured.

The sectional and customer related targets were mostly set by the supervisors. A few of the staff set their own targets based on their work schedules. A significant few, however, had no idea of who sets the targets, see Table 10.

Table 10: Performance target setting scenario

Responses	Frequency	Percent
Self	6	15.0
My Boss	24	60.0
Do not know	5	12.5
Total	200	100.0

Source: Fieldwork 2008

Appraisal interview

Appraisal interview plays a key role in the process of performance appraisal. Both Philips (1983) and Cole (2002) find appraisal interview as a crucial stage in the appraisal exercise which must be tackled immediately the forms are completed. Other writers on the subject such as Bohlander et al (2001) also emphasised the same point.

In the study, majority of the staff were reported holding formal discussions with their assessors during the appraisal process. An appreciable number of staff, however, reported that they were not getting involved in any form of discussions with their raters during the appraisal exercise. The responses are summarised in Table 10. Sixty percent of the respondents claimed that they held formal discussions or interviews during the exercise whereas, 37.5 percent said they did not. This situation indicated that over a third of the performance appraisals in the Authority are done without formal appraisal interview. A check with management on the information confirmed the claim.

Table 11: Appraisal interviews

Responses	Frequency	Percent
Yes	120	60.0
No	75	37.5
No Response	5	2.5
Total	200	100.0

Source: Fieldwork 2008

Summary of respondents' perception about the objectivity of the assessment indicated that about half of the workforce did accept that the exercise was truly reflective of what actually was the case. Forty five percent of the sampled opinions indicated that the assessments continually waver between acceptability and non-acceptability. About 5% of the respondents, however, stated that the assessment reflected the non-reality. On the whole, the perception of the workforce showed a fair balance between acceptability and non-acceptability of the assessment.

Management action

Management decisions that follow the appraisal interview are summarized in the Table 12. To a large extent, data from the staff performance appraisal in GPHA are used for promotion purposes. This is followed by the award of salary increment. Assignment of higher responsibilities and jobs based upon performances are not used.

Table 12: Reward for performance

Responses	Frequency	Percent
Promotion	135	67.5
Awarded salary increment	55	27.5
Assigned higher job	5	2.5
No effect	5	2.5
Total	200	100.0

Source: Fieldwork 2008

Identification of best and poor performers in the organisation through the appraisal exercise is not a major consideration. No staff has ever suffered salary cut or been warned for poor performance. Counseling for unmotivated performances by staff is also not popular in the organisation.

Staff involvement in the appraisal exercise

It can be seen from the opinions of the staff, official documents and information gathered from management that the performance appraisal process in GPHA compared favourably with the systematic approach for effective appraisal developed by Cole (2002). In the approach, the process flows through three distinctive stages, that is 'the filling of an appraisal form', 'interview' and 'administrative actions' that are agreed upon between the parties. In GPHA, the appraisal forms are filled by the appraisee and appraiser followed by a discussion session where the parties agree on the assessment and sign appropriate columns before the completed documents are dispatched to Management for administrative actions.

Opinions of respondents on the involvement of the staff in the appraisal process supported management's assertion that they were involved in the process. About half of the staff knew that conducting staff performance appraisal means signing and making comments on a completed form. The other half somehow got further involved in the exercise through interviews. The conclusion, therefore, is that the essential element of interview in the appraisal process is not widely practiced in GPHA.

Information gathered from the key informant and official records indicated that there was no detailed appraisal policy statement in the organisation. There is, however, a statement in a HR manual to the effect that there must be appraisal of staff twice in a year. The purpose is to reward deserving performers in their fields during the year. However, the information available on the issue is very scanty and does not set out responsibilities for appraisees, their supervisors and the Human Resource Department.

It can be concluded that GPHA has a formal appraisal policy but with obvious limitations on rater instructions and guidelines, that the staff are involved in the process and that appraisal interviews are not widely practiced during the exercise. The process, however, has a systematic approach which is akin to the model developed by Cole (2002).

Validity and reliability of the appraisal method

With reference to the validity of the assessment method in use, the study was designed to investigate whether the method produces the intended or desired results. In other words, the research was intended to find out if the data collected had bearings on their intended purposes. Reliability on the other hand refers to capability of the appraisal method to give the same or comparable results in similar situations.

The study was therefore sought to determine whether the appraisal method applied really measured staff performances in terms of work outcomes,

behaviours and traits, and whether the design for that reason was valid and reliable.

The seven measurable performance criteria in the appraisal document of the organisation are grouped under the established methods for assessment as seen in the literature (Bohlander et al 2002). The reliability of the scheme must emanate from guides and manuals that spell out the modalities for consistency in the assessment. Unfortunately this does not exist and thus makes judgment in the exercise very subjective. The situation obviously portrays lack of standardisation in the rating as different assessors interpret the award scheme differently. For instance, what is the criterion for measurement of 'pace of work' and the baseline for awarding of high or low mark? Pace of work per se does not indicate efficiency as a worker can be very fast on his/her job but may exceed the allowable defects or scrap limit.

This situation described above, can lead to rater bias and errors such as central tendency, halo effect, recency effect and others. Besides, there is no formal policy on how the exercise of the staff appraisal should be carried out in the organisation. The scheme may only be valid if it relies more on quantifiable work outcomes and observable behaviours rather than trait which is difficult to measure.

Rater bias such as central tendency fails to distinguish between subordinates. In that sense, 'relationship with others' may also suffer from such an error. With regard to 'Health Record', it is almost meaningless to award a staff 10 points mark as a rater cannot determine how in real terms, his health status has

exceeded the 'Job Requirements'. The lack of a manual on procedures and standardisation weakens the effectiveness of the appraisal scheme. The appraisal scheme as it is currently cannot be wholly relied upon due to its shortcomings.

Training of performance appraisers in GPHA

The study also revealed that most appraisers do not have requisite knowledge in staff appraisal and do not attend any assessment training before the exercise is carried out. At a focus group discussion, participants expressed the need to have a tailor-made training on the exercise. About 50 percent of the participants used their own understanding and judgment to carry out the exercise. There is no proper arrangement for raters, especially, first timer raters to go through an orientation and guidance session to enable them do an objective and effective staff performance reviews. Management's perception that all supervisors are capable of carrying out the appraisal exercise without problems is not wholly correct. Both raters and appraisees agreed that the exercise was worthwhile but the structure and the mode needed modifications.

Performance feedback

In the Cleveland et al. (1989) research, performance feedback was found to be the most used variable among the organisations that participated in the study. In GPHA, the staff usually get feedback through the management actions that normally follow the exercise such as salary increment and promotions.

About half of the research subjects accepted assessments made on their performances by their supervisors. The other half, however, showed mixed feelings about the objectivity of the assessment. In a few cases the staff were critical about the objectivity of the exercise but remained mute for fear of victimization and reprisals. The courageous staff dared the consequences and refused to sign the appraisal document indicating their disagreement on the assessment.

It is, however, concluded that staff in GPHA received feedback on their performances through the appraisal exercise.

Implications

The implications of the findings of the study are as discussed below:

- Non-existence of detailed appraisal policy statement: Policy statements are important to any organisation as they provide the purpose and directions for safe operation.
- Lack of Manuals: Lack of manuals is also not helping matters as there is no reference point for officers appraising staff. The exercise therefore may not be water-tight in terms of effectiveness and may not be able to measure correctly what it is designed to measure. The possibility of the exercise being haphazard is eminent and also cannot be used for training of younger officers who aspire to assume management positions in the future.

- Appraisal system: The system exists in the organisation but it is not proactive. The raters are not provided with actual information on the employees' performances and the standard for comparison. This situation has the effect of diluting the appraisal outcome with its resultant bad managerial decisions.
- Annual appraisal: The organisation practices the annual appraisal system but the concern is that if care is not taken; many raters may not be assessing staff correctly due to the error of recency effect. It is possible that raters may forget very excellent performances of a staff during the earlier part of the year and may rely on recent performances for assessment.
- Appraisal interview: This is not popular in GPHA and has the implication of affecting the general outcome of the exercise.
- Feedback: The feedback system is not profound and this has contributed to the challenges the appraisal scheme is facing.
- Methods: The three known methods - traits, behavioural and results- are applied in the appraisal system. This has positive implications on the effectiveness of the system.
- Appraisal data: The appraisal data in GPHA is used basically for the award of salary increment and promotion.
- Perception: There is negative perception about the appraisal system; many of the staff think that the exercise is not open, fair and objective. The problem is that the staff lack full information on the exercise to enable them appreciate it. The

appraisal results are, therefore, not wholly accepted as true reflections of their performances.

It is concluded that the staff performance appraisal in GPHA has far reaching implications; the feedback to the staff enhances the effectiveness of the exercise, the appraisal interview which is not widely practiced affect the general acceptability of the appraisal outcomes, manuals and instructions on the conduct of the appraisals also impinge on the performance of the raters in the exercise.

CHAPTER FIVE

SUMMARY, CONCLUSIONS AND RECOMMENDATIONS

Introduction

The study was set out to achieve the under-listed objectives following complaints from the rank and file of GPHA about the objectivity of the appraisal system, the grading criteria used which many staff claimed not to understand and the general dissatisfaction about the conduct and the outcome of the exercise. Also management's concern and the decision to review the system called for the study. The research was therefore planned to: examine the process of staff performance appraisal system in GPHA, to identify the type of appraisal method in use, to assess the validity and reliability of the method, to determine whether the appraisers have requisite training to appraise staff; and to make recommendations for improvement in the appraisal system.

In order to accomplish the set objectives, a number of research questions were posed and the summary of the findings are presented below.

Summary

The process of staff performance appraisal in GPHA:

Analysis from the data obtained in the study and discussions portray that, indeed staff performance appraisal system exists in GPHA. It is recorded in the

HR Manual that the exercise should be conducted twice in a year but it is actually done once in practice. The process is that, the supervisor appraises the staff using a format distributed by the HRD and the staff confirms the assessment or otherwise by appending their signatures to the document. The ratings then form the basis for management actions which are mainly promotions and salary increment. GPHA applies the supervisor – subordinate method in the exercise. The findings also showed that there is no formal policy statement on staff appraisal in GPHA and there are no manuals to guide raters on the exercise. Appraisers relied on their own judgment to award marks for performances. There is therefore no standardisation and consistency in the general rating of performance.

These shortcomings, notwithstanding, the process follows an approach similar to the model developed by Philip (1983) and Cole (2002). Mostly the exercise of staff appraisal is carried out by merely filling out of the appraisal form by the appraisee and leaving the assessment to be done by the supervisor alone. Formal appraisal interview which is a very vital component in the process is widely overlooked or not popular with the raters.

The staff in GPHA work according to defined international maritime standards and best practices or benchmarks as well as other targets derived from the mission and vision statements of the organisation. The standards relate to ship turnaround time, cargo safety, fast transit time, among others and the targets relate to labour productivity, ship productivity, stevedore rate per shift and others. The assessments were based on such predetermined targets. The assessment criteria

were derived from traits, behaviours and task outcomes and these were used for the measurement of performances. More emphases, however, are placed on task outcomes and behaviours. The rating scale in the appraisal document is not clearly defined and this renders the exercise complicated and prejudiced.

The reviewed literature amply show that the trait method has little or low reliability in every respect as it is difficult to measure the inner capabilities of a staff. GPHA's reliance on this method is minimal and, therefore, has little effect on the overall assessment of staff performances. The task outcomes and behaviours are the two main methods relied upon for objectivity in the assessment. The observed shortfall in the measurement criteria is the health status of the staff which can not easily be assessed. The difficulty in the exercise as expressed by the raters is the lack of rating manual which makes grading rather tricky. The study also revealed that supervisors or appraisers do not go through training before they were assigned the duty to evaluate staff. The study discovered that the methods applied in the appraisal exercise are valid but the rating scales are not vivid enough thus making the overall results less reliable.

The appraisal data generated in the Authority have limited uses, thus promotions and award of salary increments. Other management actions captured in the system design are transfers, redeployment, training, verbal warning, written warning, termination and counseling but they are sparsely used.

Conclusions

The study has shown that; a well defined appraisal process exists in the organisation where the staff are systematically appraised using targets as benchmarks for performance. The process starts from filling of a well prepared appraisal documents having the employment details of each staff already printed on them from the HR department. The assessors together with the staff complete the documents and sign them after agreeing on the assessment. The documents are then sent back to the HR department with recommendations from the heads of departments of the staff concerned for administrative decision to be made.

To identify the type of appraisal method in use, the research findings indicated that all the three methods - traits, behavioural and results – are used in the staff appraisal system in GPHA. The supervisor-subordinate style of appraisal is the main approach used in appraising staff in the organisation.

To assess the validity and reliability of the exercise, the study revealed that the appraisal methods applied in the Authority are valid but less reliable. The appraisal document has measurable performance criteria such as pace of work, quality of work, job knowledge and others that the appraisers should use to rate the performance of the staff based on a provided scale. The manual to guide the appraisers on the rating, however, does not exist. The raters, therefore, rely on their own interpretations and judgment to grade the staff. The method for assessment are valid in one breath and yet less reliable in another due to the open and varied interpretations in its application.

To determine whether the appraisers have training to enable them carry out the appraisal exercise more effectively, the research findings indicated that the raters are not usually trained in the conduct of the exercise.

Recommendations

From the findings, it is realised that performance appraisal interview which is a very important segment in the appraisal process is glossed over by most raters. It is important that the Authority takes a critical look at it for its inclusion in the system design for effectiveness. The interviewing, apart from helping the Authority in identifying gaps in performances, can also help to improve interpersonal relationship within the organisation.

The literature on staff performance appraisal adequately demonstrate that any good system should indeed have a policy statement that sets out the philosophy, objectives, periodicity and the responsibility for the social partners in the exercise. In GPHA, the policy is not written. It is recommended that the policy statement is written to guide the appraisers and the organisation.

The single appraisal style of supervisor/employee has its limitations hence, it will be prudent to include other styles such as self and peer appraisals to improve the efficiency of the system. The current system is not receiving the needed support from the rank and file due to suspicion. The staff perceive that the existing system is not transparent enough and it is used to reward cronies instead of actual job performers. To remove the suspicion, it is incumbent on the

organisation to include joint reviews of the staff evaluation by both the appraiser and appraisee.

An appraisal manual must be written to guide the raters who must be properly trained to undertake the appraisal exercise. They must also be encouraged to use objective data whenever possible for empirical validation.

Appraisal feedback should be encouraged in the system and finally, the organisation may wish to consider shifting from performance appraisal system to performance management which is more embracing, holistic and can easily help identify good and bad performers as well as training needs identification.

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APPENDICES

APPENDIX A

QUESTIONNAIRE: STAFF PERFORMANCE APPRAISAL AS A HUMAN RESOURCE MANAGEMENT TOOL IN GHANA PORTS AND HARBOURS AUTHORITY

This study is to inquire into the structure and administration of staff appraisal scheme in Ghana Port and Harbours Authority with the view to identifying its strengths, weaknesses and to suggest ways of improvement.

Your maximum co-operation and participation are highly solicited to ensure accomplishment of this project.

Please, kindly complete and return the attached questionnaire.

Do not write your name or staff number on the questionnaire.

Please be assured of anonymity and confidentiality.

Thank you

QUESTIONNAIRE - APPRAISEE

**PERFORMANCE APPRAISAL AS A HUMAN RESOURCE
MANAGEMENT TOOL IN GHANA PORTS AND HARBOURS
AUTHORITY**

A. BIO-DATA

Please where boxes are provided just tick the appropriate box.

- 1. Sex: male female

- 2. Age: 20 - 29
 30 - 39
 40 - 49
 50 - 59

- 3. Length of Service: under 5 years
 6 - 15 years
 11 - 15 years
 16 - 20 years
 21 - And above

- 4. Category: Senior Staff Junior Staff

- 5. Educational Level:
 Elementary
 Secondary
 Tertiary

- 6. Department
 Personnel/Administration Marine Operations
 Corporate Planning Port Operations

- | | |
|---|---|
| <p>Finance</p> <p><input type="checkbox"/> Audit</p> <p><input type="checkbox"/> Legal</p> <p><input type="checkbox"/> Materials</p> <p><input type="checkbox"/> Security</p> | <p>Engineering</p> <p><input type="checkbox"/> Fire/Safety</p> <p><input type="checkbox"/> Medicals</p> <p><input type="checkbox"/> Fishing Harbour</p> |
|---|---|

PRACTICE OF PERFORMANCE APPRAISAL IN G.P.H.A

7. Who evaluate your job performance?

- My Immediate Boss
- Colleagues
- Subordinate
- Self
- Customer
- All of the above
- None

8. Do you work according to set standards?

- Yes No

9. Do you work according to set target?

- Yes No

10. If No, go to question 12.

11. If yes, who sets the targets?

- Myself Boss Colleagues I do not know

12. Are you normally provided with the needed logistics to work with towards the achievement of your objectives (targets)?

- Yes No Sometimes

13. Are you normally trained or coached on how to do your job to enable you achieve the target?

- Yes No

14. How are you supervised on the job?

- Constantly
 Occasionally
 No Supervision (I work on my own)
 Others (specify)

.....
.....
.....
.....

15. How do you do your work when targets are not set?

- I do what I can everyday
 I work to complete any assigned job no matter how long it takes me.
 The routine nature of my job does not require target setting
 Others (specify)

16. Does your supervisor reminds you about the need to complete an assigned job or leaves it to you to do your best?

- He constantly monitors the progress of work.
- He comes around occasionally to check whether the work is complete.
- He waits for me to complete it and report back to him.
- He does not bother me.

APPRAISAL INTERVIEW/PERFORMANCE FEEDBACK

17. How is your performance appraised?

- By writing an essay on my performance
- By incidents that happen during the performance of my job
- Verbal communication
- Merit rating
-
- Others (specify).....

18. How do you get to know about your performance level at the end of an appraising period?

- Through my supervisor
- Through official means
- Through my subordinates
- Through customers I come into contact with during the performance on my job
- I am not informed

19. When your performance over an assessment period is rated high, what happens?

- I am recommended for promotion
- I am recommended for award of salary increment
- I am transferred to a different section
- I am assigned a new and higher job

20. Does your supervisor or the one appraising you invite you for discussion about your performance before you sign the assessment?

- Yes
- No

21. Do you normally agree with the assessment on your performance?

- Yes
- No
- Sometimes

22. When you do not agree what do you do?

- I protest
- I refuse to sign the assessment
- I do nothing
- I relax in the performance of my job

23. Do you normally get feedback after the appraisal from your appraising officer?

- Yes
- No

**APPRAISAL DATA AND MANAGERIAL DECISION ON HUMAN
RESOURCE MANAGEMENT**

24. Have you ever suffered salary cut during your service period in G.P.H.A?

- Yes No

25. If yes what happened?

My performance on the job was adjudged poor for that year.

Disciplinary action by management

A general exercise

Others (specify).....

26. Have you ever been warned based on the appraisal report?

- Yes No

27. If yes, what kind of warning was that?

- Written verbal

28. Have you ever been advised by your superior to step up your job performance?

- Yes No

29. Has your superior ever referred you to any body or person within the organisation to counsel you on your job performance?

- Yes No

30. Have you ever been transferred or redeployed to a different section based on the Appraisal report?

Yes No

IMPLEMENTATION

31. How serious is the appraisal scheme practiced in G.P.H.A?

Very seriously somehow serious
lacks seriousness

32. Do you often remind your boss or whoever appraises you before he fills the appraisal form?

Yes No

33. Other comments if any on the scheme.

.....
.....
.....
.....
.....

APPENDIX B

INTERVIEW SCHEDULE

1. Age
2. Sex
3. Length of Service
4. Are you an officer or junior staff?
5. What is the level of your education?
6. What is your department?
7. Who evaluates your performance?
8. Do you work according to work standards.....
9. Do you work according to target?
10. Who sets the target?
11. Are you normally trained on the job you do?.....
12. What are your views about the staff performance appraisal?.....
13. How is the appraisal done?
14. Do you participate in the exercise?
15. Do you accept the assessment given on your performance?
16. Is the appraisal exercise good or bad?
17. In your view, is the assessment fair?
18. Give your general comments about the appraisal?

APPENDIX C

GHANA PORTS AND HARBOURS AUTHORITY

JUNIOR STAFF MERIT RATING

PERIOD COVERED BY REVIEW FROM..... TO.....

NAME..... DATE OF BIRTH.....

JOB TITLE..... DATE EMPLOYED.....

GROUP.....

DATE PROMOTED TO PRESENT GRADE.....

DEPT./SECTION.....S/NO.....

TRAINING UNDERTAKEN DURING PERIOD OF REVIEW

WARNING/COUNSELLING, DISCIPLINARY ACTION ON STAFF DURING PERIOD

USING THE FOLLOWING TABLE, RATE THE EMPLOYEE IN THE COLUMNS PROVIDED

Working Appraisal	Exceeds Job Requirement	Fully Meets Job Requirement	Generally Meets Job Requirement	Does Not Meet Job Requirement
	10	8	6	4

1 Pace of Work

- 2 Quality of work
- 3 Job Knowledge
- 4 Reliability
- 5 Attendance/Punctuality
(Attach staff Attendance Record Sheet)
- 6 Relationship with colleagues
- 7 Health Records

OVERALL PERFORMANCE (percent)

NOTE: Exceeds Job Requirement implies that the employee is performing at level higher than expected of a holder of that job and that he should already be in the next higher position

E REACTION OF JOB HOLDER TO RATING/ASSESSMENT

F. PRBLEMS/SUGGESTIONS/RECOMMENDATIONS BY JOB HOLDER

E. LIST AT LEAST 8 KEY PERFORMANCE OBJECTIVES AND EXPECTATIONS FOR THE NEXT REVIEW PERIOD AGREED WITH THE SUBORDINATE(S)

SIGNATURE OF STAFF.....

H. RECOMMENDATION BY APPRAISEE

Training Requirement

Career Plan

Tick as Appropriate

- (a) Has potential for promotion now
- (b) Good for deployment (State where)
- (c) Should remain I current post
- (d) Suitable for promotion after further Development

F. COMMENTS BY HEAD OF DEPARTMENT INCLUDIN REACTION TO RECOMMENDATION

Date..... Signature.....

Title.....

G. ACTION BY PERSONNEL/ADMINISTRATION

- 1. Increment
- 2. Promotion
- 3. Redeployment
- 4. Training
- 5. Verbal warning
- 6. Written warning
- 7. Termination

ACTION.....DATE.....

SIGNATURE.....