A Review of Performance Appraisal Systems in Different Countries: The UK, India, South Africa and Ghana

Yamima Dauda
Ghana Technology University College
P.O. Box MC 3262, Takoradi, Ghana.

Abstract
Performance Appraisal is an evaluation process that takes place in all modern establishments in most countries. It has several models and is used to measure employee work output and the progress of establishments as they attempt to realize their goals. It has all but replaced traditional appraisal processes, deemed to be old fashioned and inadequate for today’s competitive and fast changing world. However, in spite of its widespread acceptability, Performance Appraisal has attracted a lot of resistance from some scholars and practitioners. Scholars who oppose it say it is unreliable for being subject to human influence, while some practitioners resist its adoption because they do not fully understand it or feel threatened by it. To address its perceived shortcomings, some institutions attempt to expand the scope of Performance Appraisal in a new scheme called Performance Management which attempts to make the appraisal process more impersonal thereby achieving more reliability and greater acceptability. The study will also look at the history, pros and cons and practices of Performance Appraisal practices in different countries.

Keywords: Performance appraisal, performance management

INTRODUCTION
In modern times, the culture of productivity, progress and success have become the mantra of the most effective and well planned establishments. These organizations aspire to achieve progress by setting up performance targets for their employees and for themselves. Yet, how can these institutions determine with certainty whether they are making progress towards their set targets except by a formal way of measuring their performance Dulewicz (1989), posits that people generally tend to form opinions about others and about themselves in the course of their work. He is of the view that
assessment of work is necessary in general. The non-availability of a formal process of appraisal would lead to the assessment of the output of workers in an arbitrary manner. It is the duty of managers to make institutions run in the desired manner. They should therefore have the capability to evaluate both the individual as well as the collective output of the workers in the establishment (Lewin, 2004). In this regard, establishments have come up with systems that evaluate their output and that of its workers. These are termed Performance Appraisal Systems (PASs).

Referring to time of the Industrial Revolution, Avery (2004) recalls that PASs were the basis for evaluating the output of employees. Goals were plain and were used to determine remuneration. North (2010) and Reeves (2016) state that Performance Appraisals (PAs) started in an effort to logically relate pay to output. It was strongly related to physical output, such that remuneration was adjusted upwards or downwards for workers working exceptionally hard or for lagging behind in output. North (2010) declares this scheme unreliable as it was abandoned over time. Seeing the promising capability of appraisal to evoke enthusiasm and drive change in a desirable direction, it was taken on progressively in the US in the 1950s. Fletcher (2001), appears to have been moved by the widespread recognition given to PASs when he stated that Performance Appraisal (PA) is now a tactical component of assimilating HR functions and corporate schemes and is now used generally to describe operations by which enterprises attempt to evaluate their workers output in order to determine their pay. Consequently, both praxis and studies have moved beyond the constricted attention on aptitude tests to topics on developmental performance appraisal (Mohammed et. al., 2014), citing Lefkowitz (2000), Fletcher (2001), Waal (2003), and Levy and Williams (2004). Citing Boswell and Boudreau (2002), Mohammed et. al., (2014) depict developmental PA as every attempt aimed at improving knowledge and workplace ethics to make workers perform better. In addition, they mention Angelo et. al., (2006) who explained that PA is a distinct, officially authorized activity that takes place about once every year, having prescribed rules that guide the assessment of workers. A good PA is normally regarded as promoting progress in the establishment, conferring better remuneration to staff and management, while a bad one would result in the opposite.

2.0 PERFORMANCE APPRAISAL: PROS AND CONS

Dulewicz (1989) states that performance appraisal is a planned official intercourse between a worker and his supervisor that takes place from time to time, during which the productivity of the worker is determined, aiming to improve the productivity of the worker. To Lawrence (2014), performance appraisal is an activity that assesses the productivity of workers in an establishment, identifying their strong points as well as their shortcomings in order to make them perform more efficiently. Boxall and Purcell (2011) view performance appraisal as official processes of preparing and examining workers work output by taking them through questions and answers session. To this writer PA is a conventional scheme that is deployed occasionally to calculate the productivity of workers in properly run enterprises, the intention being to
determine how well they are executing their given jobs and how this affects the overall output of the entity.

In their 2011 dissertation on ‘Employees Perception of Performance Appraisal Systems’ in the International Journal of Business and Management, Boachie-Mensah and Seidu, citing Armstrong (2003) and Bohlander and Snell (2004), posit that modern global economic trends demand that enterprises take on ground-breaking administrative schemes if they are to stay ahead of their competitors. They suggested that efficiency could be achieved by putting in place a legitimate and precise scheme to assess worker output. They are of the opinion that seeing a chance for personal progress, staffs are more likely to support a particular PAS. On the other hand, staff may not cooperate if they suspect a particular PA would expose them to greater restrictions. Anthony, Perrewe and Kaemar (1999) posit that PA will be more efficient if the scheme is made comprehensible to workers. The confidence of workers would dip unless PA is conducted professionally.

Practitioners cannot find common ground on the usefulness of PASs (North, 2010; Reeves, 2016) For example; Darren (1990) is mentioned by North (2010) who states that the scheme is so defective that it cannot be improved. Lewin (2004), Chowdhury (2008) and Reeves (2016) all hold the view that despite the widespread adoption of PASs by nearly all establishments, the method is still contentious in its application in administration. They posit that human influence rather than worker output dictates the results of appraisals. This phenomenon is called the halo and horns effect (Avery, 2004; Radebe, 2015 pointing to Robbins, 2001). Radebe (2015) refers to Grobler et. al., (2011) and states that the halo effect occurs when a supervisor judges the output of a worker improperly, having come under the influence of one factor of the worker’s achievement rather than their entire performance. Alternatively, a negative halo also called devil’s horns effect occurs when the supervisor’s accurate scoring of a worker’s poor performance in one aspect causes him to score other aspects of the worker poorly.

Reeves (2016) points out those practitioners who have no faith in PAs declare that PAs are subject to the personal biases of managers who use it to frustrate staff they do not like and skew their reports in favor of those they like. Another flaw mentioned by Chowdhury (2008) is that whereas the manager may be fair, he is more particular about the conduct of the worker than in his productivity. His view is that efforts to make the scheme better are not receiving the proper endorsement from managers and workers. He states that instead, PAs are very unpopular with staff, worrisome and a hindrance to the progress of the establishment. Chowdhury ends his thesis on the note that staff evaluations more often than not do not give a precise account of the performance of the staff. Reeves (2016), also stating her opinion on poorly managed appraisals, points out that staff generally pay more attention to the unconstructive parts of PAs and that this dampens their enthusiasm and performance. Improper PAs that display any form of discrimination can incur legal consequences. She indicates that managers must be conversant with the existing legal regime on personal freedoms. As a result, even as entrepreneurs set up evaluation schemes, they often prove unreliable (Lewin, 2004) and do more damage than good (Avery, 2005).
However, PAs have got some close adherents. For example, Averson (1998) affirms that present day enterprises rely on evaluation of their productivity. The evaluation is shaped by the corporate plan of the enterprise and brings out important data on the different aspects of the enterprise’s activities. The information obtained informs strategy for drawing up arrangements for future operations such as budgeting, competition, business trends and setting performance targets. PAs afford supervisors the chance to report on how workers have performed and the supervisors on how to set new output targets for the workers (Reeves, 2016). A well conducted PA can help managers to determine remuneration – the initial reason for establishing PAs. Additionally, they update workers of their productivity and how they can become better (Reeves, 2016; Griffin, 2016). Staff evaluations can bring obsolete and ineffective operations to light and offer targets and guidelines for coaching and improvement (Griffin, 2016). Staffs evaluations help enterprises to rationalize the staff strength (Avery, 2005) and help determine salaries, career improvement and staff conduct (Avery, 2005; Redebe, 2015 citing Rowland & Hall, 2012; Sing and Vadivelu, 2016). Lawrence (2014) summarizes this when he states that PASs offer supervisors the chance to differentiate between efficient and less efficient workers.

North (2010) stress that a number of professionals prefer to pay attention to the skills advancement of employees in PA rather than on their salary, that they consider any connection to remuneration as downplaying the vital role of staff development. They observe that linking PA to pay is condemnatory, retaliatory and distressing. For instance, North states that workers whose appraisal reports are not satisfactory are likely to contest it as this would not support their expectation of climbing up the staff ladder and getting a higher salary. Unfavorable evaluation feedback could bring on bitterness, dampen spirits, disturb harmony at the place of work and reduce output.

Adherents of the incentive method state that establishments must reward workers according to their productivity and North (2010) expresses the view that PA is the only scheme at hand that can enable this in a commensurate manner. He points to Bannister and Balkin (1990) who found that workers appear to embrace the evaluation scheme when it is based on incentives. This and similar findings robustly confront the position of experts who attempt to discredit the linkage between performance and reward.

3.0 PERFORMANCE APPRAISAL IN THE UK

Dwomoh et. al., (2014), citing Prahalad & Hamel (2010), maintain that in spite of the long standing awareness of the significance of the labor force to the progress of enterprises, over 80 percent of the companies reviewed in the UK indicate a certain disappointment with the PAS, pointing out that it is unable to inspire workers. Additionally, they mention Bowles and Coates (2009) who say 68 percent of a sample of 48 UK establishments is not happy with the scheme. To add to that, they refer to Mount (2010) and Pooyan and Eberhardt (2008) who put forward that there is likely to be an inherent discrepancy in the degree of contentment with a PAS depending on a worker’s job in the organization. Dwomoh et. al., (2014) on their part refers to Bretz
et. al., (2009) state that a PAS may be swayed by the kind of establishment in which it is run. Whereas PAs have encountered common disapproval, they have become intrinsically integrated in the management schemes of UK institutions. A case in point is a study by the London based Chartered Institute of Personnel and Development (CIPD) in 2009 indicating that 80% of HR professionals undertake PAs (Jozwiak, 2012). Jozwiak proclaims that management consultancy firm Hay Group established that 50% of government employees and 30% of industry players say appraisals are a box-ticking exercise.

Horton’s work (2006) on PA schemes in the United Kingdom (UK) Civil Service and Performance Management as a whole in the Organization for Economic Co-operation and Development (OECD) countries showed that public sector productivity had of late become very important and performance management had taken centre stage in every OECD country. She mentioned the following as some of the causes:

- The attempt by regimes to attain competency in the economy.
- Public expectancy that state officials would be highly professional.
- A robust contest between government agencies and non-government establishments.
- Greater openness in state administrations.
- The insistence for highly efficient regimes.

Horton refers to the OECD (1995 and 1999) and puts forward that fresh organizational models were introduced everywhere in a bid to boost productivity. They included:

- Dealing with proficiency.
- Output benchmarks to guide formal activities.
- Staff evaluation schemes to determine staff and institutional output.

The OECD subsequently came out with the ‘Best Practices on Evaluation’ in 1999 which strongly advocated that employee appraisals should be conducted only as a matter of necessity, the process being examined regularly.

An appraisal scheme to track the productivity of each worker was developed. It comprised work schedules tailored for each employee, inspiring them towards output benchmarks, comportment and evaluation gauges. The follow up process recommends actions to improve achievement, incentives and additional training requirements, bringing forth new preparation for forthcoming productivity goals.

PA is a critical element in the performance management process and is one of the leading litigious administrative endeavours Horton (2006). She points out that formerly, supervisors undertook evaluation by physical examination and biased opinion devoid of employee involvement. That now, assessment is common for all categories of employees except labourers. She mentions the Industrial Society whose research in 1997 discovered that 90 per cent of institutions in the UK conducted...
workers review schemes while 100 per cent of the public sector engaged in it.

Horton (2006) reports that up till date, the unstructured PA technique, also called top-down, is commonly applied in the UK private sector but only infrequently in government establishments. According to her, the procedure leaves little room for impartiality by supervisors since the staff being examined is not privy to the conclusion and cannot do much to change it. She argues that the self-appraisal process opens the door for staff to get involved in the evaluation activity and it sometimes dictates the course of the process. It is regularly added to the top-down schemes as a means of promoting fairness and personal assessment. She has the conviction that this method can lessen the bias in the top down scheme and is getting more and more visible in the Non-Government establishments. Mentioning on the 360 degree appraisal, Horton states that it can ease bias since it attains a complete viewpoint of the worker’s productivity. She points out that this is applied more frequently in state institutions and has become a regular part of the performance management scheme in the British Senior Civil Service.

Adcroft and Willis (2005) assert that performance management by state institutions can be traced back to the era of the conservative government of the late 1980’s and early 1990’s, and Boland and Fowler (2000) add that it was during these regimes that institutional and administrative reorganizations were initiated, and national performance management became decisively founded.

Harrison and Goulding (1997) report that state institutions were adopting commercial strategies while following conservative governments attempted to advance accountability by drawing up values and goals. These improved values resulted in the drawing up of the Citizen’s Charter in 1991, and this kicked off the setting up of a number of charters in the formal sector. The Citizens Charter (1991) advocated appropriate reward for productivity, it did not on the other hand, consider if cash does influence performance.

The earliest regulation for performance management directed exclusively at the formal sector was issued in 1993 by the Local Government Management Board (LGMB) (LGMB, 1993). It stressed the role of performance management in promoting the relationship between corporate policy and goals to employees and their work in an establishment. Yet again, it related the choice of connecting performance management to remuneration policy. The guiding principles gave clear prominence to the belief that the productivity of the institution is the sum of the output of the workers (Rogers 1999).

Performance management in government establishments was promoted by the Audit Commission in the 1990s through publications.

The following three factors are deemed important to personal viewpoints on performance management.

i. The productivity of institutions should be determined by both descriptive and numerical methods.

ii. Comments on the work output of employees and the establishment
should be put out.

iii. Skills improvement should be acknowledged to advance employee output (Audit Commission 1995).

Harrison and Goulding (1997) pointed out that in the past 20 years state institutions have adopted greater commercial models and new incoming regimes have tried to improve their performance through targeting higher values.

They found that much as performance appraisal is unsatisfactory, current study indicates that even at this time it is applicable in certain situations (Baker, 1988; Thomas & Bretz, 1994; Tziner and Latham, 1989; Wiese and Buckley, 1998). It is very popular in the informal sector, its value only now being realized in the formal sector (Bowles and Coates, 1993; Harrison & Goulding, 1997; Redman et al., 2000). Both non-government and government establishments as well as association of university teachers (a formal establishment of higher learning) will go on using performance appraisal schemes since it appears to be the best method available now (Simmons, 2002; Wilson and Western, 2001).

In their “Performance management in UK higher education institutions: The need for hybrid approach” Santos et al., (2014) established that performance management models in UK HEIs can be categorized into two as stewardship-based and agency-based. The paper indicates that the Stewardship scheme centres on results that endure for a lengthy period depending on the tradition and awareness of the society. Agency methods on their part, concern themselves with outcomes that last for brief periods and are very much influenced by regular scrutiny and direction. The paper further revealed that generally UK HEIs favour a blend of both schemes even as the agency method is getting more popular with the institutes. The study further found that establishments with complex objectives and lasting important productivity pointers like studies of quality prefer stewardship performance management to achieve their goals whereas those with interim and simply determinable objectives like lower expenses and accumulation of profits prefer agency performance management to achieve their objectives.

The thesis also stresses that institutes with multifarious assignments and aspirations favour a combined performance management scheme whereby managers choose the agency method because it offers more simplicity and concentrated attention; whereas educators perceive Agency performance management methods like personality productivity assessments as unsupportive and flawed. The paper does not endorse any universal performance management scheme that is suitable in dealing with every institute and every employee. Establishments have to take on and apply performance management models that are suitable for their purpose. The present aspirations of HEIs are extremely varied, making up results that go far into the future and others that are immediate. Therefore, the task for UK HEIs is to come up with a collective performance management model that will suit all their aspirations.
4.0 PERFORMANCE APPRAISAL IN INDIA

From the time of the rebirth of trade and industry at a worldwide scale in India, PA has been used widely in improving the skills of staff and establishments due to its acceptance in numerous establishments (Sing and Vadivelu, 2016), referring to Kumar (2014). Previously, Chowdhury (2008) had established that almost all institutions try to keep an eye on the work output of their staff by an assessment process. Similar to a reward and punishment setting, he maintains that incentives are offered to those with attain greater output while those who underperform are punished. Like some other publishers, he faults PAs by stating that certain PA procedures are swayed by the interests of the examiner rather than the achievement of worker. Sing and Vadivelu’s (2016) view seems to be in line with Chowdhury’s. They point to Jain and Ratnam (1994) who maintain that ‘hierarchy and inequality’ characterize Indian custom and to Kanungo and Mendonca (1994) who emphasize that in India, workers consider their ties with their supervisors more important than the requirements of their tasks. What is more, they maintain a dependency on their supervisors in their personal affairs. They refer to the work of Varma et. al., on industries in India, which established that PA process, is affected by the rapport between workers and their managers.

Sing and Vadivelu (2016) cite Sheelam and Ravindran’s (2014) research on the formal and informal enterprises and offshore financial institutions in India, intended to ascertain the validity of the present PA scheme. The survey revealed a strong relationship between evenhandedness in PA scoring and contentment of employees in general. An evaluation scheme will be unsuccessful if workers do not have confidence in its impartiality (Levy and Williams, 2004), mentioned by Sing and Vadivelu (2016).

Many Indian establishments reject contemporary PAs, rather choosing to stick to conventional assessment processes (Chowdhury, 2008; Sing and Vadivelu, 2016). Chowdhury also states that lots of institutes depend on PAs that are based on personal attributes which according to him are the reason for much hostility, confusion and conflict among managers and their staff. Secrecy is a key characteristic of conventional assessment processes and is a foremost shortcoming since it is not able advance the progress of the staff and the establishment. It is not able to identify the capabilities or shortcomings of employees in their assigned tasks. Referring to Armstrong and Baron (2000), Sing and Vadivelu nevertheless point out that ever since the trade and industrial restructuring in India, some establishments of various capacities have taken up PA in boosting the capacity of their staff, recognizing that it is costly to continue recruiting new workers. Thus, enterprises in India have begun to abandon the usual process of assessing productivity, usually conducted by the supervisor, to current processes in conformity with the considerable transformation in the composition, schemes and traditions of the setup.

Chowdhury (2008) states that a number of state controlled banks in India are transforming their PASs. For instance, State Bank of India has in recent times taken on an open model of assessment and its branches are possibly going to do same
depending on the results produced at the main Bank. He states that many other banks have implemented a self-assessment process of PA which stresses very much on interactive accomplishment. Even so, standardization of the evaluation scheme is lacking among these Indian enterprises as Chowdhury painstakingly explains the type of scheme used in each bank. For example, Allahabad Bank had launched a scheme that tried to assist managers to discover their strong points and weak points and support advancement of their efficiency. Indian Overseas Bank operates a model which allows manager to evaluate his performance on expansion of the branch, client satisfaction, and office practice and skills development to a large extent. Union Bank of India has instituted an assessment process whereby a designated executive is expected to evaluate his subordinates on certain key areas on a five-point scale. Some other banks that operated their own PASs comprised Corporation Bank, UCO Bank, Central Bank of India, Dena Bank and Bank of Baroda.

A great deal of research on PA seems to be taking place and lately, Sing and Vadivelu (2016) in their research on PA in India, cited the investigation of Rani et. al., (2014) on non-government banks in Rohtak City, India. Their inquiry found that nearly all banks in this district are relying on the 360 degree model to assess their workers. The survey also shows that there exists a linkage between the 360 degree assessment scheme and other examined factors in that area of India as a result implying that this model is very popular to the staff in the banks in that area. Sing and Vadivelu further cite Sanyal and Biswas (2014) for their study in West Bengal, India. The survey discovered that the escalation of current PA processes creates a link between the evaluation process and the reward expectations of the staff. Sing and Vadivelu (2016) also mention a survey by Rohan et. al., (2010) on PA schemes in the service and industrial domain in India that indicated that exceptional PA processes result in improved output of workers. In spite of the popularity of modern PAs, PSBs seem to prefer the established processes of evaluation of workers and Chowdhury regrets that PSBs are sluggish in the move to implement new PASs as they do in many spheres of advancement.

Nearly all state banks operate a yearly assessment scheme that goes back in time, relying on previous reports. The yearly assessment method takes place once in the year and does not concern itself with the progress of the institution in coming years. Chowdhury says that this type of evaluation is flawed. He stresses that the conventional PASs lay emphasis mostly on drawing up objectives and that in our day, performance management schemes that rely on capability are being upheld as the blueprints for the coming years. He calls them miscellaneous processes that evaluate and remunerate skills in the various areas. He is of the view that they are a more robust and more resilient performance management tool and that they are better than the conventional methods that set targets to aspire to. These fresh archetypes characterize performance by what is achieved and by the conduct of the staff on their way to making that gain.
5.0 PERFORMANCE APPRAISAL IN SOUTH AFRICA

Radebe (2015) referring to Maila (2006) posits that in South Africa, as elsewhere, the people and the authorities are turning the screws on provincial governments to improve their performance. Local councilors in South Africa are consequently adopting PASs since it is assumed that they are effective in enhancing the output and the progress of workers. Furthermore, PAs give opinion about achievement to works and their establishments to enable them address any reported shortcomings. The productivity of each individual worker is essential in the overall achievement of the targets any institution (Seotlela and Miruka, 2014). PA grants supervisors the opportunity to draw up expansion agenda that can increase output by remedial acts and skills improvement (Kuvaas, 2011) cited by Radebe (2015). It is generally thought that PA helps to decide the remuneration and advancement verdicts of employees, in particular, at enterprises where pay-for-performance is the norm and advancement at the workplace is decided by output. Managers can also rely on PA in making decisions during downsizing operations (Radebe, 2015) referring to Rowland & Hall (2012). Redebe (2015) also cites Faizal (2005) who believes that an effectual PAS is a means by which local councils can advance the overall efficiency of their activities.

Seotlela and Miruka, in their survey of the South African mining industry in 2014 reported that there was a drift by many enterprises from the traditional PAs to the adoption of performance management systems (PMSs). Nonetheless, it seems that this tendency had already been happening for some time. For example, the Pro-Active Management Service (PAMS) (2008) indicated that the necessity to improve and preserve a PMS in districts was initially recognized in the time of the sketching and acceptance of the Constitution of the Republic of South Africa in 1996. The organization points out that PAs were employed as a means of assessing staff achievement in establishments before the adoption of the PMS. It is not difficult to understand why this change in the assessment of institutions occurred. For instance, Seotlela and Miruka (2014) point to Spansberg and Theron (2001) who endorse the view that the PA blueprint had floundered and this has moved state enterprises and local authorities to re-examine their productivity measurement schemes seeking to complete their assignments, consequently the drawing up of the PMS. One year on, Redebe (2015), even in the face of his fine elucidation on the resourcefulness of PAs cited a number of researchers whose investigations seem to expose the perceptible underachievement of PAs in dealing with the difficulties in the assessment of workers and establishments. Basing his evidence on the research of Greguras, Ford & Brutus (2003), Redebe concludes that there is disagreement between valuators and workers in the course of the PA. Superiors are ill at ease since their tasks put them in a difficult situation for the fact that their reviews impinge on the livelihoods of the employees. Usually, the shortcomings of managers are exposed when they are unable to handle thorny situations between workers or when they give an unfavorable review, wishing at the same time to cultivate friendly dealings with those working under them. In addition, staff may be unhappy to get poor reviews since this is not likely to help their course in respect of climbing up the staff ladder, salary increase or their personality.
Jackson & Schuler (2000) are also cited by Redebe when they state that receiving poor comments may bring on opposition from workers and to aggravate these difficulties, staff may attempt to hold others responsible for their underachievement. They are wont to attempt bring the whole PA exercise into disrepute and may even resort to open confrontation. Staff may display unresponsiveness and open pretences. Citing Mathis and Jackson (2000), Redebe states that disputes may arise when indefinite criteria and human influence creep into staff assessments. He also mentions Simmons (2002) who points out that valuators may commit blunders, as they may be compassionate or severe in their assessments depending on their relationship with the employee. An examiner commits a recency error when the examination is influenced by the worker’s recent conduct, excellent or below expectation. In the absence of past reports covering the whole assessment period, the manager is compelled to base his examination on the current conduct of staff to ascertain the scoring (Appelbaum, Roy & Gilliland, 2011) cited by Redebe (2015). Cook and Crossman (2004) also quoted by Redebe (2015), view central tendency as a PA condition during which a superior ranks staff as average performers, and being averse to give very high or very low scores. This kind of appraisal fails to distinguish between high performers and underachievers regardless of their qualities.

Because of these difficulties facing PAs, PAMS (2008) declares that Performance Management (PM) was recognized as critical in making certain that pre-planned activities in localities were being executed, that they achieved their growth targets and that inputs were utilized resourcefully to create and sustain qualitative process. An Integrated Development Plan (IDP) formulated objectives. The PMS controlled and assessed progress, by this means helping the locality to examine what it achieved.

The general blueprint for the setting up a PMS included:

- To designate suitable markers to determine achievement and assessable output goals having in mind the locality’s advancement plans.
- Create processes to evaluate productivity annually.
- Institute suitable schemes to discover low productivity.
- The assessment method will depend on the particulars of each job and be related to the objectives of local government.
- The spotlight would be on the output, rather than the employee.
- Realistic and calculable output targets will be established with each worker for the sake of openness.
- Staff assessment would be transparent and professional, and offer workers to the chance to give their views about the process.
- Workers will be apprised of the outcome of the PA so as to elicit progress in
their productivity, aided by skills development if required.

- Cyclic evaluations would take place during periods established by both managers and workers.
- For the sake of professionalism, the work protocols recommended the participation of an external valuator.
- The examiner must make adequate preparation in advance to guarantee the inclusion of all important matters.

Thematic areas to be covered should contain the following:

- Affirmation of the agreed output standards.
- Dialogue on the performance successes.
- Consensus on areas needing remedy.
- Concurrence of fresh goals.
- Ranking of aims and preparations for new activities.
- Standardization of times of completion of assignments.
- Mutual consent on the regularity of staff assessments depending on the set objectives.

Nevertheless, the movement of South African establishments and local governments from established PAs to PM was with a great deal of difficulty, which Seotlela and Miruka (2014) called difficulties caused by change. Regarding this situation, Redebe (2015) states that workers could resist the institution of PMS as it exposes the productivity of each individual. He mentions that certain researchers accept opposition during a transformation situation as a common conduct among people that should be rejected for the PMS scheme to do well. Referring to Markus (2004), Redebe emphasizes that institutional norms give the greatest resistance to the successful implementation of PMSs in establishments. Past researches have disclosed that when putting PMSs into practice, there is usually a certain kind of traditional challenge to the overall approval of the initiative. Traditional opposition to abandoning PASs and taking on PMSs are naturally the consequence of the unwillingness of people to accept transformation. Workers may have a feeling of vulnerability to the new process, or may be harbouring certain suspicions because of personal experience of an earlier scheme (Seotlela and Miruka, 2014) as cited by Redebe (2015).

This researcher has the opinion that the clamor to implement PMSs at the expense of PASs is the result of the usual propensity in certain people to reject old ideas in order to take on fresh ones. Why so? Seotlela and Miruka (2014), reveal that past research indicate that the biggest difficulty facing a lot of establishments is how to keep up the PMS running beyond a couple of years after its implementation. They refer to Sunlin (2008) who mentions a 1995 study which it showed that 44% of 218 enterprises with PMSs had altered schemes in two years and that another 29% were intending to do
same. They additionally mention that certain other surveys indicate that the majority of institutions change their schemes nearly every 3–4 years. This seems to point out that PMSs may not be better than PASs in staff and organizational assessment initiatives.

6.0 PERFORMANCE APPRAISAL IN GHANA

In their 2014 ‘Comparative Analysis of the Impact of Performance Appraisal System in Ghana: A Case Study of a Ghanaian and a Multinational Company’, Dwomoh et al., expressed the view that there has been little effort to empirically study the PA variable in Ghana. They assert that generally, PA is seen to be one of the PM tools that could be adopted to evaluate the performance of employees in an organization; and that management of organizations set up PASs in which employees are rated annually against pre-established performance objectives. Dwomoh and his team found that in organizations, PA is used for multiple purposes such as evaluation of performance, determination of pay, promotion and so on. To them, this appeared to agree with findings earlier by Cleveland et al. (2009), and Ostroffs (2010). Also, PA results of the employees were used to determine the bonuses given to them. Dwomoh (2014) and his team’s work centred on the Fidelity Bank (the foreign bank) and the National Investment Bank (NIB) (the Ghanaian bank). Based on the critical data gathered, it emerged that the two institutions have different methods of rating employees. According to the data obtained from the Fidelity Bank, MBO is the type of appraisal system used in the company while data acquired from the NIB indicate that the Bank adopted 360 degree feedback. Additionally, results from the Fidelity Bank indicated that employees are rated on their performance rather than on their personality, while data gathered from NIB indicated that employees are most at times rated on personality rather than their performance. Dwomoh and his team were critical of this finding at the NIB, stating that personality as being used in rating in that Bank is not the best form of rating of employees, grounding their disparagement on Armstrong (2012), who asserts that employees are to be rated with performance and nothing else. They conclude that performance is the only way of identifying employees’ effectiveness and efficiency. With regards to the departmental use of PAs, employees saw their PASs as tools that helped to develop them by way of giving them an opportunity to identify their weakness and working on them. They therefore saw it as a tool to motivate them to work harder. The study also demonstrated that employees will only be satisfied with the PA process if it fulfilled the criteria of ‘fairness’. They found this to be in alignment with the findings of Greenberg and Folger (2011). In other words, when employees perceive their appraisal to be fair, that is, completely free from bias, they tend to be more satisfied with it.

Dwomoh et al. (2014) suggest that for an effective PAS, organizational objective should be well determined, decentralized and translated into departmental and finally to individual positions. Citing Armstrong (2010), they stipulate that PA is one of the tools an employer could adopt to assess or evaluate employee performance. They stress that when PA is properly administered it supports the reward structure and this
could improve performance of employees. They refer to Mount (2010) who indicates that the determining factors of employees satisfaction with PAs are objectivity and equity of fairness of the system and this has a relationship with bonuses, pay increases, promotion as well as its alignment to organizational goals or objectives.

In their conclusion, Dwomoh and his team state that while the appraisal system in Fidelity Bank was found to be highly effective, this was not the case in NIB; that the effectiveness of an appraisal system goes a long way both to affect employees’ satisfaction with the system and their ability to achieve organizational set goals and objectives. The study also revealed that attainment of organizational goals and objectives depend very little on employees’ satisfaction with the appraisal system. The study has shown that PA has become an essential and perhaps an inevitable tool in the management of today’s organizations, and hence, tends to bring the best out of employees’ and the organization as a whole when properly administered.

Ackah (2015) also reports that until 2003, standardized Ghana Civil Service procedures were employed to conduct staff PAs in the Ghana Health Service (GHS) where employees were assessed once a year. In 2003, the GHS developed its own PA process which centred on performance improvement and less on promotion. This sought to abandon less desirable procedures in the Ghana Civil Service PA process. In 2006, the revised Staff Performance Appraisal (SPA) was introduced by the GHS whose objectives are set annually but with an abbreviated six months review of performance activities. This is still in use today. A study of the effectiveness of the GHS SPA process at the Ledzekuku Municipal Assembly Hospital in Accra revealed the following points.

- It is empirically evident that there exists a valid relationship between the effects of PA and its impact on employee productivity.
- PA acts as a source of motivation for the staff for higher productivity.
- It promotes teamwork (Ackah, 2015).

Hayford et al., (2016), in their very recent exposé in the IOSR Journal of Business and Management on a research they undertook at the University of Cape Coast (UCC), stated that their work offered a useful insight into employees perceptions about the purposes of PA systems in Tertiary institutions in Ghana. Their findings indicate that the employees have positive views on the PA systems in the institution in terms of purposes. To these employees, the purposes of PA systems concerning administrative and developmental issues are not anachronistic; rather they are still functional in the tertiary institutions such as the UCC. According to them, the implication here is that despite the numerous costs involved in PA systems, the employees’ perceptions are favorable to the preservation of PA systems within the universities. Discrepancies in terms of its purposes that were observed made them to suggest that most employees have not yet had the chance to experience all the benefits associated with the purposes of the system.
Against this background, they propose that:

- Institutional leaders must endeavor to identify all the perceived benefits employees are expecting to receive from their PA systems.
- Find means to assess the extent to which those benefits in fact accrue to the institution.
- Finally, find means of improving more effectively and efficiently any or all of what has already been done.

To them, this will enhance employee’s perceptions that the system is employed for achieving practical purposes that are common to all. Furthermore, employees will perceive that the management is becoming aware of their job performance and their hard works are likely to be appreciated and rewarded.

7.0 PERFORMANCE APPRAISAL AND PERFORMANCE MANAGEMENT

Several researchers call for carefulness in dealing with the theories of performance management and performance appraisal, suggesting that they are dissimilar and therefore should not be regarded as the same during usage. Elucidating this position, Jackson & Schuler (2000) assert that performance management comprises preparing, analyzing, granting incentives and building up productivity. It is an initiative that breeds inclusiveness in the program development of the entity, situating every worker appropriately for their intended roles to achieve efficiency for the workers and for the institution. Henderson (2000) on his part states that performance appraisal is an official procedure that is usually undertaken by recording the worker’s achievements and conduct at the place of work. That is to say, PA entails the methodical examination of a worker’s work output. Considering the portrayal of PM, ‘reviewing’ has come up as a procedure of performance management. ‘Reviewing’ is a performance appraisal procedure also. This implies that performance appraisal is a fundamental constituent of performance management. While performance appraisal involves merely collecting performance appraisal records, performance management makes use of the collected assessment information for the internal organization of the institution and for determining the salaries of workers (Bussin, 2002).

This author however holds the view that there appears to be no clear distinction between PA and PM. She does not support the position of those who claim PA is only a tool that is employed in PMSs as that standpoint would be whittling down the capacity of PASs to positively transform institutions and their employees in the manner described for PMSs. For instance, the essence of feedback in PAs is to identify areas where weaknesses or less than expected performances are observed with a view to taking corrective action. Where good results are observed they are encouraged. These situations inure to the progress of the institutions involved. Indeed, the results of PAs are utilized in the many ways portrayed in PM, the purpose for conducting a PA being much the same as for PM and both employing similar methods. For example, planning, reviewing, and rewarding achievement, increasing
performance and each employee understanding their roles in achieving the vision of the organization in PAs are very much the description ascribed to PM by Jackson & Schuler (2000). Henderson (2000) and Bussin (2002) appear to be limiting PA processes to only assessment exercises, thereby tending to ignore the fact that an appraisal process does not end at information gathering but also, the use to which the information is put in furtherance of the progress of the employees and their organizations (feedback). This author’s reasoning appears to be strengthened by Fletcher (2001) and Mohammed et. al., (2014), who observed that Performance Appraisal (PA) is progressively getting to be a component of a new planned scheme to incorporate HR processes and company strategies, and could now be considered a standard expression describing a number of activities by which establishments try to evaluate workers, improve their skills, and determine remuneration. Accordingly, both theory and praxis have evolved from the constricted attention on the personality or character of workers during appraisal processes to staff evaluation based on improvement. It thus appears that wherever it is found expedient, PA and PM could be used in a swappable manner while maintaining the fundamental nature of the research.

8.0 CONCLUSION AND RECOMMENDATIONS

The study reviewed literature on related topics on the field of Performance Appraisal systems in organizations across diverse nations and the various debates on the pros and cons of the appraisal systems and how it can be effectively utilized in organizations, though it appears to occur globally, tending to gain popular acceptance in place of the now seeming out-of-date traditional appraisal systems. It is an evaluation process that organizations use to measure their progress towards their set targets. Despite its wide acceptance, it appears to attract heavy criticism for being surrogate to human influence and therefore not a very reliable tool to measure employee and organizational performance. The very many types of PA processes are also a source of worry to many who find it difficult to settle on the most suitable one for their establishments. Notwithstanding these criticisms, PAs appear to be working well and achieving results for many, there appearing to be no better alternative in sight. The review paper will expedite the overview of the principles and issues pertinent to the field of study. Almost all the Countries still perceive a gap in the practice of the appraisal system as a result of the human element which may result in subjectivity and lead to employee dissatisfaction of the appraisal scheme. Future research could also consider the actual impact of the human element (subjectivity) on appraisal outcome. Again studies could also be conducted on the best policy guide on conducting appraisals in organizations. Furthermore Ghana and India could adopt the standard policy guideline from UK and South Africa and fined tune to fit their purpose.
REFERENCES


