

**INFLUENCE OF PERFORMANCE APPRAISAL SYSTEM ON STRATEGIC PLANNING
IMPLEMENTATION IN PUBLIC UNIVERSITIES: A CASE STUDY OF RONGO
UNIVERSITY IN KENYA**

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Abstract: *The study adopted case study design which involved an in depth investigation of whether the implementation of strategic planning has played a key role in the performance of Rongo University. The primary and secondary source of data were assessed using questionnaires. The respondents were the management, Deans, Directors, Heads of Department and administrative staffs. Descriptive statistics was used to analyse data as well as the regression analysis with the aid of SPSS. Performance appraisal systems in strategic planning implementation was found to influence performance of public universities. The results indicated that the organization has well documented procedures on how employees in the organization are supposed to operate. Also, the organization has clear adopted policies that create conducive environment to support strategic implementation. Most of the respondents agreed that appraisal is done with the involvement and participation of every employee and has a fair performance appraisal scheme for all employees. However, the organization does not holds regular review meetings chaired by senior departmental officers such that the outcomes of such meetings can be used as a scorecard for employee development.*

Keywords: *Performance appraisal system, Strategic plan implementation*

1. INTRODUCTION

According to Thompson and Strickland (2003), implementation is an integral component of strategic management process and it is viewed as the process that turns the formulated strategy into series of action and the result ensure the vision, mission, strategy and strategic objectives of the organization are successfully achieved as planned. Implementation is the process that turns strategies and plans into actions in order to accomplish strategic objectives and goals. Implementing your strategic plan is as important, or even more important, than your strategy.

Strategic planning is an exercise that all managers should be involved with it. An organization will have little or no challenges if strategic plan is available and well implemented in managing external changes. An organization can predict changes in the environment and act pro-actively through strategic planning according to Adeleke et al (2008). According to Douglas 2003, it has been observed that most organizations are more concerned with the formulation of strategic plan and not how to implement them. He concludes to say that, plan without effective and measurable implementation is no plan at all.

In almost every organization every employee is subjected to appraisal of his or her performance. This is highly important if the organization's objectives are to be realized, if the organization wants to make best use of its human resource available. An effective performance appraisal system brings rationality in management and also if an organization wants to maximize its effectiveness then the organization must have tool by which it can discriminate between an effective employee and not so effective employee. In today's regime and in most organizations appraisal is not something of a choice left to the wishes of the corporate bosses, nor it is a privilege to be enjoyed by few businesses conglomerates but it's something that all staff need to undergo in order to know the performance of employees in an organization.

2. STATEMENT OF THE PROBLEM

Most Public Universities have established strategic plan like the University of Nairobi 2013-2017 and Jomo Kenyatta University of Agriculture and Technology 2013-2017 but most are put into paper work thus most of them have not been implemented or put into practice, Nyakeriga 2015. Most of them have not implemented their strategic plans as evidenced by poor performance in structural development, incompetent personnel, poor administrative systems and weak human resources. An organization needs to give the implementation phase of its strategic process and allocate adequate resources that will enable it to achieve the desired objectives. Public universities are the key drivers in delivering human resources to drive the economy and social growth in the attainment of the vision 2030 plan. However public universities offer programmes that need to meet the expectation of the outside world but in reality graduates coming of the colleges do not measure to the expectations of the job market and therefore there is need to develop and implement effective strategies that was addressed. Moreso the performance appraisal system are put in the strategic plan of the University but nobody knows whether all staff are usually conducted or inducted about the performance appraisal. Due to scarcity of research and papers on the implementation of strategic planning among universities in Kenya as reviewed. This study attempted to look at the performance appraisal system and strategic planning implementation on performance of public universities.

3. OBJECTIVE OF THE STUDY

The main objective of the study was to establish the influence of performance appraisal system on strategic plan implementation on Public Universities. A case study of Rongo University.

4. LITERATURE REVIEW

In an attempt to explain the relationship between performance appraisal system and strategic plan implementation, the researcher has focused on Goal setting theory.

a. Goal Setting theory

Goal-setting theory was proposed by Edwin Locke in the year 1968. The theory suggests that the individual goals established by an employee play an important role in motivating him for superior performance. Skills required include the ability to engage employees in mutual goal setting clarify role expectations and provide regular performance feedback. Time and energy will also need to be given to providing relevant performance incentives, managing processes, providing adequate resources and workplace training. It also advice that in order to drive the organization to peak performance managers and supervisors must put out front the human face of their organization. The Principle here is the human-to-human interaction through providing

individualized support and encouragement to each and every employee (Salaman, Graeme; Storey, John & Bills berry, 2005).

An employee may see the relationship between what needs to be done and the attainment of a desired goal but lack the self-efficacy that he or she can do what is required to attain it. Social cognitive theory specifies three ways to increase an employee's self-efficacy regarding goal attainment. Enactive mastery involves sequencing tasks and setting proximal or sub goals that all guarantee small wins. Hence the emphasis of the managers is on effective selection practices. Performance appraisal rather than performance management is emphasized as a way of validating the selection method used and then replacing poor performers who managed to slip through the selection process with good ones. In contrast to managers who believe that ability is a fixed entity, managers with an incremental belief do find time to coach their employees. This is because they believe that behavior can indeed be modified. Goal setting is used often by individuals for their personal goals and in groups at workplaces and social gatherings. Goal setting can be applied in all place where effective results are desired through effective goal setting (Locke & Latham 2013). In order to apply goal setting in a day to day work, a commitment analysis should be undertaken to draw up objectives and goals. It allows continuous improvement in objectives and performance standards. Commitment analysis helps in determining the continuous pursuance of objectives and goals set to improve productivity (Krausert 2009).

Goal setting theory states that situational factors are a moderator for effect of a goal on performance. The level of government where goals are set may also be a variable that limits or enhances the relationship between goal setting and an employee's performance. Goal setting has a role to play in the practice of public sector management and administrative reform. The problem of intentionally set vague performance outcome goals for employees at the national level maybe overcome by setting specific high behavioral goals. Setting specific challenging learning goals would also appear to be applicable at any level of government where employees lack the knowledge on how to attain a given outcome.

The theory can be used to explain performance appraisal systems in universities since individual performance has a strong link with planned goals set by the university (Abbas & Yaqoob, 2009). Performance is the key multi-character factor intended to attain outcomes which has a major connection with planned objectives of the organization (Sabir, Iqbal, Rehman, Shah, & Yameen, 2012). Therefore employees "goals achievement" in this theory can be achieved by creating a work environment which is attractive, comfortable, satisfactory and motivating to employees so as to give them a sense of pride and purpose in what they do. How working environment is designed and occupied affects not only how people feel, but also their work performance, commitment to their employer, and the creation of new knowledge in the organization (Taiwo, 2009).

b. Influence of performance appraisal system on strategic planning implementation.

Strategic plan to be implemented effectively there is need for performance appraisal in an organization thus to measure and know the progress of employees in an organization. Performance Appraisal is the systematic evaluation of the performance of employees and to understand the abilities of a person for further growth and development. Performance appraisal is generally done in systematic ways which are as follows; the supervisors measure the pay of employees and compare it with targets and plans. The supervisor analyses the factors behind work performances of employees. The employers are in position to guide the employees for a better performance. The very purpose of performance uprising is to know performance of employee, subsequently to decide whether training is needed to particular employee or to give promotion with additional pay hike.

Performance appraisal is the tool for determining whether employee is to be promoted, demoted or sacked (remove) in case of very poor performance and no scope for improvement.

According to Dessler (2005), performance appraisal is the comparison of the employee's present and past performance to his/her performance standards. They expound that performance appraisals are a procedure to evaluate how individual personnel are performing and how they can improve their performance and contribute to overall organizational performance. Similarly, Beach (2001) explains performance appraisal as the systematic evaluation of employees according to their job and potential development. Performance appraisal therefore involves an employee knowing what is expected of him and remain focused with the help of the supervisor, tells them how well they have done that motivates the employees toward the good performance. Performance management system is thus the process that strongly involves assurance and participation of employees within the organization and that determine the organizational results.

Much literature has pointed to the problems with performance appraisals, which has led its critiques to call for its abolition or a renewed focus on the core elements of performance appraisal. For example, Coens and Jenkins (2000) based on their experience in North America recommended 'abolishing performance appraisals', citing regular failings in development planning, objective setting and 360 degree feedback. They advocate instead broader performance management approaches focused on customer outcomes and decoupling the complex mix of processes often tied up inside performance appraisal. The presence of such critique on the use of performance appraisal has not deterred many organizations, universities included in implementing one form or another of performance appraisal systems.

5. RESEARCH METHODOLOGY

The study adopted a case study design which attempted to determine the extent of a relationship between two or more variables using statistical data. Cooper and Schindler (2003) posited that if the research is concerned with finding out what, when, and how much of phenomena, descriptive research design was found to be appropriate thus the design is deemed appropriate. The target population were the various departments, schools and the central administration departments which form an integral part of the University which include the members of the Management, Deans, Directors, Heads of department and the administrative staff that are involved in these offices whom comprised of 109 respondents. The study utilized a self-administered questionnaire as a tool for data collection which was a closed ended questionnaire since they are easier to administer and to analyse. The questionnaire had three sections. The questionnaire was anchored on a five point Likert scale. A multiple items adopted from different studies and were used to measure the perceptual constructs in the study. The results of the survey were presented in tables.

6. DATA ANALYSIS AND PRESENTATION

The researcher issued 100 questionnaires to the respondents in Rongo University. The researcher sought and worked with contact person to enable easier issuance and clarification on the issues that were unclear. Out of 100 questionnaire that were issued to the sampled respondents, 80 of them were filled and returned. Of the returned questionnaires 11 were either filled incorrectly and had double entries in their markings and hence were not used for analysis representing a response rate of 69%. This is acceptable as (Kothari, 2004) recommends a response return rate of over 60%. The researcher sought to find out the distribution of the respondents according to their gender, age bracket and their working experience. The majority of the respondents aged less than 30 years were at (41.3%), aged between 35-40 years were (39.7%) while age above 40 years were at

(20.7%). The researcher asked the respondents to indicate the number of years in which they have worked at the University. The study revealed that most of the respondents who had worked for less than 5 years were at a percent of (55.6%) and who had worked for between 5-15 years were at a percent of (44.4%).

a. Performance Appraisal system on strategic Planning Implementation

The researcher analyzed the influence of performance appraisal system on strategic plan implementation in Rongo University. The findings on the influence of performance appraisal system are presented in Table 1.

Table 1: Response on Performance Appraisal System

	SD		D		N		A		SA	
	F	%	F	%	F	%	F	%	F	%
The organization has well documented procedures on how employees in the organization are supposed to operate.	3	4.8	4	6.3	12	19.0	4	6.3	28	44.4
The organization has clear adopted policies that create conducive environment to support strategic implementation.	3	4.8	5	7.9	2	3.2	33	52.4	20	31.7
In the organization, appraisal is done with the involvement and participation of every employee.	1	1.6	4	6.3	15	23.8	41	65.1	2	3.2
The organization holds regular review meetings chaired by senior departmental officers and the outcomes of such meetings used as a scorecard for employee development.	2	3.2	36	57.1	14	22.2	10	15.9	1	1.6
The organization has a fair performance appraisal scheme for all employees.	1	1.6	3	4.8	12	19.0	41	65.1	6	9.5

The study was to establish the influence of performance appraisal systems influences strategic planning implementation on performance of public Universities. Most respondents 28(44.4%) agreed that the organization has well documented procedures on how employees in the organization are supposed to operate. On statement that the organization has clear adopted policies that create conducive environment to support strategic implementation, 33(52.4%) agreed and 20(31.7) strongly agreed.

Most of the respondents 41(65.1%) agreed that the organization, appraisal is done with the involvement and participation of every employee. However, most respondents 36(57.1%) disagree with the statement that the organization holds regular review meetings chaired by senior departmental officers and the outcomes of such meetings used as a scorecard for employee development. The majority of the respondents 36(57.1%) agreed that the organization has a fair performance appraisal scheme for all employees. The results agree with Ndegwah (2014) studied strategy implementation in learning institutions by focusing on Public Secondary Schools in Nyeri County. The study collected primary data using a semi structured questionnaire to collect data. The findings show that: Resources allocation Managerial skills, Institutional performance appraisal, and Proper management of these factors had a great influence on strategy implementation among secondary schools

in the study area. However, the organization does not holds regular review meetings chaired by senior departmental officers such that the outcomes of such meetings can be used as a scorecard for employee development. The findings disagree with Kinuthia (2012) who found out that although managers and Chief Executive Officers are key participants in strategy evaluation, all employees must be involved in the process to ensure success.

Coefficients of independent variables

The coefficient indicates the extent in which each independent variable contributes to the change in the dependent variable. From the equation below, it was revealed that performance appraisal system to a constant zero, performance of the University would stand at 0.125. Similar results were found by Mbaka and Mugambi (2014) conducted a study on strategy implementation in the Water Sector in Kenya. The findings showed that strategy implementation in the water sector were affected to a large extent by adequacy of resources and technical expertise among staff.

Performance appraisal was also found to significantly influence performance. The finding shows that that a unit increase in performance appraisal system will lead to a 0.768 increase in the performance of the University. The results concur with Akello (2014) who found out that strategic planning positively impacted on performance at the Nairobi City Water and sewerage Company.

Table 2: Coefficients

Model		Unstandardized Coefficients		Standardized Coefficients	T	Sig.
		B	Std. Error	Beta		
1	(Constant)	.125	.480		.261	.795
	Performance Appraisal	.768	.101	.806	7.593	.000

a. Dependent Variable: Performance

The model was therefore presented as;

$$y = \alpha + \beta_2X_2 + \beta_3X_3+ \epsilon$$

$$y = 0.125 + 0.768X_1+ \epsilon$$

y= organisation performance in Rongo University

7. CONCLUSION

The results indicated that the organization has well documented procedures on how employees in the organization are supposed to operate. Also, the organization has clear adopted policies that create conducive environment to support strategic plan implementation.

Most of the respondents agreed that appraisal is done with the involvement and participation of every employee and has a fair performance appraisal scheme for all employees.

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