

## **Performance Management and Employee Productivity: A Study of Selected Firms in Anambra State**

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**Abstract:** *In this study, the relationship between employee performance management and productivity was examined; using medium scale enterprises in the three industrial zones of Awka, Nnewi and Onitsha in Anambra State as the study area. Designed as a descriptive survey, an item structured instrument in a Likert scale format was used to elicit information from a sample of 320 senior employees selected across the stated industrial zones in the state. Major tools of analysis were summary statistics of percentages, correlation and multiple regression (OLS). The correlation analysis showed there was no multicollinearity among the independent variables. Also, the results of the regression analysis showed that overall, regression model is statistically significant, valid and fit for predictive purposes. Regression coefficient showed that about 81.5 percent relationship exist between the dependent and independent variables. Also the coefficient of determination represented by 'R<sup>2</sup>', showed that about 78.2 percent of the variation in employee productivity can be explained by the independent variables. It was revealed that positive and significant relationship exists between recognition and employee productivity, and that it exists too between employee feedback mechanism and productivity. It was equally found that a stable and peaceful industrial atmosphere promotes employee productivity in an organization. It was recommended among others that employee performance appraisal process should always be made to be as transparent as possible by management to increase the confidence of the employees in the organization and enlist more commitment.*

**Key words:** *Employee performance, employee productivity, performance appraisal, remuneration, incentives, recognition, good working conditions*

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### **I. Introduction**

#### **1.1 Background to the Study**

Managing employee performance in organizations is not a new concept, rather, what is new is that approaches to it has continued to change to keep pace with changing workforce composition and global competitiveness occasioned by innovation and technological breakthroughs. Performance management has therefore become imperative for a section of management that is concerned with the issues relating to workers' welfare and performance. As Nwachukwu (2009) puts it, "all those handling employee performance in an organization must be emotionally intelligent and be ready to demonstrate commitment to employees' welfare to enhance job satisfaction and motivation." In his opinion, it is the only way the organization can achieve the desired level of productivity and competitive advantage. Employees in organizations are the life wire of such organizations, the level of technology therein notwithstanding. In the opinion of Idemobi (2010), employee performance is a direct function of their relationship with the management of the organization. This observation by Idemobi is widely acknowledged in literature. For instance, Eramafures (2010) while supporting the above views notes that organizations need strong cooperation of employees to succeed in achieving set objectives. He reiterates that success in managing employee performance means recognizing that human resource is the most critical of all the resources in an organization. Also, Ukeje (1992) posits that Taylor's scientific management theory sees the worker as an economic agent that can be induced or manipulated to work to ensure that he conforms to specific standards through rewards or sanctions.

In the light of the above, the study focuses on four main areas which have been identified to be very critical factors in discussing employee performance management. These are: organization's appraisal process, employee recognition, labour-management relations and feedback mechanism. Furthermore, it has to be noted that managing employees' capacity, ability, attitudes and behaviour to achieve good results cannot be a mere routine activity, but would rather involve a strategic approach. The study is interested in finding out the individual as well as the overall contributions of the variables to employee productivity in the organization.

## **1.2 Statement of the Problem**

Workers are the life wire of any organization, be it private or public sector organizations and no matter the level of sophistication of the technology in the organization, human effort is needed to make it function as expected. The management of many organizations appear to be unaware that apart from payment of salaries/wages and perhaps giving of one or two incentives to workers, certain factors still matter to the employees in enlisting their cooperation and commitment towards meeting the organizational goals. In many organizations however, the neglect or ignorance of such factors have sometimes limited or hindered workers from performing to their full abilities on assigned tasks.

Another reason for this study is that past studies in this area have mainly been in the public sector. For instance, Muanya (2014) studied the impact of effective performance management on workers' productivity in tertiary institutions in Nigeria (a study of Federal Polytechnic Oko). Also, Mgbemena, Mbach and Ejike (2015) studied the impact of employee performance management on organizational productivity, using Anambra State Civil Service as the study area. Similarly, Idemobi and Onyeizugbe (2011) did a work on performance management as an imperative for effective performance in the Delta State owned corporations. Also, the variables identified above have been evaluated using the public sector organizations and they were found to be in one way or the other related to employee performance. This study intends to carry out similar assessment in the private sector organizations in Anambra State to determine whether any remarkable difference exists between the public and private sectors' experiences in this regard.

## **1.3 Objectives of the Study**

The broad objective of the study is to examine the effect of performance management on employees' productivity, using selected firms in Anambra State as the study area. However, the specific objectives are to:

- (i) Examine the relationship between organizational appraisal process and employee productivity.
- (ii) Determine the level of relationship between recognition and employee productivity in the organization.
- (iii) Examine the extent in which employee feedback in the organization affects productivity.
- (iv) Determine the degree by which labour management relations affects employee productivity.

## **1.4 Research Questions**

The following research questions were raised to guide the study:

- (i) To what extent can organizational appraisal process related to employee productivity?
- (ii) To what level do employee recognition affect organizational productivity?
- (iii) To what degree can the employee feedback mechanism in an organization related to productivity?
- (iv) How does labour-management relations affect employee productivity?

## **1.5 Hypotheses**

The following null hypotheses were formulated to guide the objectives of the study and strengthen the analysis:

- (i) There is no significant relationship between organizational appraisal process and employee productivity.
- (ii) Employee recognition cannot affect organisational productivity.
- (iii) Employee feedback mechanism does not relate to productivity.
- (iv) Labour-management relations cannot significantly affect organizational productivity.

## **1.6 Significance of the Study**

The study has both theoretical and empirical significance. Theoretically, this study will analyze the concept of performance management and make the content and meaning available to many who are yet to understand what it is all about. By so doing, the body of literature would be enhanced and knowledge expanded. Also, from the empirical significance perspective, many categories of people would benefit from the policy dialogues that will follow the findings. They include the following:

1. The management of organizations will benefit immensely from the findings of the study because they would be better enlightened on how they can effectively manage the employees for greater productivity.
2. The workers, who have always been at the receiving end, will be better informed on what to expect from management so that their abilities and energy can be better channelled and refocused on how to increase productivity.
3. The general public will be better-off because the increase in productivity that would follow will lead to increase in output of goods and services at very affordable prices.
4. Students and researchers who might want to carry out further studies in this area of study will find the report a good place to start.

## **II. Review Of Related Literature**

### **2.0 Introduction**

In this section of the study, related literature to the phenomenon under investigation were reviewed under the following sub-headings: conceptual review, theoretical literature/exposition, theoretical framework and empirical review. Furthermore, the theoretical literature was expanded to highlight and reflect the specific objectives of the study.

### **2.1 Conceptual Framework**

#### ***Performance Management***

In this section, major concepts that relate to the subject-matter of this study were scholarly defined and they include performance management, productivity, performance appraisal, employee recognition, employee feedback and labour-management relations. This we did to ensure that issues of ambiguity/vagueness in the meaning of concepts did not arise. For instance, Wurim (2012) defines performance management as the process used to identify, encourage, measure, evaluate, improve and of course, reward employee performance in an organization. Also, Idemobi and Onyeizugbe (2011) have defined it as a tool which focuses on managing the individual and work environment in such a manner that an individual or team can achieve set organizational goals.

#### ***Productivity***

In another development, Herman (2009) defines productivity as output of goods and services per unit of resources used in the production process and with respect to performance appraisal, Aswathappa (2005) perceives it as the assessment of an individual's performance, and that it is always measured against such factors as job knowledge, quality and quantity of output, initiative, leadership abilities, supervision, dependability, cooperation, judgement, versatility, health and the likes.

#### ***Performance Appraisal***

He was of the opinion that performance appraisal entails time to time evaluation of employee's performance with a view to determining whether he/she is performing up to expectation.

#### ***Employee Recognition***

In the same vein, employee recognition has been defined by Rowley (2011) as the acknowledgement an organization gives to an employee for accomplishment. He notes further that it satisfies an employee's esteem need. According to him, it is imperative for organizations to recognize achievements, assign important projects and provide status to make employees feel valued and appreciated.

#### ***Employee Feedback Mechanism***

In another development, Jackson and Schuller (2012) have defined feedback as a mechanism used by management for conveying level of performance and shortcomings to the employees in an organization. They note that through the process, employees are intimated of what their performance are with respect to the expectations of the organization.

#### ***Labour Management Relations***

Concerning labour-management relations, Armstrong (2004) defines it as consisting of all those areas of human resource management which involves relationships with employees directly and/or through collective agreement where trade unions are recognized. The idea of industrial or labour-management relations involves collective bargaining and group negotiation. He notes in addition that it is a regulation of employment situation by the employer or management in the interest of industrial harmony.

### **2.2 Theoretical Framework**

We adopted Expectancy Theory for the study. Vroom propounded the Expectancy Theory in 1964. The choice of the theory was informed by the fact that the issues involved in the phenomenon under investigation can effectively be explained within the framework of the theory. The theory is popularly called Valance-Instrumentality-Expectancy (VIE). It assumes that if one thing happens, it will lead to another and that expectancy in the proposition is the probability that an action or effort will lead to an outcome. Vroom clarifies thus: "Where an individual chooses between uncertain outcomes, it seems clear that his behaviour is affected not only by his preferences among these outcomes but also by the degree to which he believes these outcomes to be possible. Expectancy is a momentary belief concerning the likelihood that a particular act will be followed by a particular outcome". In fact, according to Vroom, the model is based on the assumption that man is a rational

being, and that he will always try to maximize his pay-off. He will at any time choose the alternative that would give him the most benefit. Hence, according to the theory, motivation to work is strongly determined by an individual's perception that certain type of behaviour will lead to certain type of outcome and his personal preference for that type of outcome (Chandan, 1987 in Egbo and Okeke, 2009).

### ***Theoretical exposition***

#### **2.3. Appraisal Process and Employee Productivity**

Performance appraisal has been described as the process of identifying, observing, measuring and developing employee performance in an organization (Carrol and Scheider, 2012). This definition is very important because it comprises all important components needed for an effective appraisal process. In the opinions of Brown and Benson (2013), performance appraisal can and should be linked to performance improvement process, and it can also be used to identify training needs and potential, agree on future objectives, support a career development plan and solve existing problems concerning employees' capacities and abilities. Also, researchers such as (Schraeder, Becton and Portis, 2007; Mone and London, 2010; Macey, Schneider, Barbera and Young, 2009) have posited that personnel performance appraisal, go a long way in determining the success and competitive position of an organization. In a related development, Mansor (2011) opines that performance appraisal can be used to measure worker behaviour and attitude in work environment and that it can also be used to measure workers' performance in relation to a given set of company's goals. Similarly, Mullins (2009) adds that performance appraisal can be used to identify inefficient work practices or reveal potential problems which can hinder the progress of the organization. Dervon and Mullins (2009) have equally stated that an effective appraisal process can be used to enhance productivity and consequently organizational profitability.

#### **2.4. Employee Recognition and Productivity**

Employee recognition is a form of non-financial reward/non-cash, and it could be in form of social recognition, praise and genuine appreciation for job well done (Okwudili, 2015). Sometimes, employees want to be recognized by their employer for their achievements, and appreciation from the management level can make them feel more motivated and show more loyalty to the organization (Rowley, 2011). In the opinions of Appelbaum and Kamal (2000), the main and frequent reason for employee turn-over and low morale in performance is due to lack of employee recognition. As Nalini and Daily (2004) have stressed, recognizing employees' accomplishment is another way of making them satisfy their esteem needs. This, they observed, gives them a sense of belonging thus, making them feel that they are cherished. Also, to Ryan (2013), employee recognition in an organization is a non-financial reward that arouses an inner feeling of satisfaction which gives the employee the morale for higher performance. He points out that recognition could also be in form of involving employees in decision making in the organization. He notes that such recognition connotes autonomy, thus implying that he/she could be trusted by the organization. When an individual with relevant capacity is allowed to use his/her initiative in the most beneficial way, apart from the job satisfaction that the individual gets, the organization is also better off because of the high productivity rate that accompanies it (Jenson, 2007).

#### **2.5. Feedback Mechanism and Employee Productivity**

Effective performance feedback between employees and supervisors is the key to successful organizational productivity (Salmon and Podgursky, 2010). They reiterated that regular feedback helps employees to focus their work activities so that the employees, the department and the entire organization can achieve desired goals. There have been cases where some managers intentionally hold back employee feedback due to the fact that such companies do not regard it as a policy in the organizations. However, Banker (2011) notes that change in times has compelled managers to desire a more formalized feedback system, given its potency in addressing employees' inefficiency. Managers have realized that they need to tell their workers when they have done good jobs and when they have not. In this instance, silence is not golden like in some cases. Employee feedback improves effectiveness and helps in decision making within the organization. The feedback directs the individual to the organization's mission and objectives. In the ideal situation, the employees receive information about how they are performing and where they could improve. Schraeder et al (2009) have suggested that performance feedback which serves as a way of knowing employees' strength and weakness should be made a compulsory component of human resource management. To Hinkin and Schriesheim (2012), employee feedback system is highly recommended for employee efficiency and improved performance on a job.

#### **2.6. Labour-Management Relations and Employee Productivity**

Harmonious or stable work environment has been identified as a necessary condition for achieving enhanced employee performance. As Ewuim and Ubochi (2007) have opined, disagreement often occurs in each area of employment and conditions of service such as poor remuneration and incentive as well as anti-union

activities which often impact negatively on productivity. Nwizu (2002) and Obikoya (2006) have in their separate efforts observed that dispute arises more from poor working conditions which dampens workers' spirit with an outcome of low productivity. Other issues that could lead to dispute between labour and management, in their opinions, are failure on the part of management to implement terms of agreement, illegal dismissal of employees, irregular promotion, punitive or selective transfer or redeployment. Others are proscription of workers union, illegal detention of workers' leaders, deliberate exclusion of union leaders or representatives in decisions that affect them, among other issues. In a related development, workers' agitation for improved conditions of service has never gone down well with the management of organizations even when it is legitimate. Workers often use industrial dispute/strike action to press home their demands. When management decides to be insensitive to workers' plight, productivity suffers. Therefore, as an evil wind which blows nobody any good, it should be avoided (Anikeze, 2007; Okpala, 1984; Ejiolor, 2004; Noah, 208 and Armstrong and Baron, 2009).

## **2.7. Empirical Review**

Odhiambo (2015) carried out a study on the effect of performance management practices on employee productivity, using Schindler Limited Ghana, as the study area. The study adopted descriptive survey design. It was found that when good performance is rewarded, there is a bigger chance that performance would improve further. It was concluded that employees want their performance to be monitored regularly to attract the expected reward. In a similar study, Som (2008) carried out a study on multiple respondent of 69 Indian organizations to evaluate the "impact of innovative human resource management practices on firm performance. It was found that innovative recruitment and compensation practices have positive and significant relationship with firm performance. It was also found that performance management could only be effective with strong organizational policy in the areas of labour-management relations and effective performance appraisal process.

Obiora (2002) studied employee performance management in tertiary institutions, using a sample of 200 respondents from staff of Nnamdi Azikiwe University, Awka, Anambra State, Nigeria. The study adopted descriptive survey design. The findings indicate that employees' attitude to work is a direct function of their relationship with the management. It was concluded that employee productivity can only be guaranteed in an atmosphere of industrial harmony and deliberate employee motivation. Also, Kuye and Sulaimon (2011) conducted a study of employee involvement in decision-making and firm performance. The study used descriptive survey design. Findings revealed that there is a significant relationship between the firms whose employees are involved in the decision-making process and firm performance. It was concluded that performance management must as a matter of necessity involve employee recognition and participation in decision making in organizations.

In another study, Idemobi and Onyeizugbe (2011) did a work on performance management as an imperative for effective performance in Delta State of Nigeria, public owned organizations. The study which was designed as a descriptive survey sought to identify the effects of performance review techniques on employee performance. It was found that performance review techniques have significant effect on employee performance, and that significant relationship exists between performance incentives and employees' morale boosting. The study concludes that the absence of performance management system will lead to high rate of business failures in the Delta State public sector organizations.

Kum, Cowden and Karodia (2014) carried out a study on the impact of training and development on employee performance, using ESCON consulting as case study. The study used survey design and found that training and development are significantly related to employees' effective performance. The study concludes that due to lack of resources and good working condition, employees are not able to put in their best. In a related development, Suleiman (2013) conducted a study on the cause of poor attitude to work among workers of both public and private sector organizations in Bauchi State of Nigeria. The study was designed as a descriptive survey, and the findings showed that poor attitude to work was caused by inadequate or lack of training opportunities and employee job security. It was concluded that other external factors which the study did not capture should be addressed to ascertain the true position.

Gichuki (2014) studied the influence of performance management on employee productivity in the immigration department in Kenya. The study which adopted descriptive survey design interviewed 300 staff. Findings showed that good appraisal process, training and development as well as regular promotions of the staff, enhance employee productivity. It was concluded that training and development as well as good appraisal process should be encouraged in the department, because they promote staff creativity in the organization. Neelam, Israr, Shahid and Muhammad (2014) carried out a study to determine the impact of training and feedback mechanism on employee performance, using United Bank Limited, Peshawar city, Pakistan as the study area. Through the use of a descriptive survey design, the study found that feedback after employee training impacts significantly on employee performance and ultimately, productivity. It was concluded that training and feedback after training can enable the employee to make a better career life in the world of work.

### Gap in Literature

As could be seen from the empirical review section of the literature, many of the past studies had focused on one organization and also in the public sector organizations. Furthermore, eventhough the analysis have been through quantitative methods, they have been carried out through simple summary and descriptive statistics. In the present study however, the productivity of the employees rather than the organization performance is being considered, and the statistical tool of analysis is multiple regression. These we have done to see whether the results would differ significantly from what we have had from previous studies in this area. Therefore, the gap to be filled in this study exists in three broad areas and they include: the focus of the study, the scope and the method of analysis.

## III. Methodology

### 3.1 Introduction

In this section, the methods and procedures used in carrying out this study were discussed under the following sub-headings: research design, area of study, nature and sources of data, population of the study, determination of sample size, sample size and sampling technique, method of data collection, validity of the instrument, reliability of the instrument, method of data analysis and model specification.

### 3.2 Research Design

The study adopted descriptive survey design. The choice of the design was informed by the fact that the result/findings of the study would be generalized for the entire population of interest. To Obasi (1999), the use of survey is always adopted because it provides an important means of gathering information, especially when the necessary data cannot be found in any statistical records in form of secondary data.

### 3.3. Area of the Study

The study covers medium scale organizations in Anambra State, Nigeria. The firms under investigation were identified from the three industrial zones in Anambra State namely; Awka, Nnewi and Onitsha industrial axis.

### 3.4. Nature and Sources of Data

The data for the study came from two main sources namely; secondary and primary sources. Whereas the secondary data were sourced from academic journals, textbooks and other academic works, The primary data were collected directly from the respondent through the administration of questionnaire.

### 3.5. Population of the Study

The population of the study consists of senior staff of the firms selected across the zones in the state. This category of personnel was chosen to ensure that respondents can effectively discuss the issues involved in performance management and employee performance. Consequently, 491,573 and 535 of this category of personnel were respectively identified from Awka, Nnewi and Onitsha Zones. The population for the study is therefore 1599.

### 3.6. Sample Size Determination

The sample was determined through the application of Taro Yamani formula of:

$$n = \frac{N}{1 + N(e)^2}$$

Where:

- n = the sample size to be determined
- N = the entire population of interest
- e = error margin (0.05)
- 1 = constant

Substituting the values in the formula we have:

$$n = \frac{1599}{1 + 1599(0.05)^2}$$
$$= 319.95998$$

$$n = 320 \text{ (Nearest whole number)}$$

Thus, 320 was estimated as the sample size for the study.

However, the sample allocated to each zone was determined proportionately as follows:

$$n_i = \frac{nh_i}{N} \times n$$

Where:

- $n_i$  = Sample size for i zone
- $nh_i$  = Population of i zone
- $N$  = The entire population of interest
- $n$  = Overall sample for the study

Substituting, we have:

1. Awka Zone:

$$n_1 = \frac{491}{1599} \times 320 = 98$$

2. Nnewi Zone:

$$n_2 = \frac{573}{1599} \times 320 = 115$$

3. Onitsha Zone:

$$n_3 = \frac{535}{1599} \times 320 = 107$$

### 3.7 Sampling Techniques

With respect to the techniques used in selecting the units of observation, stratified and systematic sampling methods were employed. Whereas stratification was used to divide the population into junior and senior staff, systematic sampling was used to select the actual respondents for the interview. The choice of systematic sampling was informed by the fact that it has the capacity to spread the sample evenly across the population.

Table 3.1 below is the presentation of the population and the sample allocated to each zone. The allocation was done proportionately as could be seen in estimation above.

**Table 1: Population and Sample Distribution**

S/N	Zone	Population	Sample distribution	Percentage of Total
1.	Awka	491	98	30.7
2.	Nnewi	573	115	35.8
4.	Onitsha	535	107	33.5
	Total	1599	320	100.0

**Source: Field Survey, 2017.**

Thus, 98 respondents were interviewed in Awka zone, 115 from Nnewi zone and 107 from Onitsha zone.

### 3.8. Method of Data Collection

An item structured instrument of the five (5) points modified Likert scale of strongly agree, agree, disagree, strongly disagree and undecided, was used in collecting the data. Direct questionnaire administration approach was considered most suitable for the study for obvious reasons. One, it afforded the researcher the opportunity of making some explanations/clarifications where necessary. Two, it afforded the researcher the opportunity of knowing whether the questionnaire items were clearly understood by the respondents. Three, the non-response rate which often associate with surveys of this nature were reduced considerably. Out of the 320 copies of the questionnaire that were issued out, 309 were completed and returned, thus showing a response rate of 96.6 percent.

### 3.9 Validity of the Instrument

The instrument was both face and content validated. This was achieved by giving copies of the instrument to the supervisor and other lecturers in the faculty who are quite knowledgeable in questionnaire drafting, to criticize. At the end, their comments and corrections were reflected in the final draft of the questionnaire.

### 3.10 Reliability of the Instrument

The reliability of the instrument was ascertained through the method of test re-rest. The process involved giving 20 copies of the instrument to a group of senior staff of private firms that were not selected for the study, to answer. After an interval of two weeks, the same set of people were administered with the questionnaire a second time. The first and the second responses were collated and analyzed through the application of Spearman rank order correlation coefficient. The results showed 0.73, 0.80, 0.90 and 0.83

coefficients for the four research questions respectively, with an average coefficient of 0.82. Thus, showing that the instrument is 82 percent reliable.

**3.11 Method of Data Analysis**

The data was analyzed quantitatively through percentages, pearson correlation coefficient and multiple regression analysis. All tests were carried out at 0.05 level of significance.

**3.12 Model Specification**

The model tries to estimate the relationship between the predictor variables and employee productivity, the independent variable. Thus, the functional relationship is stated as follows:

$$\text{Employee productivity} = f(\text{EPA, ERG, EFM, LMR}) \quad \text{--} \quad (1)$$

Specifying econometric-ally we have:

$$\text{FP} = \alpha_0 + \alpha_1\text{EPA} + \alpha_2 \text{ERG} + \alpha_3 \text{EFM} + \alpha_4 \text{LMR} + E_t \quad \text{-} \quad \text{-} \quad (2)$$

Where:

- EP = Employee productivity
- EPA = Employee performance appraisal
- ERG = Employee recognition
- EFM = Employee feedback mechanism
- LMR = Labour-management relations.

The expected signs of the coefficients or *a priori* are:

$$\alpha_1 > 0, \alpha_2 > 0, \alpha_3 > 0 \text{ and } \alpha_4 > 0$$

or

$$\alpha_{is} > 0$$

As could be seen from equation (2), the econometric expression relates the coefficients to the independent variables. The implication is that direct or positive relationship exists between the dependent and the independent variables.

**IV. Data Presentation And Analysis**

**4.1 Data Presentation**

In this section, we presented the data in likert scale format to facilitate the analysis of the research questions which were raised to guide the objectives of the study.

**Table 2: Performance Appraisal Process and Employee productivity**

S/N	Items of the Questionnaire	Alternative Responses					Total
		SA	A	D	SD	UND	
1.	The ability and capacity of the employee can better be determined through performance appraisal process.	125 (40.5)	130 (42.1)	30 (9.7)	14 (4.5)	10 (3.2)	309 (100)
2.	An appraisal method that promotes structured system of measuring employees performance will also increase productivity.	130 (42.1)	135 (43.7)	20 (6.5)	13 (4.2)	11 (3.6)	309 (100)
3.	An unbiased appraisal process will make it possible for an employee to be deployed to where he/she is best suited.	120 (38.8)	145 (46.9)	25 (8.1)	10 (3.2)	9 (2.9)	309 (100)
4.	Performance appraisal when objectively carried out can enhance employee productivity.	109 (35.3)	158 (51.1)	30 (9.7)	8 (2.6)	4 (1.3)	309 (100)
5.	Performance appraisal can be used to measure behaviours and attitudes.	121 (39.2)	132 (47.7)	27 (8.7)	19 (6.1)	10 (3.2)	309 (100)
Total		605	700	132	64	44	1,545
Percentage of Total		(39.2)	(45.3)	(8.5)	(4.1)	(2.8)	(100)

Note: Figures in parenthesis are percentages

: (SA = Strongly agree; A = Agree; D = Disagree; SD= Strongly disagree and UND = Undecided)

Table 4.1 shows that 39.2 percent strongly agreed with all the items on the average, 45.3 percent merely agreed, 8.5 percent disagreed, 4.1 percent strongly disagreed and 2.8 percent had no opinion on the issues raised.

**Table 3: Employee Recognition and Productivity**

S/N	Items of the Questionnaire	Alternative Responses					Total
		SA	A	D	SD	UND	
1.	Recognition by management boosts employees' morale and attracts more zeal for performance.	121 (39.2)	125 (40.5)	38 (12.3)	15 (4.9)	10 (3.2)	309 (100)
2.	As a source of empowerment, it increases employee performing ability and willingness.	130 (42.1)	145 (46.9)	20 (6.5)	10 (3.2)	4 (1.3)	309 (100)
3.	Social or non-financial recognition is appreciated more than financial reward by senior employees.	120 (38.8)	135 (43.7)	30 (9.7)	14 (4.5)	10 (3.2)	309 (100)
4.	Recognition helps in satisfying the esteem needs of the	109	158	30	8	4	309

employee and therefore, it leads to higher productivity.	(35.3)	(51.1)	(9.7)	(2.6)	(1.3)	(100)
5. Involving employees in management decision making is one way of eliciting their cooperation in the organization.	120	130	40	10	9	309
	(38.8)	(42.1)	(12.9)	(3.2)	(2.9)	(100)
Total	600	693	158	57	37	1,545
Percentage of Total	(38.8)	(44.9)	(10.2)	(3.7)	(2.4)	(100)

Note: Figures in parenthesis are percentages

: (SA = Strongly agree; A = Agree; D = Disagree; SD= Strongly disagree and UND = Undecided)

As could be seen from Table 4.2, 38.8 percent of the respondents on the average strongly agreed with all the items, 44.9 percent merely agreed, 10.2 percent disagreed, 3.7 percent strongly agreed while 2.4 percent of them were undecided on the issues raised in the section. Also, apart from the averages as presented above, there are variation in opinions across the items.

#### 4.2 Test of Hypotheses

The hypotheses formulated to guide the objectives of the study and strengthen the analysis were tested in this section of the analysis through the application of multiple regression analysis at 0.05 level of significance. But before that, we used Pearson Correlation Coefficient to verify the existence or otherwise of multicollinearity in the data.

**Table 4: Correlation Matrix**  
**Correlation Analysis**

Dependent and Independent Variables		Employee Productivity	Employee Performance Appraisal Process	Employee Recognition	Employee Feedback Mechanism	Labour-Management Relations
Employee Productivity	Pearson Correlation Sig. (2-tailed)	1	.817**	.526**	.719**	.608**
			0.000	.000	.000	.000
	N	309	309	309	309	309
Employee Performance Appraisal Process	Pearson Correlation Sig. (2-tailed)	.817**	1	.687**	.656**	.471**
		.000	.000	.000	.000	.000
	N	309	309	309	309	309
Employee Recognition	Pearson Correlation Sig. (2-tailed)	.526**	.687**	1	.313*	.521**
		.000	.000	.000	.017	.000
	N	309	309	309	309	309
Employee Feedback Mechanism	Pearson Correlation Sig. (2-tailed)	.719**	.656**	.313*	1	.701**
		.000	.000	.017	.000	.000
	N	309	309	309	309	309
Labour-Management Relations	Pearson Correlation Sig. (2-tailed)	.608**	.471**	.521**	.701**	1
		.000	.000	.000	.000	.000
	N	309	309	309	309	309

\*\* Correlation is significant at 0.05 level (2-tailed).

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

Table 4. shows the correlation matrix of employee productivity (EP), employee performance appraisal process (EPA), employee recognition (ERG), employee feedback mechanism (EFM) and labour-management relations (LMR). The coefficients show that strong and positive relationship exists between the dependent and the independent variables and that there is no perfect or zero relationship among the variables. The implication is that neither multicollinearity or orthogonal situation is found between and among the variables.

**Table 5: Summary of ANOVA for the Model**  
**ANOVA<sup>b</sup>**

Source of Variation	Df	Sum of Squares	Mean Square	F-ratio	Sig.
Regression	4	268.765	67.19125	35.548	.000 <sup>a</sup>
Residual	95	179.563	1.89014		
Total	99	448.328			

- a. Predictor: (constant), employee performance appraisal process, employee recognition, employee feedback and labour-management relations.
- b. Dependent variable: Employee productivity.

Table 5 shows that F-statistic is 35.548 and it is significant because the probability level is 0.000 which is less than 0.05 that is,  $P \leq 0.05$ . The implication of it is that overall, regression model is statistically significant, valid and fit for any predictive purposes.

**Table 6: Summary of Regression Results**

Model	R	R.Square	Adjusted R-Square	Standard Error of the Estimate
I	0.815	0.782	0.712	0.71213

- a. Predictor: (constant), employee performance appraisal process, employee recognition, employee feedback and labour-management relations.

From Table 6, the regression coefficient represented by ‘R’ shows that about 81.5 percent relationship exists between the dependent and independent variables. Also, the coefficient of determination represented by ‘R<sup>2</sup>’, shows that about 78.2 percent of variation in employee productivity can be explained by the independent variables.

**Table 7: Coefficients of the Predictor Variables**

Model	Unstandardized Coefficients		Standardized Coefficients	t	Sig.
	B	Std. Error	Beta		
1(Constant)	-185	.209	-	-.781	.453
Employee Performance Appraisal	.637	.047	.679	10.372	.000
Employee Recognition	.195	.058	.538	3.473	.000
Employee Feedback mechanism	.178	.050	.493	2.087	.012
Labour-management Relations	.526	.062	.711	2.765	.039

- a. Dependent Variable: Employee Productivity

**Interpretation of Results**

We interpreted the coefficients of beta ( $\beta$ ), t-statistics and other parameter in the regression result as follows:

As could be seen from Table 7, the values of the regression coefficients show their relative weight in predicting employee productivity. For instance, the coefficient of employee performance appraisal process in the model is  $\alpha_1$  with the value of .679. It shows that a unit increase in the appraisal process will increase productivity of the employee by 6.8 percent when other variables are held constant. The t-value of 10.372 is also significant at 0.000 because it is less than  $P \leq 0.05$ . Consequently, the null hypothesis was rejected while the alternative which suggests significant relationship between the variables was accepted.

In the same vein, the regression coefficient for employee recognition is  $\alpha_2$  and it has the value of .538 which means that a unit increase in employee recognition will increase employee productivity by 5.4 percent if other variables are held constant. Also, the t-value of 3.437 shows that the coefficient is significant since 0.000 is less than 0.05. Consequently, the alternative hypothesis was accepted while the null was rejected. Similarly, employee feedback mechanism represented by  $\alpha_3$ , has the value of .493 meaning that employee productivity will increase by 4.9 percent if employee feedback is increased by one unit while holding other variables constant. The t-value also suggest that the coefficient is significant since .012 is less than 0.05 probability level.

In a related development, the regression coefficient for labour-management relations represented by  $\alpha_4$  in the model is .711 which means that a unit increase in harmonious work environment will increase employee productivity by 7.1 percent when other variables are held constant. Also, the t-value corresponding to the coefficient is 2.765 and it implies that the coefficient is significant since .039 is less than 0.05 probability level.

**Table 8: Multicollinearity Diagnosis between Dependent and Independent Variables Collinearity Statistics**

Variables	Tolerance	VIF
Constant		
Employee Performance Appraisal	.453	2.365
Employee Recognition	.912	1.247
Employee Feedback Mechanism	.467	2.046
Labour-Management Relations	.765	1.256

Table 8 presents multicollinearity statistics. The tolerance value less than 0.20 or 0.10 indicates there is presence of multicollinearity problem (O'Brien and Robert, 2007). In the above table, the tolerance value of the independent variables show that the tolerance level is good. Also, the reciprocal of the tolerance known as the variance inflation factor (VIF), shows there is no presence of multicollinearity because of the variables presented VIF of up to 5 as specified by (O'Brien and Robert, 2007).

#### **4.3 Discussion of Research Findings**

This discussion is based on the results of the analysis, particularly the results of the test of hypotheses. For instance, positive and significant relationship was found between organizational employee performance appraisal process and employee productivity. A finding that supports the work of Muanya (2014) when it was revealed that an unbiased employee performance appraisal process have positive and strong correlation with employee job satisfaction and enhanced performance. It also supports what Idemobi (2010) meant when he noted that establishing performance benchmark is a crucial step because the process goes with measurements to ascertain whether such standards have been met by the performance of the employees.

Similarly, the results of hypothesis two suggests that employee recognition in an organization is significantly related to productivity. Again, the result supports the work of Ejike (2013) when he found from the study of implications of employee recognition in an organization that employees' recognition in whatever form enhances employees' productivity. This finding is well supported in literature because there is a consensus that recognition for job well done is a motivation to do more and it is important that managers take note of it. This is because an unmotivated worker is a bad influence in any work environment as he/she will always exhibit negative work attitudes which others are most likely to emulate.

Concerning the employee feedback mechanism, the result shows that it has great influence on productivity. It supports Nwachukwu (2009) when he stressed that adequate employee performance will be improved upon if they (employees) receive direct feedback about what their supervisors think about them, and how their contributions to the organization are viewed. Besides this, feedback directs the individual to the organization's mission and vision. It is indeed an important element in the management of employee performance. Feedback needs to be given regularly to enable employees remain focused and conscious of what the expectations about them are.

With respect to labour-management relations, the result of the test shows that positive and significant relationship exists between it employee productivity. The implication is that stability of work environment is the necessary condition for the employee to perform optimally. Therefore, cultivating and maintaining a mutually satisfactory relationship between the employer and the employee is what the organization needs most to be productive and competitive. It is important therefore to maintain sustained industrial peace which is quite achievable from mutual understanding.

### **V. Summary, Conclusion And Recommendations**

#### **5.1 Summary of Findings**

The study examined the relationship between some performance management variables and employee productivity. Through the application of Pearson correlation multiple regression analysis, significant relationship was established between the dependent and independent variables. The F-value showed that overall, regression model is statistically significant, valid and fit for prediction. The regression coefficient represented by 'R', showed that about 81.5 percent relationship exist between the dependent and independent variables. Also, the coefficient of determination represented by 'R<sup>2</sup>', shows that about 78.2 percent of variation in employee productivity can be explained by the independent variables. But more specifically, the findings can be summarized as follows:

1. The study revealed that one unit increase in employee performance appraisal process can raise employee productivity by 6.8 percent if other variables are held constant.
2. It was found that positive and significant relationship exists between employee recognition and productivity, and that a unit increase in employee recognition will lead to 5.4 percent increase in productivity if other factors are not allowed to vary.
3. It was also revealed that positive and significant relationship exists between employee feedback mechanism and productivity, such that one unit increase in employee feedback will lead to 4.9 percent increase in productivity.
4. The result also showed that positive and significant relationship exists between harmonious labour-management relations and employee productivity. In fact, a unit increase in positive labour-management relations will increase productivity by 7.1 percent if other variables are held constant.

## 5.2 Conclusion

The behaviour and attitude of the respondents within the work environment is a function of their relationship with the management of the organization. Employees want to be motivated and the motivation can be by direct or indirect rewards. Evidence from the study has revealed that these performance management variables are quite critical in enlisting the cooperation of the workers. In the management of an organization, human resource is the most important because all other resources are managed by human labour. A responsive management will understand this and utilize it to achieve better productivity from the employees.

## 5.3 Recommendations

From the findings and conclusions of the study, the following recommendations were made:

1. The study reveals that through effective employee performance appraisal process, management can identify performance gap, training needs, whom to reward, etc. Therefore, the need to always make the appraisal process as transparent as possible in an organization cannot be overemphasized.
2. Employee recognition was found to be a strong motivator and predictor of performance. Managers should design effective ways of recognizing employees who perform exceptionally in their assigned tasks.
3. Employee feedback mechanism helps employees to know their strengths and weaknesses. Management should strengthen the mechanism to make the employees perform at their best abilities at all times.
4. Mutual understanding between management and the employees is very crucial to the realization of organizational goals. Therefore, the management should work towards reducing the areas of conflict with workers for an atmosphere of industrial peace to be sustained.

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