

Performance Evaluation and Organisational Performance in Public Institutions in Uganda: A Case of Kampala Capital City Authority

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ABSTRACT

The study examined the relationship between performance evaluation and organization performance. A case study research design using mixed methods approach was used to answer the study questions. A sample size of 126 respondents was considered for the study, 105 respondents participated, giving a response rate of 83%. Simple random sampling and purposive techniques were used to select the participants. Data analysis involved frequencies, means and inferential statistics such as correlations and the coefficient of determination. The main finding of the study was that performance management system at KCCA do not link promotion to performance achievement and it was also found out that that performance management system at KCCA do not facilitate implementation of strategy by motivating desired level of performance. It was therefore concluded that performance evaluation positively influenced the performance of KCCA. The study therefore, recommends the need for top leadership of KCCA to tag promotion to performance. This will motivate employees and subsequently increase performance.

Keywords: Evaluation, Performance, Organization, Motivation, Appraisal, Promotion

Introduction

As the implementing arm of government policies and programs, the public service has the responsibility of providing timely, high-quality and cost-effective services to citizens. Since public services are delivered through human resources (Ntirandekura & Christopher, 2022), it is paramount that appropriate mechanisms are put in place to ensure that human resources are empowered to maximize their potential while being accountable for their actions (Tasha et al., 2023). Performance management is an employment management philosophy adopted by organizations and managers to ensure that employees individually perform beyond their expectations and subsequently improve the overall performance of the organization (Kazaara & Kazaara, 2023).

(Richard et al., 2022) argue that in Uganda the concept of performance management is said to be relatively new and was first used in health systems studies to inform health reforms. Development including; the introduction of results-oriented management in the public sector and the reorganization of the management of healthcare workers from central to local governments. Despite KCCA's efforts to improve performance management, KCCA's performance is still below expected levels (Ntirandekura, Friday and Muhammad, 2022). This is evidenced by the unsatisfactory quality of the services provided, but also the observable poor time management, the lack of clarity of the goal, and thus the general delay in the provision of services (Christopher, Muhindo, et

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al., 2022). In particular, the Authority saw a loss of 70% of working hours for the quarter, reported cases of poor customer care and delays in reporting to donors (KCCA Report, 2020). Against this background, this study assessed the effects of performance management on organizational performance in public institutions in Uganda on the case of Kampala Capital City Authority.

Literature review

The study was supported by Goal Setting Theory and assumes that setting performance goals can support the performance of employees and the organization on which the study is based. According to the theory, a committed individual will increase their performance to cope with the difficulties of strenuous work. However, various researchers have criticized goal setting (Godfrey et al., 2023).

Setting goals was said to be difficult and difficult to maintain. It has been shown to work well for simple tasks, but not for complex tasks. Goal setting can encourage gaming and is feared to be used as a control device to monitor performance and therefore may turn out to be an obsession (Faridah et al., 2023). Despite all the positive results from goal setting, research has shown that there can be difficulties in recording and documenting goals and achievements, leading to paperwork overload. It also focuses too much on rewards and punishments, as well as top-down goals that are easier to achieve individually rather than as a team. In addition, goals (both individual and organizational) create a particular sense of tension between employees' current position and preferred position (Moses et al., 2022).

This tension shapes the desires or behavioral drives of individuals that lead them to achieve a goal to satisfy the evoked tension. If they are not met, it can be demotivating (Ntirandekura, Friday and Muhammad, 2022). The researcher's view is that goal setting is quite motivating, especially when the employee consistently meets the set goals, but can be demotivating if not met. Therefore, this study sought to determine whether goal setting as a theory can effectively describe the relationship between performance management systems and organizational performance (Musaibah et al., 2023).

The terms performance appraisal and performance appraisal are used interchangeably as they have similar meanings. Performance appraisal is a key fragment of performance management (Ntirandekura, Friday, Mbisi, et al., 2022). It is one of the basic tools that enhance the efficiency and vigor of workers at work (Christopher, Moses, et al., 2022). Performance appraisal refers to the process of evaluating the work behavior of employees, it includes both quantitative and qualitative aspects of job performance Karia & Ondieki (2015) argue that organizational performance is the main performance issue of any competitive organization and therefore has the highest priority of performance. rating system. (Godfrey et al., 2023) also agree that organizational performance depends on many aspects such as performance appraisal.

Evaline & Bula (2017) in their study examining the existing performance appraisal process and system in commercial banks in Kenya to understand their impact on organizational performance, the results of the hypothesis tested showed that feedback and

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fairness of the appraisal system were noted to be highly significant for organizational performance (Winny et al., 2023). (Polycarp et al., 2023), reasons why although the feedback process is complex and often avoided by both managers and employees, especially when the manager is required to provide progressive feedback, it should be timely because timely feedback can help employees correct performance deficiencies and prevent the accumulation of inaccuracies. Feedback should therefore be provided in the spirit of constructive

Conceptual Framework

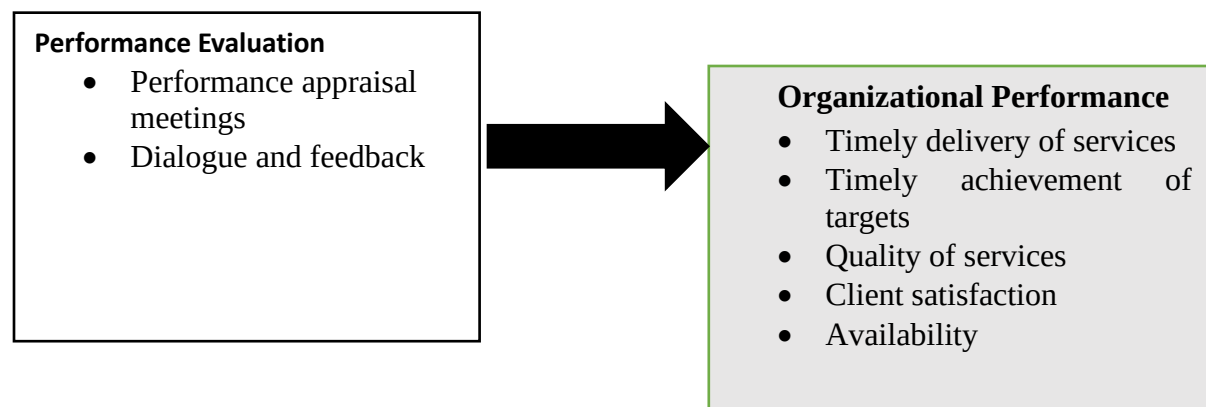


Figure 1: Conceptual Framework for the Study

Source: Adopted from Goal Setting Theory of Locke E.A & Latham (1990) and modified by the researcher (2023)

Methodology

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The research design that was employed in this study was a case study design adopting both qualitative and quantitative approaches. Case study method is useful for trying to test theoretical models by using them in real world situations (Glanz, 2002). This method was preferred to enable an in-depth investigation of the study problem. A mix of qualitative and quantitative approaches enabled one approach to compliment the other in the study. To quantify the number of respondents, a quantitative approach was used while qualitative will be used to explore in-depth how rewards affect employee performance.

The sample size of the study was selected using the Krejcie & Morgan's (1970) table, as cited by Amin (2005) for sample section. A total of 126 respondents were picked across all sub groups and both purposive and simple random sampling methods were to select respondents for the study. The researcher used both probability and non-probability sampling techniques including simple random sampling technique. The study utilized simple random sampling technique to select, members of the top management and KCC Junior Staff. The technique was used because it minimizes selection bias by providing an equal and independent chance to all elements from that population category of being selected into the sample population (Berndt, 2020). In particular, each member of that category was assigned a number and after which one number at a go was then be selected at random.

Additionally, purposive sampling was used to select members of executive. This technique enabled the researcher to identify and select respondents who

have knowledge and experience on the subject matter and provided the best information that was needed for the achievement of the objectives study (Taherdoost, 2016). The researcher carried out both quantitative and qualitative data analysis. Sheard, (2018) defines quantitative data analysis as the process of presenting and interpreting numerical data using statistical or mathematical models (Sheard, 2018). Descriptive statistics were used to analyze quantitative data using frequencies, percentages, mean and SD from all of the study variables (Nelson et al., 2022). In order to test for hypothesis and to answer the research objectives, the researcher used inferential statistics to investigate the effect of performance on organizational performance at KCCA. Correlation coefficient was used to indicate the degree to which variables are related to one another. This enabled the researcher to find out the direction whether positivity or negativity. Regression analysis was carried out to establish the linear relationship between performance management and organizational performance at KCC (Nelson et al., 2023). Qualitative data that was collected using interviews and scrutinized using content analysis where information was arranged in major themes of performance planning, performance monitoring and performance evaluation. These were then be presented using the narratives as presented by respondents. Implications, conclusions, and inferences of qualitative information on performance management and organizational performance was drawn. Efforts were made to cross-examine

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qualitative data with the quantitative findings to find agreement and disagreement (Amin, 2005).

Results

The study used four statements on the questionnaire, asking participants to indicate their level of agreement or disagreement with each one in order to better understand their opinions on performance evaluation and determine whether it had an impact on KCCA performance.

To complement the quantitative findings shown in Table 1, qualitative, data was also gathered utilizing the interview guides

Statements on performance evaluation	SDA		DA		NT		A		SA		Mean	Std. Dev
	Freq	%	Freq	%	Freq	%	Freq	%	Freq	%		
Performance management system links promotion to performance achievement at KCCA	53	53.5	21	21.2	0	0.0	4	4.0	21	21.2	2.18	1.612
Performance management system at KCCA facilities implementation of strategy by motivating desired level of performance	46	46.5	18	18.2	4	4.0	6	6.1	25	25.3	2.45	1.686
Performance management system at facilitates the implementation of strategy by attracting and retaining the right kind of people	15	15.2	6	6.1	6	6.1	10	10.1	62	62.6	3.99	1.522
The performance management system at KCCA integrates communication processes	35	35.4	9	9.1	4	4.0	0	0.0	51	51.5	3.23	1.883

Source: Primary data (2023)

The results in table 1 above revealed that 74.7% of the respondents were in disagreement to the statement that performance management system at KCCA link promotion to performance achievement where 53.5% strongly

disagreed and 21.2% disagreed while 24.2% agreed. This indicates that performance management system does not link promotion to performance achievement (Tasha et al., 2023).

In addition, 64.7% of the respondents were in disagreement with the statement that performance management system at KCCA facilities implementation of strategy by motivating desired level of performance where 46.5% strongly disagreed and 18.2% disagreed confirming that performance management systems does not facilitate any strategy of implementation (Paul & Kazaara, 2023).

On contrary, the findings in table 1 indicated that 72.7% of respondents were in agreement with the statement that performance management system facilitates the implementation of strategy by attracting and retaining the right kind of people and 21.3% were in disagreement. This implies that proper implementation of performance management systems at KCCA, facilitates the implementation of strategy by attracting and retaining the right kind of people (Innocent et al., 2023).

In relation to the above, there was a mixed reaction on the statement that the performance management system integrates communication processes with 51.5% in agreement with the statement and 44.5 in disagreement with the statement.

From qualitative data, interviews and documentary reviews were conducted. From interview, a question was posed to the top management regarding whether performance management system at KCCA link promotion to performance achievement (Ntirandekura, Friday, Mbisi, et al., 2022). Generally, the views of the top management revealed that they try, however it comes with very many challenges. This was represented in the voices of one of the respondents who asserted that;

“As an Institution, we would wish to link promotion to performance achievement since it acts as a key motivating tool to performance. However, due to budget constraints, it is very difficult to implement and in most cases, employees who are left out tend to be demotivated” (KII7) .

This implies KCCA does not link promotion to performance achievement regularly and this affects performance of most of the employee.

The interpretation of both qualitative and quantitative data reveal that performance evaluation has a significant effect on organizational performance at KCCA and if properly implemented, it would enhance organizational performance in terms of timely delivery of service, there would be an improvement in the quality of services offered at KCCA, citizens satisfaction for the services would increase and the level of accountability for the services offered to various stakeholders would equally increase

Discussion of findings

The findings on the factors influencing effectiveness of the performance evaluation agree with research conducted by the Centre for Business Performance at the Cranfield School of Management demonstrated

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that the organizations that have implemented performance management systems are generally better placed to monitor their productivity; effectively communicate their strategies and even reduce their operational costs. Besides, these organizations are also able to review their business strategies, control their operations and more importantly support their systems of compensation. (De Waal 2003).

In addition, the findings also agree with (Moses et al., 2022), who conducted a study on the implementation of performance management system impact on the efficiency, productivity and effectiveness of the employees of Chabahr Municipal in India. They asked participants their views on how their organizations had changed after the implementation of the performance management system. They found out that after the implementation of the system most of the organizations gained positive benefits. The implementation of the system increased the output, efficiency and even improved the satisfaction rates of the customers. More importantly, the implementation of the system also reaped substantial benefits for the human resource. This was attributed to clear communication lines and a boost on the employee initiative (Mark & Jacob, 2023). In the same regard the findings agree with Marr (2009), who says that on factor that impact on successful performance management implementation is whether or not the top management makes emphasis on the control of inputs, outputs and behaviors. The top-down control of employee behavior to enhance compliance with laid out procedures is highly likely to yield minimum benefits, if any. In this case the organization needs to

make huge investments on surveillance and control; this in turn minimizes the discretion of the employees and leads to rigidity and dysfunctional behavior. However, when organizations focus on controlling output, they invariably provide their employees with the discretion of achieving the desired goals.

Similarly, the findings are an affirmation that in the new quest to improve organisation performance at Merrill Lynch the managers and the employees reach an agreement on a set of performance objectives. These objectives are closely related to the business goals of the company. The goals are subject to adjustments as required at any time. Feedback involves an ongoing process, with reviews undertaken at mid-year and the end of the year, providing a lot of opportunities for spontaneous mentoring and suggestions. The joint goal setting has strengthened cooperation between the manager and the employees, while measuring performance against standards has reduced the competition amongst the employees. (Griffin & Moorhead 2010). Fatimah and colleagues (2012) found comparable results to our study, indicating that individuals tend to be less absorbed in their work when faced with job insecurity, caused by the stresses job insecurity puts on someone at an individual level. In addition, someone with a high promotion focus is concerned with advancement, growth and accomplishment (Shan, Higgins and Freidman, 1998). Lastly, the findings are in line with the finding of Amstrong-Stassen (1993) who claimed that there is a relation between organizational identification and job security and previous literature by Feather and Rauter (2004)

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provides evidence that there is a link between organizational identification and job security as reported

Therefore, the study finding above principally follows the same line of argument with what other

earlier scholars had established on the effect of performance evaluation on organizational performance.

Conclusions

The study findings revealed that there was a positive significant effect of performance evaluation on performance of KCCA. The study therefore, concludes that effective implementation of performance evaluation in terms of performance appraisal meetings and dialogue and feedback would enhance performance of KCCA in terms of timely delivery of service, there would be an improvement in the quality of services offered at KCCA, citizens satisfaction for the services would increase and the level of accountability for the services offered to various stakeholders would equally increase.

Recommendations

- i. There is need for top leadership of KCCA to tag promotion to performance. This will motivate employees and subsequently increased performance.
- ii. There is need for the top leadership of KCCA through Ministry of Public Service to prioritize recruiting more staff. This will enable the Institution to carry out its M&E function in timely, effective and efficient manner.

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