



The Effect of Performance Management On Organizational Effectiveness In Chukwuemeka Odumegwu Ojukwu University

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ABSTRACT

This study was carried out to examine the effect of performance management on employee productivity in Chukwuemeka Odumegwu Ojukwu University. The objectives of the study were to examine the effect of performance management, training, compensation and feedback (independent variables) on employee productivity (dependent variable) in Chukwuemeka Odumegwu Ojukwu University. Unlike prior studies, our study focuses on a public academic institution and applied the ordinary least square (OLS) as a tool of data analysis. The survey design which involves the use of personal observation, interview and questionnaires to obtain primary data from respondents was adopted in this study. Using the Borg & Gall (1973) formula, a sample size of 573 was established for the study. The data analysis method used is the ordinary least square (OLS) linear regression analysis. The results show that performance appraisal, training and compensation have significant effect on employee productivity while feedback has no significant effect on employee productivity in Chukwuemeka Odumegwu Ojukwu University. The following recommendations were made: any changes made to ratings of employees during the performance appraisal process should be communicated clearly and early to all concerned to prevent conflict situations and create a healthy atmosphere for team work; employers should engage their employees in positive feedback as Positive feedback by employees and constant verbal encouragement have been shown to improve productivity; Institutions need to engage their employees in regular training to improve their skills and knowledge of what to do. This can be done monthly or bi-annually to keep them in the know consistently.

Keywords: performance management, employee productivity, training, compensation and feedback

INTRODUCTION

Performance Management (PM) is one of the most positive and crucial developments in the field of management. PM encompasses all the activities carried out to ensure efficiency and effectiveness in the attainment of Organizational objectives.

Effective performance management is essential to ensure that a business is operating effectively and is on track to achieve strategic goals. Performance Management has been defined in different ways by different authors. Fowler (1990) sees PM as the arrangement of work to achieve the best possible results while the Institute of Personnel Management (2002), view it as a strategy relating to every activity of the organization, set in the context of its human resource policies, culture, style and communication systems. Several studies have been carried out to investigate the effect of performance management on employee

productivity. Zhang (2004) investigated the influence of performance management systems on employee performance in Britain using workplace employee relation survey (WERS). Ngige (2010) worked on performance management and employee productivity in public health institutions in south East of Nigeria. Idemobi and Onyeizugbe (2011) examined performance management as an imperative for effective performance in Delta State public owned organizations in Nigeria. Also Homayouniza and Baqkord (2012) studied the effect of performance implementation on employee productivity in Chabaha municipal council of Kenya. Other works on performance management and employee productivity include: Odhiambo (2015) and Kibichii and Kiptum (2016).

This study aims to establish the influence of PM on employee productivity in Chukeuemeka Odumegwu Ojukwu University Chukwuemeka Odumegwu. University (formerly known as Anambra State University) was established in 2000. It has a three campuses structure, located at Uli, Igbariam and Amaku – Awka. As at December, 2018, the university had total staff strength of 2890 – 1250 academic staff and 1640 non-teaching staff.

2.1. Statement of Problem

Prior researchers on the subject employed the survey design and the chi-square method of analysis and non to the best of our knowledge had related the problem of performance management to an academic institution. This is the gap the study seeks to fill by focusing on Chukwuemekan Odumegwu University - an academic institution, using the regression method of data analysis.

1.3 Objectives of the Study

The main objective of the study is to investigate the effect of performance management on organizational effectiveness in Chukwuemeka Odumegwu Ojukwu University. The specific objectives are to:

1. Determine the effect of performance appraisal on employee productivity in Chukwuemeka Odumegwu Ojukwu University
2. Evaluate the effect of feedback on employee productivity in Chukwuemeka Odumegwu Ojukwu University
3. Investigate the effect of training on employee productivity in Chukwuemeka Odumegwu Ojukwu University
4. Ascertain the effect of compensation on employee productivity in Chukwuemeka Odumegwu Ojukwu University

1.4 Research Questions

The proposed study would answer the following research questions:

1. To what extent does performance appraisal affect employee productivity in Chukwuemeka Odumegwu Ojukwu University?
2. What way does feedback affects employee productivity in Chukwuemeka Odumegwu Ojukwu University?
3. How does training affect employee productivity of selected manufacturing firms in Chukwuemeka Odumegwu Ojukwu University?
4. What is the effect of compensation on employee productivity of selected manufacturing firms in Chukwuemeka Odumegwu Ojukwu University?

1.5. Research Hypotheses

From the fore going, the following hypotheses were proposed for the study.

H01: Performance Appraisal has no significant effect on employee productivity in Chukwuemeka Odumegwu Ojukwu University.

H02: Feedback has no significant effect on employee productivity in Chukwuemeka Odumegwu Ojukwu University

H03: Training has no significant effect on and employee productivity in Chukwuemeka Odumegwu Ojukwu University

H04: Compensation has no significant effect on employee productivity in Chukwuemeka Odumegwu Ojukwu University

1.6. Scope of the Study

Topic Scope: This study was based on the effect of performance appraisal on organizational effectiveness in Chukwuemeka Odumegwu Ojukwu University

Geographical Area Scope: The study was carried out at Chukwuemeka Odumegwu Ojukwu University. The University has three campuses - Igbariam (the main campus), Uli and Amaku-Awka. They are strategically placed in these locations for easy accessibility.

Time Scope: The period under study is between 2013 and 2017. This period was chosen because a range of five years is enough to help the researcher determine the relation of appraisal on the achievement of organizational goal in the Chukwuemeka Odumegwu Ojukwu University

1.7. Significance of the Study

The general understanding of this study would serve as a useful guide to management, human resource practitioners, executive corporate managers and administrators (most especially in the higher institution environment) to understand how performance management can enable organization in sensing any possible changes in the level of productivity. This will help them to figure out strategies for testing identifying employee needs, encouraging, improving and rewarding employees 'performance at work.

The findings of this study would also be helpful to the manufacturing industries when setting policies on their specific performance management system in order to select performance management practices that suit the requirements of these policies and that best marries the nature of the work performed and the mission of the organization.

This study would also enable the government create better policies and regulations with regard to the research variables in a way that can create an enabling environment for companies to survive. Finally, the study would be of immense benefits to the society by contributing to the body of knowledge and stimulate more researchers' interest in this field of study.

2.0. REVIEW OF RELATED LITERATURE

2.1 Conceptual Issues

2.1.1 Performance Appraisal and Employee Productivity

Lambert (2009), defined performance appraisal as a completely integrated system involving periodic planned discussions between the manager and employees, to identify and compare employee's total performance against predetermined goals, (the manager acting as coach and counselor of the staff in areas requiring correctives actions), for the improvement of overall performance for the benefit of both employees and the total organization.

Stanton and Burshirk (2004) observed that performance evaluation should serve as the determinant of the employee's self-development and as a basis for sound company program for personnel guidance and development.

According to Wilson and Western (2016), "it is natural for employees to be affected by how well they score on performance appraisal depending on the outcomes. Thus, the application of a performance appraisal policy can be either positive or negative.

Employees who receive good scores on their performance appraisals are generally motivated to perform well and maintain their performance. Conversely, if a supervisor gives an employee a poor score on his/her appraisal, the employee may feel a loss of motivation in the workplace". Rudman (2013) observes that performance appraisal policy is an important factor in an organization in improving the performance of the employee.

Moreover, a strong connection exists between how firms manage their employees and the organizational results they achieve. Nurse (2005) states that negative feedback from performance appraisal policy not only fails to motivate the typical employee, but can also cause employees to perform worse. Only those employees who have a high degree of self-esteem appear to be stimulated by criticism to improve their performance. It has been established that one of the tools by which employees are motivated by their managers is the use of an effective performance appraisal policy. Cook and Crossman (2004) indicate that an employee whose performance is under review often becomes defensive.

According to Worley (2015), an appraiser should take time to explain performance appraisal policy to an

employee appraised instead of seeing it as an opportunity to criticize. It should primarily be a means of showing the appraised hi/her mistakes and how performance can be improved in future. Rudman (2003) states that overall organizational excellence can be attained as individual employees work together to find areas where challenges exist, or where performance can be improved. Boswell and Benson (2000) argue that the human nature constantly needs to be recognized either positively or negatively to be spurred into more action.

Tyson and York (2000) state that when employees understand how their individual roles function within the framework of a team, they can more effectively contribute to the entire organization.

2.1.2 Feedback and Employee Productivity

Feedback is the extent to which the performance appraisal system provides the individual with direct and clear information about the effectiveness of his or her performance. Feedback is a helpful information or constructive criticism that is given to someone, on what can be done to improve a performance or a product. Rubak (2008) defined feedback as specific information about the difference between a trainee's observed performance and a given standard with the target of achieving improvement in performance of the trainee.

Adcroft (2011) stated that performance feedback is a critical component of all performance management, defining it as information about an employee's past behaviors with respect to established standards of employee behaviors and results. Feedback is an indispensable and essential part of teaching as it supports and facilitates the learners' knowledge, skills and professional performance, helping in the improvement of the learner's performance with the primary objective of achieving their goals in addition to the educational objectives (Schartel, 2012). There are several ways to provide feedback but not every way leads to the desired result. As mentioned above, the overall outcome of feedback is often perceived as beneficial but according to prior research, feedback can also have some drawbacks.

Indeed, Castellaneta *et al.* (2015) state that completeness is also a dimension that can strongly hamper the outcome of feedback. The authors argue that, when feedback is incomplete i.e. delayed, interrupted or indirect; the receiver might get an inaccurate assessment of his or her abilities. This confusion may prevent the employee to progress.

The immediacy of feedback, i.e. how soon the feedback is given, has also a strong impact on the effect the feedback may provide (Daniels & Daniels, 2014). According to Daniels & Daniels (2004), a general rule is that the sooner the feedback is given, the better the outcome will be.

Furthermore, by giving immediate and intense feedback, the manager provides a larger amount of feedback in comparison to delayed feedback. Finally, the effect of feedback before one's action is as important as when the feedback is given after one's action i.e. it is essential to give continuous feedback, and not only when something wrong happens.

The effect of pre-action feedback and post-action feedback is similar and gives an equal result. This statement can be directly linked to the theory of Blanchard and Johnson (2015). The pre-action feedback can be related to the one-minute goal where the manager in an early stage of the process sets up the employees' goals and explain what is expected from them while giving them guideline on how they should do to achieve their goals.

The post-action feedback can be directly linked to the one-minute praising and re-directs where the manager immediately praises or re-directs the employee

2.1.3. Training and Employee Productivity

Anthony, Perrew and Kacmar (2009) defined training as a means of equipping an organization's employees with the knowledge and abilities required for the performance of their particular tasks. Khawaja and Nadeem (2013) explained that training is the series of activities embarked upon by organization that leads to knowledge or skills acquisition for growing purposes thereby contributing to the wellbeing and performance of human capital, organization, improving the employees' productivity and reducing/eliminating the gap between the current performance and the desired standard performance.

It was also defined as the systematic and formal change in the behavior of an individual due to the leaning, instructions and planned experiences. Training serves as a motivating force for the improvement,

efficiency and productivity of the workers and many organizations have seen it as an indispensable instrument for the enhancement of their organizational performance and employee productivity. Okotoni and Erero, (2015) notes that until recently organizations had generally resisted investment in training because of the presumption that employees hired under a merit system are qualified and trained for their jobs.

Furthermore it was assumed that if that was not the case then it means that initial selection of personnel was faulty. However the need for training has become evident in all sectors, and so this assumption no longer holds (Okotoni and Erero, 2015). Training affords the opportunity for “developing skills, enhancing productivity and quality of work, and building worker loyalty to the firm”.

Training has become the Holy Grail to some organizations, an evidence of how much the management truly cares about its workforce (Hamid, 2011). Hamid (2011) went further to say that the effectiveness with which organizations manage, develop, motivate, involve and engage the willing contribution of their employees is a key determinant of how well these organizations perform.

Hence, it follows that no organization becomes effective and efficient without the employees acquiring and applying the required skills and knowledge.

2.1.4. Compensation and Employee Productivity

Compensation is regarded as the human resource management function that is concerned with all types of reward received by individuals in exchange for performing organizational tasks, with the aim of producing an employee who is attracted to the work, satisfied, and motivated to do a good job for the employer (Ivancevich, 2014).

Mondy (2010) defined compensation as the totality of all rewards provided to employees for their service, with the aim of attracting, retaining and motivating employees. McCollum (2001) rationalized that it is an undisputable fact that the productivity of an organization depends upon the level of satisfaction enjoyed by its workforce and even more, on the compensation of employees. Hence, the great interest in the analysis of compensation variables of employee as they affect productivity.

People are the most important assets of organizations. Hence, they wish to be held in high esteem by their organizations, given the necessary recognition and be provided with the right environment to work in. Once the above measures are put in place in organizations, the goal of high quality, productive and relevant output would be achieved and this will help the organization chalk success.

2.1.5. Employee Productivity

Calabrese, (2012) described productivity as a measure of how much and how well we produce from the resources used. Additionally, production capacity helps to evaluate demand and inflationary pressures (Calabrese & Spadoni, 2013). It is calculated as the ratio of output to input. It is a measure of how efficiently and effectively a business or an economy uses inputs such as labor and capital to produce outputs such as goods and services. Productivity is about the effective and efficient use of all resources in form of time, people, knowledge, information, finance, equipment space, energy, and materials.

2.3. EMPIRICAL REVIEW

Numerous studies and research on the dimensions of performance management and employee productivity and their findings would be reviewed below.

Zhang (2004), examined the Impact of Performance Management System on Employee performance and productivity in United Kingdom, and found out that It is important for a company to plan, manage and reward the performance.

Stansfield and Longenecker (2006) performed a study titled the effects of goal setting and feedback on manufacturing productivity: a field experiment in Ohio, USA. Using field experiment method, the findings suggested that goal setting and timely feedback lead to improved work performance, greater efficiency, and the establishment of more challenging goals and productivity.

Camelia and Agnieszka (2008) studied titled the effect of feedback, self-esteem on performance in organizations. He found out that providing feedback does not always lead to better outcomes in organizations, as it can negatively impact the employees’ self-esteem. The survey design was adopted while using a structured questionnaire administered to the general public for data collection. The findings

revealed that the most impacts of feedback have strong significant relationship on the employee's productivity.

Agnieszka (2009) carried out a study on the relationship between effective feedback and employee productivity in some selected organizations in New-York and examined whether private feedback about relative performance can mitigate moral hazard in competitive environments by modifying the agents' self-esteem. They showed that organizations can improve employee productivity by changing the likelihood of feedback, the reference group used to calculate relative performance, and the informativeness of the feedback message.

In doing so, company's productivity would be developed and profit would be increased as well through supervising the whole process of performance management. The findings showed that continuous communication within organization and personnel development impact significantly and positively on employee productivity.

Ngige (2010) worked on "performance management and productivity in public health institutions in the South- East of Nigeria" with particular reference to three selected public health institutions in the area. The study followed a quantitative research approach using a survey research design. He documents that the performance management factors in the selected organizations influenced employee productivity positively. The study also indicated a positive relationship between training and developmental efforts and productivity in the selected institutions.

Idemobi and Onyeizugbe (2011) worked on "performance management as an imperative for effective productivity in delta state of Nigeria public owned organizations". Using the survey method of data collection and chi-square method of analysis, they reported that performance review techniques have significant effect on employees' performance and productivity.

The study further recommended that the management of the organization should ensure proper supervision of its field staff in order to facilitate appropriate behavior on their part to improve productivity. Isiwu (2012) examined the impact of staff training on the productivity of workers in public sector in Nigeria; a study of personnel services Department of University of Nigeria, Nsukka.

Homayounzadpanah and Baqerkord (2012) carried out a study on the Effect of Implementing Performance Management on the productivity, Efficiency and Effectiveness of the Chabahr Municipal Employees in Iran", and found that performance management plays a significant role in many areas of every organization and its importance is increasing with the passage of time. They concluded that there is a strong positive relationship between performance management and productivity. Adopting the survey design and the questionnaire method of data collection, the Stratified random Gichuhi, Abaja and Ochieng (2012) studied the effect of performance appraisal on employee productivity: a case study of major supermarkets in Nakuru Town in Kenya. The cross-sectional survey design was employed, using sample of 308 respondents selected through multi-stage sampling technique. Multiple regression models were used to analyze the data collected. The results show that performance appraisal and frequency significantly influenced employee productivity. A sample of 101 supermarkets was used for the study.

Malaolu and Ogbuabor (2013) conducted a study on the effects of training and manpower development on employee productivity and organizational performance in Nigeria using First Bank of Nigeria Plc as a case study. The study applied structured questionnaires to the sample size drawn by simple random sampling.

The data generated was analyzed using descriptive statistics. They found that training and manpower development enhanced efficiency and job productivity and organizational performance.

Additional findings suggest that information systems which facilitate goal setting and feedback are more effective than traditional supervision systems at improving productivity.

Yamoah (2013) carried out a study on the relationship between compensation and employee productivity of staffs from the banking industry in Ghana.

Omusebe, Gabriel and Douglas (2013) examined the effects of performance appraisal (PA) on employee productivity in Mumias Sugar Company Limited, Kenya, using regression analysis and t-test to test the hypotheses. The results indicate a high positive correlation between performance appraisal and employee productivity in Mumias Sugar Company Limited.

In order to achieve his objective, a case study approach was used; a descriptive survey was then carried out to collect data from employees of Ghana Commercial Bank in the Greater Accra Region of Ghana. Data was analyzed in terms of descriptive statistics. Pearson chi square test was used to determine the relationship between employee compensation and productivity.

The results however showed a strong association between compensation and productivity. The human resource managers of corporate organizations are therefore challenged to develop and implement effective compensation schemes which will lead to the achievement of organizational goals and thereby enhance increase in employee productivity.

Ibojo and Asabi (2014) examined the effects of Compensation Management on the Performance of Employees of a Reputable Organization in the Manufacturing Sector of the Food and Beverage Industry in Nigeria. Employing the survey design, data were collected through questionnaires.

The results indicate a strong positive relationship between compensation management and improved productivity. It was therefore concluded that there exists a significant relationship between good welfare service and employees performance. This means that there is a positive significant relationship between compensation and improved employee productivity.

Hameed, Ramzan, Hafiz, Zubair, Ghazanfer and Arslan (2014) conducted a study titled Impact of Compensation on Employee Performance a case study of a Banking Sector in Pakistan. This research was conducted to measure the impact of compensation on employee productivity, with particular reference to the banks in Punjab, Pakistan. Using the questionnaire method of data collection and the descriptive statistics and other analytical tools, it was found that Compensation has positive impact on employee performance. The implication is that managers can increase their employees enhancing their compensation packages.

Osibanjo, Adeniji, Falola and Heirsmac (2014), conducted a study on Compensation packages: A strategic tool for employees' productivity and retention in Ogun State Nigeria. The results establish a high correlation between compensation packages and employees' productivity, which indicated that there is also a strong correlation between compensation (bonus, incentives, allowances and fringe benefits) and employee's productivity. However, the researcher concluded that management and decision makers should endeavor to review compensation packages at various levels in order to earn employees satisfaction and prevent high labor turnover among the member of staffs.

Odunayo, Salau, Fadugba, Oyinlola and James (2014) in their study titled "modeling the relationship between performance appraisal and organizational productivity in Nigerian public sector", applied the survey design and descriptive statistics on questionnaire data obtained from the management and staff of some selected public sectors organizations in Lagos State, South-West, Nigeria. The results showed that regular feedbacks about employees' performance on the jobs could secure competitive positioning for the organization.

Mwema and Gachunga (2014) studied the effects of performance appraisal on employee productivity, focusing on World Health Organizations in Kenya. Descriptive statistics and regression analysis were adopted. It was found that appraisal of employees through targets, accomplishments, organization goals, time management and efficiency for performance measure purposes lead to increased level of employee's productivity. Results indicated that performance appraisal has a significant effect of on the productivity of the employees in the world health organization of Kenya.

Ahmad, Iqbal, Mir, Haider, and Hamad (2014), they focused on the impact of training and development on the employee's productivity, of the banking sectors of north Punjab, employing the survey questionnaires method. The results established a significant positive relationship between training and employee productivity. Kum, Cowden and Karodia (2014) carried out an "evaluation of the mediating role of training and development on employee performance at ESCON Consulting South Africa", using questionnaire data and quantitative method of analysis. They reported that working conditions and inadequate resources affect the training and development of employees.

Sabir, Akhtar, Bukhari, Nasir and Ahmed (2014) carried out a study to find out the impact of employee training in building employee productivity and in order to achieve this objective; the researcher used the quantitative approach where the population for the research is the employees of electricity supply

companies of Pakistan. They used the survey questionnaire method for data collection while the Pearson correlation and Regression analysis were used to examine the relationships between training and employee productivity. The Results indicated that training has a strong and significant impact on employee productivity.

Onyango and Wanyoike (2014) carried out a study to assess the effect of the training on the performance of staff in the public health institutions in Kenya. Doctors, clinical officers, nurses and subordinate staff serving in public health facilities within Siaya County were examined in the study. The survey design was adopted for the study.

The results revealed a strong positive relationship between training and the performance of employees.

Audu and Gungul (2014) carried out a survey of 98 firms, using the questionnaire method to study the effect of human resource training and development on productivity in hospitality industry in Nigeria. They document that training and development of human resources has significant positive effect on the productivity of employees in the hospitality industry in Nigeria. Eneh, Inyang and Ekpe (2015) carried out a survey on the effect of job training on productivity, using Pamol Nigeria limited, Calabar Cross River State as a case study. A sample size of two hundred and sixty five respondents was used for the study. Results of the study revealed that job training was not a regular activity at Pamol Nigeria Limited and training needs were not clearly identified. Further findings revealed that there was no proper supervision of the field staff (particularly the rubber tappers).

Halidu (2015) examined the impact of training via the Tertiary Education Trust Fund (TETFUND) - Academic Staff Training & Development 2010 Sponsorship in some selected Nigerian universities on workers' productivity, using a sample of ten universities. They reported a significant improvement in the performance of the beneficiaries of the training programme. It was also found that workers' remuneration was poor, and this was responsible for their engagement in businesses outside the organization's operations, which ultimately resulted in divided attention at the workplace. Based on these findings, the study recommended, among others, that training should be made a regular activity and the training needs should be clearly identified.

Salau, Olumuyiwa and Esther (2015), carried out a study titled modeling the relationship between Performance Appraisal and Organizational Productivity in Nigerian Public Sector. Adopting the questionnaire survey design and descriptive statistics, it was indicated that fair and just managerial decisions with equitable reward and promotion for job done will increase employees' commitment and loyalty in the organization organization.

Nnorom, Akpa, Egwuonwu, Akintaro, Shonubi and Herbertson (2016) investigated the effect of compensation administration on employee productivity in Dangote plc Lagos, Nigeria, using the survey design. The findings show that effective compensation administration has a positive influence on employee productivity.

3.0. RESEARCH METHODOLOGY

The research design adopted in this study is the survey design which involves personal observation, interview and questionnaires was used in this study to seek clarifications and convenience on the part of the respondent given schedules. Primary data obtained through Questionnaire and semi structured interview were used for this study.

The population of the study comprised of the entire staff in Chukwuemeka Odumegwu Ojukwu University, made up of 1250 academic staff and 1640 Non-academic staff – making a total of 2890 staff. This population figure was derived from Personnel Unit Chukwuemeka Odumegwu Ojukwu University, (2018).

The sample size for this study was determined using the Borg & Gall (1973) formula for calculating sample size as follows $n = (1.960)^2 (0.05) [2890]$ $n = (1.960)^2 (0.05) [2890]$ $n = (3.8461) (149) = 573$ $n = 573$.

Two sample techniques namely purposive sampling and stratified sampling. Purposive sampling enables the researcher to choose at respondents that was of interest to the study while the stratified random sampling accords each of the different respondents in the states to be selected without biases.

For validity test the research instrument was given to expert in business research for validation so as to ensure that the questionnaire captures the key concepts it is supposed to measure. The reliability of the instrument was assured through the test-retest method. The pretest was conducted with (10) copies of the questionnaire administered to ten (10) respondents at two points in time at one week interval. The responses of number of the respondents that strongly agreed or agreed were collated and scores correlated using the spearman's rank correlation of coefficient. The coefficient of the reliability was found to be high as $R_s=0.79394$. This indicates a strong and positive correlation. Therefore, the research instrument was adjudged as being very reliable.

The tool of data analysis is the ordinary least square (OLS). The choice of OLS is guided by the fact that it has optimal properties which include linearity, neutrality, sufficient, least variance and mean square.

The model used for the study is specified as follows:

$EP = f (PA, FB, TRN, COMP,)$ Where EP = Employee productivity PA = Performance Appraisal FB = Feedback TRN= Training COMP= Compensation f=Functional Notation The above equation can be put in an econometric form as; $EP = b_0 + b_1 PA + b_2 FB + b_3 TRN + b_4 COMP + \mu$ Where; b_0 = Autonomous or intercept b_1 = Coefficient of parameter PA b_2 = Coefficient of parameter FB b_3 = Coefficient of parameter TRN b_4 = Coefficient of parameter COMP μ = Stochastic variable or error term

4.0. PRESENTATION AND ANALYSIS OF DATA

4.1 Respondents Demographic Variables

Gender Distribution (SEX): The gender distribution constitutes a larger chunk in favour of female accounting for about 60.5%, while male account for about 39.5%

Status: majority of the respondents are married at the time of this study. Married were at 61.7% while single were 38.3%

Rank: Majority of the respondents representing about 21.8% were WAEC/NECO holders, followed by B.Sc/HND 39.5% while the least where Ph D 23.4% and M. Sc 15.1%

Age of Respondents: Interestingly, the respondents were in the selected areas in their late twenties and late fifties selected from Chukwuemeka Odumegwu Ojukwu University

Years in service: This is to show the number of years one has been in his/her business or employment 0-10 yrs is 52.8%, while 11-15 yrs is 34.2%, follow by 16-20 yrs which is 8.7% finally 21-above yrs is 4.1%.

Table 1: Summary of Respondents Demographics (n = 549)

Characteristics	Frequencies	Percentage
Gender		
Female	332	60.5
Male	217	39.5
Total	549	100
Status		
Married	339	61.7
Single	160	38.3
Total	549	100
Level of Education		
WAEC/NECO	120	21.8
B.Sc/HND	217	39.5
MSc/MBA	83	15.1
PhD	129	23.4
Total	549	100
Age		
18-25	67	12.2
26-33	90	16.3
34-40	143	26
41-50	128	27.8
51-above	121	22
Total	549	100
Years in service		
0-10	290	52.8
11-15	188	34.2
16-20	48	8.7
21-above	23	4.1
Total	549	100

Source: Field Survey, 2018.

4.2 Presentation of the Regression Result

The full part of our regression result for this analysis is attached as an appendix to this study. However, the diagnostic tests or some key statistics or the variable that needs to be interpreted is shown below.

Variable	Coefficient	Std error	T-test	Prob
C	3.934238	1.114921	3.528714	0.0014
PA	0.299056	0.134492	2.223596	0.6341
FB	0.236763	0.093245	0.539144	0.9167
TRN	0.270445	0.060164	4.495097	0.0001
COMP	0.821357	0.117079	4.015433	0.0000

Source: Author's computation using E-view 9 201

R- Square	0.890644	Adjusted	0.871789
F- Statistics	47.23766	Prob (F- statistic)	0.00000
Durbin-Watson	2.304176		

4.3 Interpretation of the Result

Coefficient of determination, also called the goodness of fit explains the percentages, proportion or total amount of variations in the dependent variables as a result of changes in the independent variables included in the model. This will portray the usefulness and significance of the regression. The closer its values are to 1 the better the fit since it is usually 0-1. From our regression result, R^2 is 0.89%. This

implies that the independent variables can explain about 89% of the variable in the dependent variable, leaving the remaining 11% which would be accounted for by other variable outside the model. The adjusted R^2 is 87% meaning that even with an adjustment in the independent variables, they can still account for about 87% of the changes in the dependent variables.

The a priori expectation is used to determine the existing business theories and this indicates the signs and magnitude of the variables. From our regression, it is observed that performance appraisal has a positive sign, given us value as 0.299056; this implies that increase in performance appraisal increases the employee performance by 29%. This conforms to our a priori expectation, Meanwhile feedback has a positive sign given its value as 0.236763, this implies that increase in feedback will increase the employee performance by 23%, this suggest that it conform to our theoretical expectation. However, training has a positive sign, given its value as 0.270445, this suggest that a unit increase in training increase the employee performance by 27% this further suggest that it conform to our theoretical expectation. Lastly compensation has a positive sign, given us value as 0.821357, this implies that increase in compensation increases the employee performance by 82%. This conforms to our a priori expectation

The F- statistics, this is used to test for the overall significant of the model. . From the result in table 4.3 above, our computed value of F- statistics are 47.23766, while the probability is 0.000000. Since the probability of the F- statistics in the computed output is less than the desired 0.05 level of significance, we accept and state that there is a significant relationship between the variable of the estimate and that of the dependent variable.

T- Statistics, this is carried out to know the significant of individual explanatory variables in the model. That is to find out the significant influence of explanatory variables on the dependent variables at chosen level of significant. It was discovered that performance appraisal is statistically significant; given its value as 2.223596 this implies it significantly affects employee performance. Meanwhile, it has t contributed significantly to performance of employee productivity. It was also noted that feedback has insignificant effect on employee performance this implies that it does not contributes significantly on the performance of employee productivity. It was shown from the regression table 4.1 above that training has positively contributed to employee productivity; this simply implies that it enhanced performance of employee performance

A look at ratio of compensation has shown its value as 4.015433 (0.0000) this maintains that it's statistically significant and has contributed highly to the performance of employee productivity. Test for autocorrelation, this is to test whether errors corresponding to different observation are uncorrelated. It checks the randomness of the residuals. If the value of the Durbin-Watson from the regression result is close to 2, there is no autocorrelation in that regression result but if it deviates significantly, then there is autocorrelation. The Durbin-Watson statistic (D.W) of 1.8 reveals no autocorrelation in the models. Hence, the result is good for prediction purposes.

4.4. Hypotheses Testing

H0: Performance Appraisal has no significant effect on employee productivity in Chukwuemeka Odumegwu Ojukwu University.

H1: Performance Appraisal has significant effect on employee productivity in Chukwuemeka Odumegwu Ojukwu University.

Dependent Variable: EP
 Method: Least Squares
 Date: 10/24/18 Time: 21:11
 Sample: 001 549
 Included observations: 549

Variable	Coefficient	Std. Error	t-Statistic	Prob.
C	23.54617	2.044046	10.30391	0.0000
PA	0.709023	0.451625	2.440524	0.0030
R-squared	0.347208	Mean dependent var		10.02688
Adjusted R-squared	0.343688	S.D. dependent var		1.017706
S.E. of regression	0.241503	Akaike info criterion		0.106261
Sum squared resid	0.874855	Schwarz criterion		0.204286
Log likelihood	1.096779	Hannan-Quinn criter.		0.116005
F-statistic	2.191318	Durbin-Watson stat		0.805960
Prob(F-statistic)	0.334260			

Sources: E.view output 2018

Meanwhile, drawing inference from table above we find out that the computed value of T- test for performance appraisal is 2.440524. While it's probability is 0.0030. Since its probability is less than 0.05% level of significance, we reject the alternative (H_i) hypothesis and accept the null hypothesis which says that Performance Appraisal has significant effect on employee productivity in Chukwuemeka Odumegwu Ojukwu University

Hypotheses Two

H₀: Feedback has no significant effect on employee productivity in Chukwuemeka Odumegwu Ojukwu University

H₁: Feedback has no significant effect on employee productivity in Chukwuemeka Odumegwu Ojukwu University

Dependent Variable: EP
 Method: Least Squares
 Date: 10/24/18 Time: 21:11
 Sample: 001 549
 Included observations: 549

Variable	Coefficient	Std. Error	t-Statistic	Prob.
C	9.020409	0.117193	6.197021	0.0000
FB	-0.770147	1.263405	0.373620	0.5260
R-squared	0.201808	Mean dependent var		10.02688
Adjusted R-squared	0.195262	S.D. dependent var		1.017706
S.E. of regression	0.329363	Akaike info criterion		0.726820
Sum squared resid	1.627202	Schwarz criterion		0.824845
Log likelihood	-4.177966	Hannan-Quinn criter.		0.736563
F-statistic	1.377618	Durbin-Watson stat		0.688376
Prob(F-statistic)	0.994810			

Sources: E.view output 2018

However, our model result indicates that the value of interest rate is 0.373620 (0.5260), meanwhile the null hypothesis will be accepted, while the alternative hypothesis is rejected, feedback has no significant effect on productivity of small and medium enterprise

Hypotheses Three

H0: Training has no significant effect on and employee productivity in Chukwuemeka Odumegwu Ojukwu University

H01: Training has significant effect on and employee productivity in Chukwuemeka Odumegwu Ojukwu University

Dependent Variable: EP

Method: Least Squares

Date: 10/24/18 Time: 21:11

Sample: 001 549

Included observations: 549

Variable	Coefficient	Std. Error	t-Statistic	Prob.
C	9.128152	0.190749	47.85419	0.0000
TRN	1.997574	0.262160	4.475418	0.0060
R-squared	0.336523	Mean dependent var		10.02688
Adjusted R-squared	0.318958	S.D. dependent var		1.017706
S.E. of regression	0.539520	Akaike info criterion		1.713859
Sum squared resid	4.366235	Schwarz criterion		1.811884
Log likelihood	-12.56780	Hannan-Quinn criter.		1.723603
F-statistic	4.193104	Durbin-Watson stat		0.821459
Prob(F-statistic)	0.203010			

Sources: E.view output 2018

From table 4.3 above we find out that the computed value of T- test for Technology is 4.475418, while it's probability is 0.0060 since it's probability is less than 0.05% level of significance, we accept the alternative (Hi) hypothesis and reject the null hypothesis by implication which says H01: Training has significant effect on and employee productivity in Chukwuemeka Odumegwu Ojukwu University

Hypotheses Four

H0: Compensation has no significant effect on employee productivity in Chukwuemeka Odumegwu Ojukwu University

H1: Compensation has significant effect on employee productivity in Chukwuemeka Odumegwu Ojukwu University

Dependent Variable: EP
 Method: Least Squares
 Date: 10/24/18 Time: 21:11
 Sample: 001 549
 Included observations: 549

Variable	Coefficient	Std. Error	t-Statistic	Prob.
C	7.691130	0.080000	96.13902	0.0000
COMP	0.023423	0.000740	4.166262	0.0000
R-squared	0.985258	<i>Mean dependent var</i>		10.02688
Adjusted R-squared	0.984276	<i>S.D. dependent var</i>		1.017706
S.E. of regression	0.127618	<i>Akaike info criterion</i>		-1.169426
Sum squared resid	0.244294	<i>Schwarz criterion</i>		-1.071401
Log likelihood	11.94012	<i>Hannan-Quinn criter.</i>		-1.159682
F-statistic	1002.522	<i>Durbin-Watson stat</i>		1.419737
Prob(F-statistic)	0.000000			

Sources: E.view output 2018.

The results obtained from the estimates reveal that Performance appraisal; Training and Compensation have significant effect, while feedback has no significant effect on employee productivity in Chukwuemeka Odumegwu Ojukwu University.

5.2 CONCLUSION

The study focuses on the effect of performance appraisal on the performance employee productivity with reference to Chukwuemeka Odumegwu Ojukwu University. The study adopts descriptive statistics and ordinary least square method on a time series data from 001 to 549. The study regressed performance appraisal on performance employee productivity.

The regression result reveals that about 89% of the systematic variation in the dependent variable is explained by the four independent variables. The F-statistic is significant at the 5% level showing that there is a linear relationship between the performance appraisal and the four independent variables. The researcher selected three campuses in Chukwuemeka Odumegwu Ojukwu University.

Five hundred and seventy-three questionnaires were distributed but only five hundred and forty-nine, were successful filled and returned the response rate was 98.4%. The analysis was done using E-view package, this was chosen because it gives us fast, accurate and reliable result. The result revealed that Performance management when well implemented improves employee productivity, this however when more emphasis is placed on positive feedback and compensation which was proven to have a higher influence on productivity of employees.

Compensation had the strongest influence on employee productivity, as employees get encouraged with bonuses and wages which make them want to do better to gain more bonuses. Also, performance feedback had a strong effect on employee productivity, indicating a positive feedback improves employee productivity while negative feedback reduces employee productivity, indicating a need for improvement on positive feedback by employers.

5.3 RECOMMENDATIONS

In line with the findings of the study the following recommendations were made:

1. Any changes made to ratings of employees during the performance appraisal process should be communicated clearly and early to all concerned. This would go a long way to prevent conflict situations and create a healthy atmosphere for team work.

2. Positive feedback by employees has been shown to improve productivity, it is then of necessary importance that employers engage their employees in positive feedback and encourage them verbally every now and then.

3. Institutions need to engage their employees in regular training to improve their skills and knowledge of what to do, this can be done monthly or bi-annually to keep them in the know consistently.

4. To improve employee productivity and performance, manufacturing company employers need to encourage and motivate their employee by compensating them in relation to their previous efforts as this has been shown to improve employee productivity.

5.4 Contribution to knowledge
This study has made valuable contributions to knowledge: The study was able to modify the model as $EP = \beta_0 + \beta_1PA + \beta_2FB + \beta_3TRN + \beta_4COMP + \mu$. Variables different from those used by other researchers with standard econometric methodology were used for the study.. This study extends the period from 2013 to 2017. This study also provide empirical evidence for further research work when the need arise. The most interest aspect of this research is that it contributes to existing literature and serves as a source of inspiration and consultation to policy makers.

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