Performance Appraisal and Employee Work Performance: Evidence from Public Organisations in Port Harcourt, Nigeria

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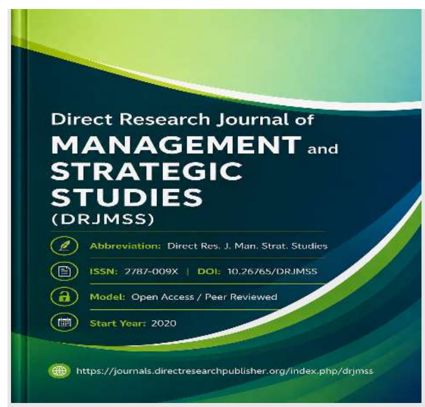
ABSTRACT

This study investigates how performance evaluation methods affect employee work results in Nigerian public sector organizations. The researchers used a descriptive survey design to gather information from 100 participants working at three public organisations in Port Harcourt, including the Nigerian Railways Corporation, the Utility Board, and the State Planning Commission, using structured questionnaires distributed via simple random sampling. The researchers applied chi-square analysis to test two hypotheses that they had developed. The study results demonstrate that performance appraisal establishes statistically significant connections to both employee work performance and organizational goal achievement. The three primary factors which cause appraisal systems to fail include rater bias, appraiser incompetence and poor system design. The research presents new empirical data about public sector performance management practices in Nigeria and shows effective methods to increase appraisal precision through performance-based feedback, participative evaluation design, rater training and standardized evaluation criteria.

Keywords: *performance appraisal, employee performance, public organisations, Nigeria, human resource management*



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INTRODUCTION

The performance of public sector employees is a matter of national importance. Public organisations in developing economies like Nigeria need to deliver essential infrastructure and social services and regulatory functions because these services are vital for the survival of millions of people. Their operational success depends on their workforce performance assessment capabilities. Performance management in Nigerian public organizations has maintained its informal and unclear and inconsistent operations since Cole (2000) and Baridam (2003) documented the existing performance evaluation problems which create a persistent gap between declared goals and actual results.

The systematic method used to evaluate an employee's work-related abilities and deficiencies through established performance criteria serves as one of the essential workforce assessment methods according to Latham and Wexley (1981). Organization implements systems successfully because they achieve multiple objectives through system implementation which boosts employee motivation while the system identifies necessary training requirements and enables fair salary decisions and provides vital performance data that organizations require to achieve their strategic objectives. The system produces negative outcomes when organisations implement it incorrectly, as it creates employee doubt, decreases workplace productivity, and wastes company assets (Armstrong, 2000; Dessler, 2000).

The actual effects of performance appraisal systems on Nigerian public organizations requires additional research because its importance remains established. The study investigates this relationship by testing how performance appraisal methods affect staff performance at three public institutions located in Port Harcourt, Rivers State. The study investigates how appraisal methods affect organizations when they try to reach their goals because this area needs more research attention.

The study is guided by two core null hypotheses: first, that there is no significant relationship between performance appraisal and employee work performance; and second, that there is no significant relationship between performance appraisal and the actualisation of organisational objectives. The researchers used chi-square analysis to examine survey data which they collected from 100 participants in order to test both hypotheses.

Literature Review

Performance Appraisal and Employee Performance

The relationship between performance appraisal and employee performance has been a central concern of human resource management research for decades. Yager (1991) argued that appraisal whether casual or formal should follow each significant task or project, providing employees with timely feedback on their performance.

Salvadan (1999) demonstrated that objective evaluation methods enable organizations to identify their highest and lowest performing employees while providing essential information for making promotion transfer and development decisions. Haynes (1990) identified three benefits of systematic appraisal processes for employees which include establishing performance standards and enabling workers to shape their professional paths while supporting their career advancement needs. Lambert (1999) defined appraisal as the method used to evaluate an employee's worth value and potential for growth. Performance appraisal systems lead to better employee performance when organizations implement their advantages through clear expectation setting feedback provision and performance-based outcome connections.

The advantages do not materialize without effort. Research identifies multiple factors which decrease appraisal accuracy according to their findings because raters show bias and provide insufficient feedback while employees lack participation and system design fails to meet requirements and organizations do not use assessment results for important business choices (DeNisi & Kluger, 2000; Fletcher, 2001; Murphy & Cleveland, 1995). Public sector organizations face these difficulties because of their combination with administrative delays and political interference and their practice of keeping performance data secret (Longenecker & Nykodym, 1996).

Performance Appraisal and Organisational Objectives

Beyond individual performance outcomes, appraisal systems are also expected to contribute to the achievement of organisational objectives. Levinson (2003) argued that performance appraisal, at its best, is a mechanism for organisational control and integration connecting individual performance to collective goals. Thomason (1978) described the shared responsibility of superiors and subordinates for goal-setting under management by objectives (MBO) systems, and emphasised that the final judgement of performance must be grounded in a clear understanding of what the organisation is trying to achieve.

Cole (2000) identified the provision of information for succession planning and the identification of potential performance as key objectives of appraisal that directly serve organisational goals. Drucker (1994) argued that the entire purpose of performance appraisal is to ensure that individual goals align with and contribute to organisational goals. When this alignment is achieved, appraisal becomes a powerful instrument of organisational strategy; when it is absent, appraisal becomes merely an administrative exercise.

Performance Appraisal in the Nigerian Public Sector

The Nigerian public sector functions as an exceptionally difficult setting which makes it impossible to assess employee performance. Research studies have shown that Nigerian organizations experience multiple organizational problems which include political bias in performance evaluations together with insufficient rater training and low appraisal process transparency and the ongoing difference between evaluation rules and actual evaluation practices (Baridam, 2003; Tamunomiebi, 2002). The issues develop due to structural factors which exist because public sector bureaucracies operate with both hierarchical and secretive structures and cultural factors which create social obligations that conflict with the needs of effective performance assessment processes.

Despite these challenges, evidence suggests that performance appraisal, when properly implemented, can produce positive outcomes in Nigerian public organisations (Nwankwo, 1999; Obisi, 2011). The challenge is to understand which specific features of appraisal systems are most strongly associated with positive outcomes, and how existing systems can be redesigned to realise their potential.

MATERIALS AND METHODS

Research Design

This study adopted a descriptive survey design, which is appropriate for research aimed at collecting data from a sample drawn from a defined population in order to describe characteristics of that population (Nwankwo, 1999). The survey design was selected because the study sought to capture the attitudes, beliefs, and experiences of employees and managers in relation to performance appraisal practices in their organisations data that could not be obtained through purely documentary methods.

Population and Sample

The research focused on studying all personnel who work in public institutions throughout Port Harcourt in Rivers State which includes government-operated organizations and public enterprises and government ministries and agencies and public corporations. The research team chose three public organizations from the target population which included Nigerian Railways Corporation and Utility Board and State Planning Commission. The organizations were chosen because they provided easy access while showing common operational patterns which exist throughout the Nigerian public sector.

The researchers distributed 110 questionnaires to three organizations through simple random sampling which they considered suitable because the study population showed uniform characteristics. The researchers retrieved 105 questionnaires but rejected five because the answers were not fully provided which resulted in 100 usable samples. Table 1 shows how organizations distributed their materials and collected their items.

Table 1: Questionnaire Distribution and Retrieval by Organisation

Organisation	Administered	Retrieved	Rejected	Analysed
Nigerian Railways Corp.	36	35	2	33
Utility Board	37	36	2	34
State Planning Commission	37	34	1	33
Total	110	105	5	100

Source: Field Survey, 2026

Data Collection Instruments

The researchers used a structured questionnaire as their main data collection tool which included open-ended questions and closed-ended questions and dichotomous questions. Respondents could provide their own answers through open-ended questions but they had to choose from provided options for closed-ended and dichotomous questions. The questionnaire collected data on: respondents' perceptions of organisational goals; factors influencing employee work performance; current appraisal practices and their frequency; the purposes and methods of appraisal; the role of personnel managers; and reasons for appraisal failure. The researchers gathered secondary data through organisational records and relevant management literature. The researchers prepared an initial draft of the questionnaire which they sent to content experts and the research supervisor for validation. The team incorporated feedback into the instrument which they revised before final administration in order to ensure content validity.

Data Analysis

The researchers used frequency tables to summarize quantitative data which they transformed into percentage values. The chi-square (X2) statistic was used to test both research hypotheses. The researcher selected chi-square as his analysis method because it serves as a non-parametric test which tests the connection between two categorical variables (Baridam, 2003). The standard Pearson chi-square formula was used to derive expected frequencies from observed row and column totals. The researchers established a 0.95 significance level while they used distribution tables to find the critical chi-square value at one degree of freedom.

Findings

Goals and Objectives of Public Organisations

Respondents were asked to identify the primary goals of employees in their organisations. As shown in Table 2, 30% identified job security as the primary employee goal, followed by improved welfare (26%) and safety conditions at the workplace (23%). A further 21% indicated all of the above. These findings suggest that Nigerian public sector employees are primarily motivated by basic job security and welfare considerations rather than by performance-related incentives.

When asked about the goals of the organisations themselves, 43% identified the provision of essential services as the primary organisational goal, followed by organisational survival (30%) and making modest profit (27%) see Table 3.

Despite these stated goals, the majority of respondents (59%) indicated that their organisations had achieved these goals only to a limited extent, whilst 21% said goals had been achieved to a large extent and 20% reported no achievement at all (Table 4).

These findings reveal a significant performance gap in the studied organisations.

Table 2: Goals of Employees in Public Organisations

Goal	Frequency	Percentage (%)
Improved welfare	26	26
Safety conditions at workplace	23	23
Job security	30	30
All of the above	21	21
Total	100	100

Source: Field Survey, 2026

Table 3: Goals of Public Organisations

Goal	Frequency	Percentage (%)
To provide essential services	43	43
To survive	30	30
To make modest profit	27	27
Total	100	100

Source: Field Survey, 2026

Table 4: Extent of Goal Achievement

Extent	Frequency	Percentage (%)
To a large extent	21	21
To a little extent	59	59
None	20	20
Total	100	100

Source: Field Survey, 2026

Factors Influencing Employee Work Performance

A strong majority (68%) of respondents agreed that it is necessary to determine how well employees are performing when assigned to any job. Regarding the type of work most commonly performed, production and sales was most frequently cited (24%), followed by data processing (21%), purchasing of materials (20%), transportation and delivery (18%), and a combination of all (17%) see Table 5.

Table 5: Types of Work Performed in Public Organisations

Type of Work	Frequency	Percentage (%)
Data processing	21	21
Production and sales	24	24
Purchasing of materials	20	20
Transportation and delivery	18	18
All of the above	17	17
Total	100	100

Source: Field Survey, 2026

Performance Appraisal Practices

Respondents reported variation in appraisal frequency across organisations. Annual appraisal was most common (28%), followed by quarterly (27%), half-yearly (20%), monthly (15%), and weekly (10%) see Table 6. This variation reflects a lack of standardisation in appraisal practices.

Table 6: Frequency of Performance Appraisal

Frequency	Responses	Percentage (%)
Quarterly	27	27
Weekly	10	10
Monthly	15	15
Half-yearly	20	20
Annually	28	28
Total	100	100

Source: Field Survey, 2026

Regarding the purposes of appraisal, 27% identified assessment for promotion as primary, followed by all purposes combined (24%), training needs identification (20%), salary review (16%), and determining whether a change of duty is advisable (13%) see Table 7.

Table 7: Stated Purposes of Performance Appraisal

Purpose	Responses	Percentage (%)
To assess potential for promotion	27	27
To indicate training needs	20	20
To advise on change of duty	13	13
Useful for salary reviews	16	16
All of the above	24	24
Total	100	100

Source: Field Survey, 2026

Reasons for Appraisal Failure

Rater bias was the most frequently cited reason for appraisal failure (30%), followed by appraiser incompetence (27%), wrong appraisal methods or techniques (23%), and unworkable appraisal design (20%) see Table 8.

Furthermore, 48% of respondents rated the overall performance of personnel managers in the appraisal process as below 30%, indicating a widely perceived deficiency in appraisal management capacity.

Table 8: Reasons for Performance Appraisal Failure

Reason	Responses	Percentage (%)
Incompetence of appraiser	27	27
Bias of appraiser	30	30
Wrong appraisal method/technique	23	23
Unworkable appraisal design	20	20
Total	100	100

Source: Field Survey, 2026

Hypothesis Testing

Hypothesis 1: There is no significant relationship between performance appraisal and employee work performance in public organisations in Port Harcourt (Table 9).

Table 9: Observed Frequencies Appraisal Quality vs. Employee Work Performance

Appraisal Quality	Satisfactory Performance	Non-Satisfactory	Total
Good	35	20	55
Bad	30	15	45
Total	65	35	100

Source: Field Survey, 2026

Expected frequencies were calculated using the formula: fe = (row total x column total) / grand total. The computed chi-square value of X2 = 0.21 exceeded the critical value of 0.00393 at one degree of freedom and a significance level of 0.95. The null hypothesis is therefore rejected. Conclusion: There is a statistically significant relationship between performance appraisal and employee work performance in public organisations in Port Harcourt.

Hypothesis 2: There is no significant relationship between performance appraisal and the actualisation of organisational objectives (Table 10).

Table 10: Observed Frequencies Appraisal vs. Actualisation of Organisational Objectives

Appraisal Outcome	Objectives Actualised	Objectives Not Actualised	Total
Satisfactory	25	20	45
Not Satisfactory	40	15	55
Total	65	35	100

Source: Field Survey, 2026

Expected frequencies: Cell a = 29; Cell b = 16; Cell c = 36; Cell d = 19. Chi-square calculations: Cell a = 0.55; Cell b = 1.00; Cell c = 0.44; Cell d = 0.84. Total X2 = 2.83. Since 2.83 > 0.00393 (critical value at df = 1, p = 0.95), the null hypothesis is rejected. Conclusion: There is a statistically significant relationship between performance appraisal and the actualisation of organisational objectives in public organisations.

DISCUSSION

The study results authenticate two theoretical hypotheses which were tested in this research. The rejection of both null hypotheses at the 0.95 significance level supports the view that appraisal systems have measurable consequences for both individual employee performance and organisational effectiveness, even within the constrained implementation environment of the Nigerian public sector. The findings of this study match the existing management research findings.

The systematic appraisal process provides employees with performance information which creates motivation for them to enhance their work according to Haynes (1990). Cole (2000) identified the contribution of appraisal to organisational goal achievement as one of its core functions. Levinson (2003) described appraisal as a mechanism for organisational control and integration. The current findings, which use Nigerian public sector data as their basis, provide direct evidence for these theoretical claims.

The research results show that current practices have critical shortcomings. The organization achieved its objectives according to 59% of respondents while 48% of respondents evaluated personnel managers performance during the appraisal process as below 30% actual accomplishment. Rater bias was identified as the most common reason for appraisal failure. The research shows that performance appraisal systems exist in the organizations studied yet their implementation problems stop those systems from functioning effectively while their basic performance appraisal method remains intact.

The finding that 69% of respondents believed employer and employee interests are not completely mutual in public organisations is particularly significant. The study shows that appraisal systems face a fundamental credibility challenge because employees doubt the fairness of appraisals and the accuracy of the results which will show their actual accomplishments. The motivational capacity of appraisal systems which have been designed well will decrease because of this credibility gap which remains unaddressed (Murphy & Cleveland, 1995).

Conclusion and Implications

Companies need performance evaluation systems to connect their employees' work to their business objectives. The study results show that appraisal systems produce measurable effects which impact both employee performance and organisational success in the Nigerian public sector, despite its difficult operational conditions.

The Nigerian public sector needs human resource managers and policymakers to understand its direct implications for their work. Organisations need to keep performance records during the entire appraisal process which should show all of an employee's work until the final evaluation. Second, employees should receive timely and specific feedback as soon as deviations from expected standards become apparent. Third, appraisal systems should be designed to meaningfully involve those being rated employees should know the criteria by which they are evaluated, have the opportunity to provide input, and receive written feedback on results. The raters need to complete training programs which will teach them how to collect evidence and deliver constructive feedback and identify bias. The organisations need to link appraisal outcomes with significant results which include development opportunities and salary decisions and career advancement paths. Appraisal systems that create ratings which HR departments disregard will lose their ability to motivate employees and their credibility.

Limitations and Suggestions for Future Studies

The research includes multiple boundaries which need to be recognized. The investigation studied only three public organizations located in Port Harcourt which restricts the study findings to their current location without any possibility of extending them to different areas in Nigeria or other African public sector environments. Researchers should select larger samples from multiple locations to study their effects on external validation of their findings. The study uses a cross-sectional survey design which prevents researchers from establishing causal relationships between variables because longitudinal research delivers better proof for such connections. The study employed chi-square tests to analyze categorical data although these tests have less statistical power than regression methods which can control for additional variables. Multivariate analysis should be used in future research to determine how appraisal factors affect performance results. The researchers gathered data in 2008 but a replication study with current data would enable researchers to examine changes in appraisal practices across Nigerian public organizations from past to present. The study should use qualitative research methods which include interviews and focus groups to create a deeper comprehension of how performance evaluation affects both employee behavior and company results.

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