

An Evaluation of Performance Management System: A Case Study of Kumasi Technical University.

Jason Kobina Arku*, Akwasi Sarfo Agyemang**, Matilda Acquah***, &
Mrs. Ama Kyerewaa Boakye-Nti****

*Assistant Registrar, Kumasi Technical University, Ghana;

**Assistant Registrar/Head of Students Affairs, Kumasi Technical University

***Assistant Registrar, Kumasi Technical University, Ghana

****Head of Human Resource, Kumasi Technical University, Ghana

ABSTRACT

Employees many a time demand a lot from their employers in terms of improved conditions of services; and employers also often find themselves asking whether such demands are justifiable considering the employees' performance. This is a gap that performance management systems seek to address and it is for this reason that the study was conducted. A performance management system is a means by which employees' performances are evaluated in order to encourage performances that meet standards and strive to develop those that fall below standards. The study sought to evaluate the performance management systems of public institutions using Kumasi Technical University as a case study. The researchers adopted both the quantitative and qualitative approaches and gathered information using questionnaires and semi-structured interviews from four categories of respondents comprising the teaching staff, the non-teaching staff, the Heads of the Quality Assurance Unit and the Human Resource Unit in charge of the evaluation and appraisal of the teaching and the non-teaching staffs respectively. The results were then analyzed using Statistical Package for Social Sciences and summarized as per the research objectives. It was found out amongst others, that the performance management system at Kumasi Technical University has to some extent influenced the behavior of its staff as indicated by increased high effectiveness and efficiency among the non-teaching staff and the increased number of students passes due to improvement in the lecturers' behaviours. The paper also makes suggestions for Management's full commitment to ensure that the performance management system does not become a paper chase but rather a tool for the continuous improvement of staff performance.

KEYWORDS: Performance Management, Synergies, Productivity.

INTRODUCTION

In the wake of the revelation by the Finance Ministry that wages and salaries of public sector workers alone accounts for almost seventy four percent (74%) of the total non-earmarked expenditure (MOF, 2013), there has been incessant calls by some academics and other

commentators for public servants to match such expenditure on them with improved productivity (Adjei, 2013; Akwetey 2013). Indeed, the productivity of the Ghanaian public service has regularly been questioned anytime agitations for improved conditions of service by public workers are brought to the fore.

Bodies such as the World Bank, International Monetary Fund (IMF) and other agencies that are regarded as Ghana's development partners have contributed in diverse ways towards standardizing and improving the effectiveness and efficiency of the Ghanaian public service (World Bank, 2003; OE CD 2005).

Other individuals and institutions have put forth suggestions attempting to address the concern about public sector performance. One such suggestion is the call on Ghanaian Ministries, Departments and Agencies (MDA's) to adopt and implement Performance Management Systems at their work places to ensure effectiveness and efficiency in their operations. These individuals and groups readily cite other countries, that have adopted Performance Management Systems (PMS) in their operations and administration which is yielding the desired benefits to those institutions.

Kumasi Technical University one of the leading Technical Universities in Ghana with staff strength of seven hundred and sixty five (765), as part of its strategic plan, instituted a performance management system in all its six (6) faculties, two (2) institutes, a school, and nineteen (19) departments (Kumasi Technical University Strategic Plan, 2007). The fundamental objective in instituting the system was to improve, manage and sustain the performance of both the non-teaching staff and the teaching staff without compromising standards. The system was also to serve as an important mechanism in leveraging staff capacities (Kumasi Technical University Strategic Plan, 2007).

PROBLEM STATEMENT

Despite the numerous advantages to be derived from implementing Performance Management Systems, one would be committing a grave error in judgment by assuming that any type of performance management system adopted by any kind of organization would yield the same positive results. There is the probability that an organization may implement performance management system but yet fail to realize the objective for the system's implementation. The Kumasi Technical University's performance management system has been in operation for over six years. However, can it be conclusively stated that the performance management system set up in 2007 has achieved its set objectives? Has the performance of staff been managed appropriately as envisaged? These are gaps in knowledge that ought to be filled especially with the increasingly upsurge in the establishment of tertiary institutions in Ghana making the education landscape very competitive. In such competitive environment, Kumasi Technical University needs to effectively and efficiently manage the strengths and weaknesses of the performance management systems in the organization so as to bring synergies within the various structures to maintain and attract high quality staff and students.

Thus, this study seeks to evaluate the system to determine whether it has achieved the fundamental objective for which it was set up.

RESEARCH OBJECTIVES

The general objective of the study is to evaluate Performance Management Systems in public institutions using Kumasi Technical University as a case study.

The specific objectives of the study are:

1. To evaluate the processes involved in administering the performance management system employed at Kumasi Technical University.
2. To examine the effects of performance management system on staff behaviour at Kumasi Technical University.

RESEARCH QUESTIONS

In view of the above stated objectives, the following relevant questions needed to be asked.

1. What are the processes involved in administering the performance management system practiced at Kumasi Technical University?
2. What are the effects of performance management system on staff behaviour at Kumasi Technical University?

LITERATURE REVIEW

Significance of Performance Management Systems (PMS)

The overall goal of a performance management system is to develop a culture where individuals and groups take responsibility for the continuous improvement of business processes and of their own skills and contributions (Armstrong 1999). Bennet and Minty (1999) have also put forth three (3) general reasons for the operation of a performance management system as including a process for strategy implementation, a vehicle for cultural change and a means to provide information for other human resource related systems such as remuneration and designing of developmental programmes. Brown and Armstrong (1999) back the last point shared by Bennet and Minty (1999) by stating that a performance management system includes all aspects or facets of human resource management that are designed to improve the efficiency and effectiveness of both the individual and the organization. In this regard, although performance management is a human resource management tool, it is also a means to bettering and improving the broader spectrum of human resource activities.

Performance Management Processes / Models

An effective implementation of performance management system requires adherence to some form of performance management model since such models provide guidelines for effective administration of PMS.

According to Ngcelwane (2008), the successful introduction of any new system within an organization will to a large extent depend on the approach developed by its leadership (leadership style and attitude), transparency of the system, the level and extensiveness of communication or marketing of the model to all stakeholders, and then encouragement of

stakeholders' participation and involvement from the planning stage to the review and reward stage.

METHODOLOGY

The researchers adopted both the quantitative and qualitative approaches for the purpose of this study. Information was gathered using questionnaires and semi-structured interviews. The researchers also identified four categories of respondents from whom information was sought from. The four categories of respondents included the Teaching staff, the Non-Teaching staff, the Human Resource Department and the Quality Assurance Unit.

The study also applied the simple random sampling in the administration of the questionnaires to the staff of the Technical University, both Teaching and Non-Teaching staff, once the sample size was identified. Purposive sampling was used to determine the interviewees comprising the Head of Human Resource Department and Head of Quality Assurance Unit, who had access to the needed information for the study. Both qualitative and quantitative techniques were adopted in analyzing the data gathered. The data obtained from the questionnaire were analyzed using the Statistical Package for Social Sciences (SPSS).

The researchers selected a total of 343 people (teaching and non-teaching) to serve as respondents using the formula; $n = \frac{N}{1 + N(e)^2}$ (where n = sample size; N = sample frame; and e = margin of error/ confidence level). As earlier identified, the staff population of Kumasi Polytechnic is seven hundred and sixty five (765) with three hundred (300) being teaching staff and four hundred and sixty five (465) being non-teaching staff.

RESULTS

Evaluation of the process involved in administering performance management system at Kumasi Technical University.

As part of the objectives of this study, the researchers sought to evaluate the process involved in administering PMS at Kumasi Technical University.

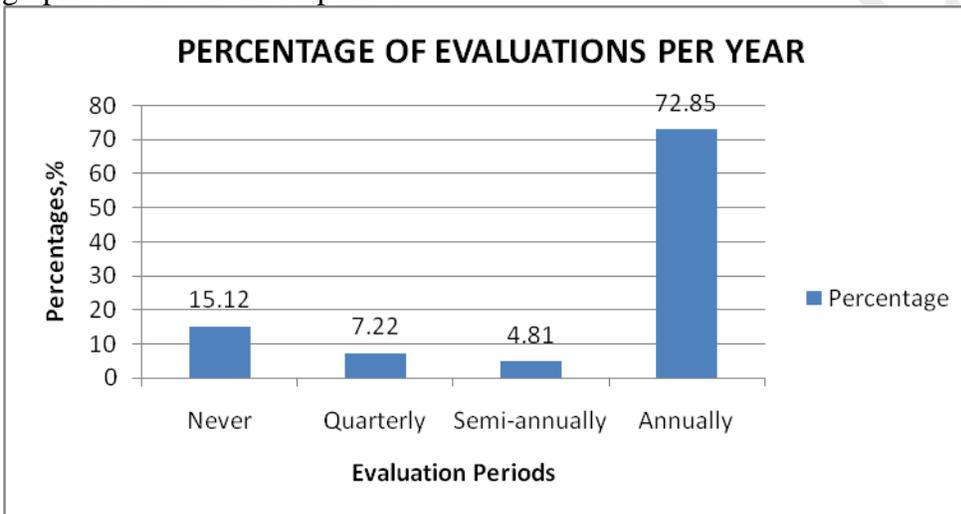
Statements	Frequencies (Percentages, %)				
	SD	D	N	A	SA
Management use of right procedures in conducting performance management	8(2.75)	41(14.09)	89(30.58)	139(47.77)	14(4.81)
Availability of right resources	16(5.50)	116(39.86)	70(24.05)	79(24.15)	10(3.44)
Staff involvement in planning and designing the performance management system	35(12.03)	99(34.02)	100(34.36)	51(17.53)	6(2.06)
Use of face to face interaction in setting targets and goals	9(3.09)	88(30.24)	73(25.09)	103(35.40)	18(6.19)
Communicating Feedback on performance to staff	21(7.22)	73(25.09)	70(24.05)	106(36.43)	21(7.22)

Opportunity for expressing grievances	22(7.56)	84(28.87)	100(34.36)	77(26.46)	8(2.75)
Existence of reward system	42(14.43)	100(34.36)	108(37.11)	32(11.00)	9(3.09)
Sufficient training and development opportunities	13(4.47)	81(27.84)	65(22.34)	118(40.55)	14(4.81)
Application of fairness and equity	14(4.81)	49(16.84)	92(31.62)	117(40.21)	19(6.53)

Source: Survey data 2018

SD=Strongly Disagree, D=Disagree, N=Neither Agree nor Disagree, A=Agree, SA=Strongly Agree

The respondents were also asked whether their performance had ever been evaluated and the frequency of the evaluation process if applicable. Figure 4.1 below presents a graphical view of the responses.



Contributions of PMS onstaff behavior at Kumasi Technical University.

Armstrong (1999) explained that the overall goal of PMS is to develop a culture where individuals and groups take responsibility for the continuous improvement of business processes and of their own skills and contributions thereby improving productivity. To ascertain the contributions that the PMS has had on general staff behavior at the institution, respondents were asked to rate some predetermined statements with their responses summarized.

Statements	Frequencies (Percentages, %)				
	SD	D	N	A	SA
Knowledge of what constitutes good performance	11(3.78)	33(11.34)	59(20.27)	160(54.98)	28(9.62)
Knowledge of job schedule	8(2.75)	17(5.84)	33(11.34)	166(57.04)	67(23.02)

Existence of collaboration / good communication between Management and staff	17(5.84)	34(11.68)	111(38.14)	107(36.77)	22(7.56)
Ability to meet / satisfy standards	9(3.09)	50(17.18)	92(31.62)	127(43.64)	13(4.47)
Employees work harder due to reward system	40(13.75)	105(36.08)	107(36.77)	37(12.71)	2(0.69)
Employees are intimidated by the performance management system	80(27.49)	94(32.30)	82(28.18)	28(9.62)	7(2.41)
Workers are satisfied with their salary	34(11.68)	62(21.31)	97(33.33)	87(29.90)	11(3.78)

Source: Survey Data, 2018

DISCUSSIONS

Evaluation of the process involved in administering performance management system at Kumasi Technical University

Also, based on the PMS process described by the heads, it can be said that Kumasi Technical University employs the Management by Objectives approach. The institution sets realistic individual and organizational goals that are appropriate for the desired growth, and encourages active participation of employees at both the goal setting and action planning stages as suggested by Price (2000), using its performance planning form and performance evaluation forms. The fact that the survey recorded 52.58% in whether the respondents believed the institution to employ the right processes confirms that the institution is doing something right. However, there is no doubt that the process needs improvement based on the contesting percentage recorded (47.42%), suggesting that quite a number are not fully convinced about the absoluteness and credibility of the process.

Contribution of PMS on staff behavior at Kumasi Technical University

It also became clear from the analysis that the performance management system has impacted positively on the behavior of staff at the Technical University. It was found that more than half of the respondents either agreed or strongly agreed that since the inception of the system, staff of the Technical University now know what constitutes good performance, are fully aware of what is expected of them and their job schedules. They are as a result of the PMS better able to meet/satisfy standards and objectives as suggested by the close to 50% recorded. It is true that employees may not be intimidated by the system but the areas of communication, reward/incentive and compensation leaves more to be desired. These areas if not addressed could possibly shackle the performance of the staff.

FINDINGS

The study helped to uncover both the positives and the shortcomings of the performance management system at Kumasi Technical University. It was found out that;

- i. First of all, it was realized that Kumasi Technical University has adopted the Management by Objectives approach which is defined by Price (2000) as a technique of tying performance ratings to unambiguous, measurable and relevant personal objectives. The institution tries to set realistic goals, prescribe courses of action to achieve the set goals, encourages active participation of employees at both the goal setting and action planning phases, and continuously monitor employees' performance.
- ii. Kumasi Technical University has also employed the performance appraisal system to manage its staff as seen by the use of the performance planning, review and evaluation forms.
- iii. Staff members do not fully comprehend the process of performance management and the benefits to be derived from the system. The management of the institution are also not fully committed to the system as seen by the lack of a reward system/policy.

CONCLUSIONS

The research revealed that performance management system (PMS) plays a pivotal role in the development of employees' skills and competencies which to a larger extent, reflects on an organization's bottom line. PMS could result in increased efficiency, effectiveness and ultimately, increased productivity of staff. In the case of Kumasi Technical University, further improving the system could lead to increased students' enrolment as suggested by the Head of Quality Assurance Unit. The high rates of quality passes recorded in recent years would to a larger extent enhance the reputation of the institution and help attract potential applicants thereby helping to achieve the student population needed to achieve a Technical University status.

RECOMMENDATIONS

It is suggested that the institution makes intensive efforts to educate and orient its entire staff about the positives of the performance management system to reduce if not completely eliminate any potential misconceptions, resistance and intimidation. Management should also be fully committed to the system in all aspects including provision of resources and action plans to enable the staff to perform their assigned tasks. Supervisors should be encouraged to involve subordinates during the performance planning and action implementation stage in order to improve ownership of goals and targets.

It is also suggested that attention is paid to individual employee goals, and staff's need for learning and development. This could be done through setting up of a Staff Welfare and Development programme and committing adequate resources to training and developing staff capabilities.

Care should be taken to ensure that the system does not become a paper chase as feared by Viedge (2003). Too much focus should not be placed on merely completing the evaluation forms as a way of formality whilst side-lining the main purpose of the system, and the cascading of the Technical University's objectives. Management should therefore be made to understand the relevance of the system.

REFERENCES

- i. Armstrong, M. (1994). *Performance Management Practice* (7th Ed.). New York: Clays.
- ii. Armstrong, M., & Baron, A. (1998). *Performance Management: The New Realities. Institute of Personnel Development*, London.
- iii. Amos, T., Ristow, A., & Ristow, L. (2004). *Human Resource Management* (2nd Ed.). Cape Town, SA: Juta.
- iv. Bauer, K. (2004). *KPIs – The Metrics that Drive Performance Management*. *DM Review*. 14(9), pp. 63-64.
- v. Bennet, K. & Minty, H. (1999). Putting performance management on the business map. *Management Today*, 34(3), pp. 167-175.
- vi. Brown, D., & Armstrong, M. (1999). *Paying for Contribution– Real Performance Related Pay strategies*. London: Kogan Page Publishers.
- vii. Ngcelwane, M. J. (2008). *Performance Management* (4th Ed.). Cape Town, SA: Juta.
- viii. Price, A. (2000). *Principles of Human Resource Management. An active learning approach*. Oxford: Blackwell Publishers Limited.
- ix. Viedge, C. (2003). Performance Management in a Learning Organization. In: Schultz, H. (ed). *Organizational Behaviour. A contemporary South African Perspective*. Pretoria: Van Schaik Publishers.