THE IMPORTANCE OF PERFORMANCE APPRAISAL ON EMPLOYEES' WORK PERFORMANCE AT TRAUMA AND ORTTHOPAEDIC SPECIALIST HOSPTIAL IN THE EFFUTU MUNICIPALITY OF GHANA

George Kwame Prah (Ph.D) and Goerge Kankam

Medical Director, Trauma & Orthopedic Specialist Hospital
School of Business – Department of Marketing, Procurement and Supply Chain
Management, University of Education, Winneba.

ABSTRACT: *The study essentially investigated the influence of performance appraisal (PA) on staff performance at Trauma and Ortthopaedic Specialist Hospital. The study adopted the descriptive survey which adopted the mixed method designs. The sample size was 245 permanent staff which was made up of both appraisers and appraisees who was selected purposively. The data was collected using questionnaire, checklist and confirmatory interview guide. Inferential statistics such as Pearson Product moment correlation and hierarchical linear multiple regression analysis was used in analysing the data. The findings of the study revealed that PA was an annual activity which was practiced at Trauma and Ortthopaedic Specialist Hospital (TOSH) and that staff were aware of the system but lacked some level of understanding on how it operates fully. This was due to lack of orientation, training and refresher training for the staff. The study recommended that management of Trauma and Ortthopaedic Specialist should put mechanisms in place to capture all staff and to ensure that staff maintain positive attitude towards PA.*

KEYWORDS: Performance Appraisal; Staff Awareness, Satisfaction; Work Performance

INTRODUCTION

Background to the Study

Globally, the effective and efficient way and manner in which the performance of an employee is evaluated in the service sector, particularly within the health sector, is regarded as most important activity in every organisation (Akinyele, 2010). This is so because it is perceived to have meaningful relationship with organisational success and growth of health service providers (Armstrong, 2006; Walsh, 2003). This activity is referred to as Performance Appraisal System (PAS). This is a procedure that an organisation has outlined to be followed or used by managers or superiors to ascertain the level of performance of their employees (Akinyele, 2010). Quite apart from PAS being an evaluation tool used in assessing organisational and staff performance, it is also used in motivating staff which in the long run may help in boosting their satisfaction with the work they do. The incremental effect of these dynamics, according to Akinyele (2010), is significant increase in both staff and organisational performance.

In Ghana, there has been an increasing public demand for improved healthcare delivery in various healthcare facilities within the country (Ghana Health Service, 2013). Public health institutions within the Ghana Health Service (GHS) are expected to be accountable to the public through the service delivery to the public for investments that go into the training of their personnel and the acquisition of resources for their use (GNA, 2012). However, these

institutions face challenges such as lack of medical logistics, lack of promptness when there is a call to duty, dissatisfaction of staff, lack of staff work performance assessment, and others which affect productivity of staff in the hospital (GHS, 2013). Armstrong (2006), Walsh (2003) and Akinyele (2010) were of the view that most of these challenges can be narrowed or eliminated through effective and efficient implementation of PAS. This is so because, PAS helps in providing the necessary information for management to make informed, critical and effective decisions regarding compensations and benefits (Boxall & Purcell, 2003), training and development needs (Naming, 2005), layoffs, staffing, pay raises, drug testing, and discipline (Cropanzano & Stein, 2009).

Performance appraisal (PA) has been studied quite extensively over the last few decades, yet scholars continue to argue about the validity and merits of these systems (Atwater & Brett, 2006; Chory & Westerman, 2009; Flaniken, 2009). Furthermore, in spite of all the importance of PA, its implementation has caused some challenges and confusion in large organisations, including the Trauma and Ortthopaedic Specialist Hospital (TOSH). The TOSH and other public health facilities in Ghana do little to motivate or prepare managers to conduct effective appraisals (Jawahar, 2007); not to mention conducting of rigorous and skills-based training for staff (Chory & Westerman, 2009; Flaniken, 2009; Yariv, 2009). The TOSH and other public healthcare facilities in Ghana either use hand performance rating forms and corresponding instructions to evaluate their staff by a specific date or hold a short meeting to explain the rating purpose and procedure and to deal with the concerns of management with regard to the achievement of performance targets (Akinyele, 2010).

Specifically, the current PA in the healthcare delivery system around the world, and that of WMH in particular, appears to be beset with implementation difficulties (Flaniken, 2009). There are problems such as the absence of a clearly defined, articulate and enforceable implementation framework (GHS, 2013). Also, there has been low executive commitment or involvement and support for the PAS, coupled with the absence of rigour, objectivity and continuity in the administration of the system. In addition, there is no linkage of the process to an enforceable reward and sanctions mechanism, and there is ignorance of most health workers on the merits of PAS (GHS, 2013). Linkage of the system to staff development, that is training and career development, effective monitoring and annual reporting and feedback mechanisms are also lacking in the present PAS of the TOSH (TOSH, 2015).

The cumulative effect of these challenges is perhaps, low productivity, which ultimately is affecting the delivery of government programmes and policies, and health service delivery in the Trauma and Ortthopaedic Specialist Hospital (TOSH). This challenge informed this study to undertake an assessment of the importance of PA has on work performance and development in public hospitals with specific focus on TOSH.

Research Objectives

Specifically, the study sought to;

1. Determine the relationship between PAS, staff satisfaction and work performance in the TOSH.

2. Assess the influence of PA on staff work performance in the TOSH.

On the basis of the objectives formulated it was hypothesized that:

H^1_0:   There is no statistically significant relationship between PAS and staff satisfaction at the TOSH.

H^2_0:   There is no statistically significant relationship between PAS and staff work performance at the TOSH.

H^3_0:   PAS of the TOSH has no statistically significant direct influence on the hospital's staff work performance.

METHODOLOGY

The concurrent mixed method approach was adopted for the study. The choice of both interview and questionnaire for data collection was because the study involved the collection of data from literate populace largely, and also it focuses on situation confronting staff of TOSH which one in turn to generalise the finding. In addition, it focuses on staff perceived behaviour and attitude regarding the hospital's PAS. The questionnaire was; therefore, used to gather information about respondents in a detached manner.

The decision to adopt the mixed method approach was influence by the need to make use of a research strategy that would not only fill the gap between policy and the practice of PAS in Ghanaian hospitals, but also in response to call for more qualitative approaches to research into health management related problems particularly, in developing countries to further understand phenomenological the view point of staff on the issues raised.

Questionnaire, checklist and a confirmatory interview guide were the instruments used in collecting both quantitative and qualitative data from the respondents. The checklist for assessing staff work performance was to be answered by the heads of the various departments/units (appraisers). This was used to collect data on staff current work performance. The questionnaire was also used to collect data on respondents view on PAS, and their level of satisfaction with the PAS. The questionnaire was to be answered by the staff (appraisees) while the checklist for assessing staff work performance were administered to the management staff (appraisers) who answered it on behalf of the staff (appraisees). Each questionnaire had an annual assessment form, in a form of checklist, of permanent staff attached to it. The assessment form was used to elicit data on staff work performance. After answering the questionnaire, all the staff handed the completed questionnaires to their immediate respective boss (appraisers) to complete the assessment form for each staff.

In relation to the confirmatory interview guide, it was used to elicit qualitative data on the same issues raised in the questionnaire and the checklist. Three of the heads of the various departments/units (appraisers) and 15 staff (appraisees) were interviewed to complement the data obtained from the questionnaire and checklist. The instruments were pre-tested at University of Cape Coast hospital in the Cape Coast Metropolis. The reliability of the test was examined by Cronbach alpha with a result of 0.797 and 0.859 respectively.

The quantitative data collected using questionnaire and checklist were sorted, coded and analysed based on the procedures within the statistical analysis software tool known as the Predictive Analytic Software (PASW) Version 18.0. The coding was done using numerical

values for the variable view of the PASW Version 18.0. Test Analytics for Surveys (TAfS), a tool of PASW, was used for coding the data and analysing the responses that were measured quantitatively. In order to test the hypotheses, inferential statistics such as Pearson Product Moment correlation was used to analyse data regarding the first and second hypotheses while data on the third hypothesis was analysed using hierarchical linear regression.

RESULTS AND DISCUSSION

Table 1: Relationships between PAS, Staff Job Satisfaction and Work Performance

Variables	Men	Std. Dev.	Staff satisfaction		Staff work performance	
			(r)	Sig.	(r)	Sig.
Performance appraisal system	3.36	0.81	0.399*	0.00	0.413*	0.033
Staff satisfaction	2.32	0.67	1		0.495*	0.005
Staff work performance	3.74	0.58	0.495*	0.05	1	

Source: Field Data, 2018.   (N = 202)

Where r = Correlation coefficient   **$p<0.01$;   *$p<0.05$

As contained in Table 1, staff view on the hospital's PAS (r = 0.413, p < 0.05) and staff job satisfaction (r = 0.495, p < 0.01) were statistically significant and positively correlated with staff work performance. The relationship between staff view of the hospital's PAS and their work performance was moderate while that of staff job satisfaction and work performance was strong. Furthermore, there was a statistically significant positive relationship between PAS of the hospital and staff level of satisfaction in the work that they do (r = 0.399, p < 0.000). This shows that as staff perceive the PAS of the hospital positively and also as they become more satisfied in their job as a result of the hospital's PAS the higher or more their work performance increase significantly. Based on the findings as presented in Table 1, the study rejects the first and second hypotheses since there were statistically significant relationships between PAS, staff satisfaction, and staff work performance at the TOSH. In addition, there was a statistically significant relationship between staff satisfaction and work performance of staff at the TOSH.

The findings support the comments of Walsh (2003) who indicated that there was positive relationship between PA and staff level of satisfaction. Walsh (2003) further asserted that PA has a moderator positive effect on employee's work performance. The hospital can therefore, use its appraisal system as a strategic approach by integrating it with business policies and human resource practices and can improve the performance standards of its employees. The findings further support the submission of Yariv (2009) who demonstrated that the two variables are positively related in a particular fashion, a happy worker is a good worker. One can therefore aver that there is a positive relationship PA and staff job satisfaction, and subsequently their work performance.

The second specific objective of the study was to assess the influence of PA of staff on staff work performance in the TOSH. The hierarchical linear multiple regression analysis

procedures were adopted to analyse the data in order to tackle this objective. The views of staff on the nature and practice of PA, staff awareness and understanding of the PAS, and purpose and use of were used as the independent variables while employees' work performance was treated as the dependent variable. Staff level of satisfaction was treated as mediating variable. In tackling this specific objective, the third hypothesis was formulated. The results are presented in Table 2.

H^3_0: *PAS of the TOSH has no statistically significant direct influence on the hospital's staff work performance.*

Using the multiple regression analysis to tackle this objective, a diagnostic test was first conducted to check for multicollinearity among the independent and mediating variables. This was used to examine the possible undesirable situation where the correlations among the variables are strong. The PASW Version 18.0 was used to assess the Variance Inflation Factor (VIF) that measures multicollinearity in the regression model since multicollinearity misleadingly inflates the standard errors. Thus, it makes some variables statistically insignificant while they should be otherwise significant. The VIF was used to measure how much the variance of the estimated coefficients are increases over the case of no correlation among the independent, control and mediating variables. All the VIF for the independent variables were within acceptable thresholds (not greater than 4). None was greater than four (4), which means there was no collinearity associated with the variables. The VIF values were also inversely related to the Tolerance values (VIF = 1/Tolerance). According to Pallant (2001), large VIF values (a usual threshold is 10.0, which corresponds to a tolerance of 0.10) indicate a high degree of collinearity or multicollinearity among the independent variables.

In addition, under the collinearity diagnostics table condition index values were all less than 15 indicating no problem. According to Pallant (2001), a condition index greater than 15 indicates a possible problem while an index greater than 30 suggests a serious problem with collinearity. In all, it is clear that the contribution of the independent (Nature and practice of PAS, Staff awareness and understanding of the PAS, and Purpose and use of PAS) and mediating variables (Staff job satisfaction) on the dependent variable largely was not as a result of the strong association among the variables. Results of the analysis are shown in Table 2.

The hierarchical linear multiple regression analysis involved testing of two models. In the first model the three dimensions used to measure staff PAS in the hospital were entered as independent variables. As contained in Table 2, two of the variables predicted staff work performance in the hospital significantly. Specifically, staff awareness and understanding of the PAS was non-significant while purpose and use of PAS (26.0%) and nature and practice of PAS (24.9%) were significant. The total contribution of the independent variables to the variance in the dependent variable was 0.370 with an adjusted R^2 of 0.335. This means that the hospital's PAS predicted or explained about 37.0 percent of the variance in the staff work performance in the hospital.

Table 2: Influence of PAS on Staff Work Performance in the TOSH

Variables	Model One Beta (Std. Error)	Model Two Beta (Std. Error)
Nature and practice of PAS	0.249 (0.074)*	0.380 (0.073)*
Staff awareness and understanding of the PAS	0.390 (0.060)	0.405 (0.057) *
Purpose and use of PAS	0.260 (0.051)*	0.227 (0.049) **
Staff job satisfaction		0.499 (0.044) **
Constant	2.576	0.830
R	0.478	0.791
R Square	0.370	0.753
Adjusted R Square	0.335	0.739
Dependent variable: Staff work performance	**p<0.01; *p<0.05	(N = 202)

Source: Field Data, 2018.   (Standard errors are in parentheses)

In the second model respondents' level of satisfaction in the job was entered into the equation to serve as a mediating variable. The theory here is that the independent variables do not predict staff work performance in the hospital directly, and that they do so indirectly through staff level of job satisfaction. After the entered variable in the second model, staff awareness and understanding became significance at 95 percent confident level. The beta coefficients of all the entered variables increased with the exception of purpose and use of PAS. Staff job satisfaction was statistically significant when it entered the second model (β = 0.499 (0.044), p < 0.01), which did change the beta coefficients of the other variables in the first model. This means that the explanatory power of respondents' view on nature and practice of PAS, staff awareness and understanding of the PAS, and purpose and use of PAS in the hospital is shared with the mediating variable.

Table 2 further shows that the total contribution (R^2) of the variables when staff job satisfaction was added increased from 0.370 to 0.753, while the adjusted R^2 increased to 0.739. The data further show that when employees' level of satisfaction entered the equation the rate of increase of the R^2 was 50.9 percent, that is more than half. This suggests that staff satisfaction in their job as a result of the nature and practice of PAS, staff awareness and understanding of the PAS, and purpose and use of PAS in the TOSH is a major condition for increase in staff work performance. Charity thus begins at home as satisfaction with the adopted PAS practices of the hospital gradually builds up, it will translate into increase in staff work performance.

This shows that PAS contribute meaningfully to staff work performance in the TOSH indirectly. The study; therefore, failed to reject the third hypothesis since PAS of the WMH has no statistically significant direct influence on the hospital's staff work performance. Based on the findings, one may argue that the major purpose of PA is to influence, in a positive way, employee work performance and development. Therefore, when staff perceive the PAS of the hospital positively it will in turn influence their level of satisfaction in the job in positive terms which will in turn increase their work performance in the hospital. In relation to the constraints inherent in the implementation of the PAS of the hospital, one of the unit heads interviewed stated that

> *"due to the nature of the work load of the various units, departments and divisions in the hospital, standards and ratings used in the various units, departments or divisions vary widely depending on the goals and objectives of such unit or department"* (April 22, 2018).

This means that in WMH, units or departments use various forms of rating scales depending on the goals and objective of the department or unit and the kind of attitude the department want to evaluate. However, there are standards for rating and measuring staff work performance in the hospital.

One of the junior staff interviewed said that

> "*the variation in the standards and ratings of the hospital's PAS is sometimes unfair to other staff* (April 23, 2018).

Furthermore, one of the unit heads of the hospital interviewed stated that

> "*there are several pitfalls that are common to PAS of the hospital. According to her, PAS of the hospital demand too much from supervisors and also standards and ratings vary widely and sometimes unfairly* (April 24, 2018).

However, the manager of the hospital indicated that *PA*

> *of staff in the hospital does not destroy trust and teamwork among staff. He consented that PA do not generate conflict between subordinates and superiors* (May 14, 2015).

In addition, one of the senior staff also stated that

> "*many appraisal programmes of the GHS and the hospital in particular are implemented without appropriate training for the managers giving the appraisals. Most work in the hospital is the result of a group effort rather than individual work so individual PA is not a meaningful way to measure performance* (May 7, 2015). He added that *supervisor bias and other pitfalls of the hospital's PAS destroy trust, teamwork and also generate conflicts between appraisers and appraisees* (May 7, 2015).

The findings support Naming (2005) suggestion that a typical PAS devours staggering amounts of time and energy destroys trust and teamwork and, adding insult to injury, it delivers little demonstrable value at great cost. This shows that management of the hospital adapt both quantitative and qualitative strategies to help evaluate its staff work performance.

CONCLUSIONS

Based on the key findings of the study the study draws the following conclusions. Staff satisfaction in their job as a result of the nature and practice of PAS, staff awareness and understanding of the PAS, and purpose and use of PAS in the WMH is a major incremental condition for increase in staff work performance. However, this positive effect can be thwarted if there are significant constraints in the implementation of PAS of the hospital. The most occurring constraints inherent in the implementation of the PAS were the

ineffectiveness of goal setting. It also served as a source of discontent for the manager and the employee appraised. All these mean that with effective consideration of factors and purpose of PAS in the hospital, the staff are likely to reduce the constraints in the implementation of the PAS.

RECOMMENDATIONS

Based on the key findings and conclusions of this study, it is recommended to the management of the hospital that they should request the board of directors of the hospital to ensure that:

1. The hospital continues its perennial assessment of staff work performance using its PAS since the exercise provides further and better information for management to take effective human resource development, planning and assessment decisions.

2. Staff of the hospital maintain positive attitude towards the hospital's PAS and management as well by participating fully in the hospital's perennial PA exercise.

3. Staff organise themselves as expected during performance appraisal process in order for the exercise to capture all of.

4. Staff accept the outcome of PA in good faith.

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