

*Full Length Research Paper*

# **Performance appraisal systems in private Universities in Nigeria: A Study of Crawford University, Igbesa-Nigeria**

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**The aim of this study was to evaluate the effectiveness of performance appraisal system at private universities in Nigeria. The focus of the study was on the administrative staff of Crawford University. The study evaluated the purpose of performance appraisal in private universities and identifies relevant factors for achieving an effective performance appraisal. A cross-sectional survey was selected for this study because it was easy to undertake compared to longitudinal survey and the results from the same can be inferred to the larger population. The study population was for all the administrative staff of Crawford University. The whole populations of staff were selected as respondents. A structured questionnaire was used to collect the data for analysis. The analysis of collected data was done by the help of SPSS and presented using descriptive statistics, frequency tables and percentages. The findings from the study have established that performance appraisal system is the only tangible metric way by which an organization can know the level of performance of its diverse members of staff. The effectiveness of performance appraisal systems in private universities are only based on training the members of staff involved in the rating/ appraising process and are multi-rating systems. Conclusively because the performance appraisal systems used in private universities are not effective and that they exist just as a matter of formalities, the private universities cannot measure members of staff performance, hence making it difficult to achieve the intended human resource management objective.**

**Keywords:** Employees, human resource management, performance appraisal systems, private universities, training.

## **INTRODUCTION**

Armstrong (2001) notes that issues of accuracy and fairness in performance appraisal is one of the key research interest. In the field of Human Resource Management (HRM), performance appraisal may be used as a means of measuring performance. The purpose of measuring performance is not to indicate only where things are not going according to plan but also to identify why things are going well so that steps can be taken to build on success. The goal of performance appraisal is to access and summarize past performance, and develop future work, performance goals and expectations. It is a process of systematically evaluating performance and providing feedback on which performance adjustments can be made. Cash (1993) indicates that from the employee's view point, the purpose of performance appraisal is in four fold: tell me what you want me to do, help me improve my performance, reward me for doing well. Performance

appraisal therefore is an important human resource function, which provides management with a systematic basis for effectively recognizing and evaluating the present and potential capabilities for human resource. Performance appraisal should be a continuous function. The supervisors should continuously determine how effectively their subordinates are performing different tasks. Employees should be appraised at least once a year, as this will contribute to increased employee efficiency, productivity and morale.

Private universities in Nigeria have administrative and professional faculty performance appraisal system designed to provide documented, constructive feedback regarding performance expectations, spur growth and development as well as provide a fair and equitable means to determine rewards for contributions to the university, the "senior staff" and faculty.

Members of staff are measured by their breadth of

knowledge, understanding of roles and contributions to the university's strategic plan. The appraisal process therefore offers a valuable opportunity to focus on work activities and goals as well as identify and correct existing problems, and to encourage better future performance. Thus the performance of the whole organization is enhanced (Roger, 1995; Akinyele and Obamiro 2005).

### **Performance appraisal as a Management Process**

According to Davis (1995), performance management is a joint process that involves both the supervisor and the members of staff, who identify common goals, which correlate to the higher goals of the institution. If employees are effectively appraised, then the organization will experience increased productivity and improved quality of output. When people are treated with care, shown trust, listened to and encouraged to do better they reciprocate by being responsible and productive. For effective development and utilization of the human talent, performance appraisal plays a key role since it enables an organization to identify objectively the employee's strengths and weaknesses. The organization will then be able to counsel the employees to improve the weak areas. This will help all the employees to contribute positively to the attainment of the institution/organizational objectives.

Performances appraisal in most Nigerian companies involved supervisors merely filling out confidential forms for the last two years. The national production board of Nigeria started promoting open appraisal systems through a series of seminars. The appraisal of individual performance is undeveloped in Nigerian organization and teamwork and original identity are promoted. Performance feedback is smooth and indirect. Most private organizations make more great investment in people and in the skills necessary to be effective with others. It is also used for linking training, development, performance planning, and a tool to encourage employees.

The policy establishes general procedures for such evaluations and delegates oversight on specific formats and detailed procedures to the senior administrator of the campus. The criteria for such reviews will vary according to the nature of the unit in which it is located, <http://www.umn.edu/ohr/policies/performance> organization do utilize performance appraisal systems that suit their original strategies; therefore appraisal systems vary from institution to institution.

### **Why Performance Appraisal**

Meyer (1992) states that performance management is a joint process that involves both the supervisor and the employee, who identify common goals, which correlate to

a higher goal of the institution. Levinson (1992) stresses the importance of the processes of identification of the employee with manager. He also states several barriers which may come in the way of such legitimate process of identification as; lack of time, intolerance, of mistakes, complete rejection of dependency needs repression of rivalry, and unexamined relationship. Levinson also suggests that to help the development of the process of identification it is necessary for the manager to also examine his own process and needs of interacting with the subordinates.

Performance appraisal has become a key feature of an organization drive towards competitive advantage through a continuous performance improvement and that it has resulted in the development of integrated performance management system (PMS) based on a competency framework (Strebler, 1997; Akinyele and Obamiro 2005).

Uchi (1997) indicates that many companies in Nigeria conduct performance appraisals, regardless of their level of sophistication. But a number have not actualized the process. They are still learning the ropes, start by delinking the results of the appraisal from salary reviews. Put in place structures to manage the process. Get policies and procedures manuals and train the entire organization on target setting, monitoring and review. Mbiti (1994) proposed the human temperaments as the reasons why we need to appraise employees. He classifies employee into four major vegetations and rejecters. Mbiti describes vegetations as people who care for nothing except their pay at the end of the month. They have no initiative; they will take the slightest excuse to be off duty; because this gives them pleasures than writing. They require constant supervision without appraising them; they will try to hide amongst others while they do nothing.

Design an acceptable, easy-to-use but reliable appraisal instrument. Insist on support and sponsorship by the highest office in the organization. One will most likely succeed where the process is tied to perform, improvement and employees development. Appraisals should not have footnotes in corporate calendar. Companies that have moved to quarterly appraisals get more objective results.

Managers may easily get away with subjectively if discussions on performance are not based on recorded facts and figures. This needs to be discouraged, the training required must come often as the appraisal, where there is likelihood of bias, encourage a third party to attend such performance discussions. Phil long (1986), gave the following point as the reasons for performance review. Administrative uses; performance appraisal system is the link between the rewards employees hope to receive and their productivity. The linkage can be thought of as follows.

## **Productivity- Performance- Appraisal- Rewards**

The manager's role is to evaluate subordinates performance, which leads to manager's making compensation recommendations for employees. Development uses; performance appraisal can be a primary source of information and feedback for employees, which is key to their future development. When supervisors identify the weak areas and the training needs of the employee, this informs the employees what skills to develop and work out development plans. This reinforces individual behaviour.

The combination of administrative and development purpose of performance appraisal reflect in a specific way, human resources management plays a larger role in integrating the individual with the organization. It is therefore, necessary to have a formal appraisal programme with clearly stated objectives. Mzenge (1993) revealed that performance reports in Nigeria play a relatively minor role in influencing decisions regarding the general management of the human resources. Mzenge found appraising to be based on personality traits, while actual job performance and ability to achieve goals given little emphasis. Thus it is important that performance appraisal roles be understood by the original managers. Gary (1999) establishes that change in behavior cannot be brought about in human beings through punishment or negative reinforcement, but only through positive reinforcement, influencing would involve providing encouragement and reinforcing success so that the person take more initiative and is able to experiment and risk taking. These are encouraged through positive reinforcement.

McGregor (1997) indicates that managers experienced the appraisal of others as a hostile and aggressive act against employees which resulted in feelings of guilt of employees. He asserted that the tension between appraisal as a judgment process and a supportive development process and a supportive development process has never been resolved and is likely to continue for some time to come. McGregor further says that making judgment about an employee's contribution, value, worth, capability, and potential has to be considered as a vital dimension of a manager's relationship with employees, as it will influence the employee's performance or output. Most companies have modified their appraisal systems to better acknowledge quality of performance in addition to teamwork and process improvement (Fowler, 1990). Harper (1993) suggests dropping the word "appraisal" because it puts employees in the defensive. He further recommended a shift towards future oriented review and development which actively involve employees in continuously developing ways of improving performance in line with needs for attainment original objectives.

The outcome could be a set of objectives to be achieved by individual employees such objectives may

be concerned with immediate performance against current tasks and standards, but they might also be concerned with a variety of work and personal changes. He said that once employees are encouraged to pay attention to their progress at work then the organization must be able to respond to their medium and long term career aspirations, and the manager's role will resolve the inevitable tension that will result between individual goals and the manager's interpretation of organization goals. Clinton (1992) notes that formal performance appraisal programme sometimes yield disappoint results. The primary reasons includes, lack of top management information and support, the main objective of the study was to evaluate the effectiveness of strategic marketing practice on the performance of oil and gas marketing companies in Nigeria.

Unclear performance standards rater bias, too many forms to complete, and use of the programme for conflicting purposes.

If the support of top management is lacking, the appraisal programme will not be successful. To underscore the importance of the responsibility, Top management should announce that effectiveness in appraising is a standard in which the appraisers themselves would be evaluated. Also if the appraisal programme is used for salary review and at the same is used to motivate used to motivate employees the administrative and the development purpose will be in conflict. This might have little influence on the employees' future job performance.

The content of performance evaluation influences employee performance and satisfaction specifically, performance and employee satisfaction are interested when the evaluation is based on behavioral result oriented criteria when career issues are discussed and when the employee has the opportunity to participate in evaluation.

## **Statement of the problem**

The success of every institution depends on the quality and commitment of its human resources. In order to ensure continued efficiency and effectiveness of members of staff that each organization has to carry out employee performance appraisal from time to time so as to keep them in check and replace, motivate, retain or take any other appropriate action. There has been little research in this field of performance appraisal. Most studies discusses performance appraisal that allows employees to develop their skill and to meet business goal. Morrisay(1992) suggest a few other techniques like a you-we technique, second-hand complement, advice request technique, one uses you to compliment and we to criticize (you are doing a great job, we have a problem)the second hand compliment is communicating

to the subordinate a compliment received from a third party.

Richi (1996) introduced a skill-based method of performance management that creates a work environment that allows employees to develop the skills they need to meet business goals. The skill-based management measures skill and tracks and combines them into job descriptions, identifies employee skills gaps and then provides resources to upgrade abilities, Murray (1980), proposed using customer satisfaction measures as a basis of performance reviews and management rewards which rewards in more objective performance reviews, more effective employees, more satisfied customers and better business performance. The majority of empirical studies on performance appraisal systems focus on the search for the perfect form in which subjective traits are replaced by objective and job-relevant measurable behaviours.

Organizations using a performance appraisal system to evaluate their employees, struggle with issues of implementation, adoption and linkage with other human resource systems. To make a performance appraisal a viable management tool, from a broader perspective, organizations and researchers must invest time in performance appraisal skills, in developing systems evaluation which take into account reliability, validity, and managerial goals and designing systems to meet specific organization conditions and expectations. In addition research in this three areas will help to develop more acceptable and successful performance appraisal system (Devries 1983)

There has been a proliferation of private universities in Nigeria in the recent past and most Nigerians are finding them a cheaper alternative than sending their children abroad. Most of these institutions are relatively young. Besides, there is a lot of competition among themselves as well as with established conventional public universities. To ensure they become more competitive this institutions needs to retain high caliber staff both teaching and non-teaching staff through effective performance appraisals. Crawford University has a fairly competitive performance appraisal system which utilizes the ranking method. The assessor is furnished with a checklist of pre-scaled descriptions or behaviour, which are then used to evaluate the members of staff. However, no empirical study has been conducted to determine the effectiveness of the appraisal system at the Crawford university, through there is a general dissatisfaction by members of staff with the manner in which they are evaluated or appraised. Hence, the study seeks to evaluate the effectiveness of the current performance appraisal system. This study was therefore set to determine and assess the effectiveness of performance appraisal system in this institution. The study is important because for private universities to achieve its objectives, it must have effective performance contracts with members of staff are expected to commit themselves.

It is therefore very important for an organization to have an effective performance appraisal system. It has been noted that employees working in private universities serve in the same capacities for a longer period even after a performance appraisal has been done. This leads to highly skilled employees leaving these organizations since the mode of acknowledging their good work and rewarding them accordingly is not considered.

Effective performance appraisal system therefore helps to retain qualified and competent staff. The study was therefore to determine the effectiveness and the purpose of performance appraisal system in private universities. Most managers do perceive a performance appraisal system as an annual routine exercise. This has made members of staff attach no value to the performance appraisal systems, thus take it as an organizational routine activity. The study aimed at benefiting private universities in Nigeria. It will also provide a basis for further academic research on the topic.

### **Objectives of the study**

The main aim of the study was to evaluate the effectiveness of performance appraisal system in private universities in Nigeria.

The specific objectives are:

- 1) To determine the main purpose of performance appraisal in private universities.
- 2) To analyze the factors that contributes to effective performance appraisal system.
- 3) To assess the awareness of the performance appraisal by the members of staff (administrative) of the university.

The research questions included:

What are the main purposes of performance appraisal?

- 1) What are the main purposes of performance appraisal system in private universities?
- 2) What are the factors that contribute to an effective performance appraisal system?
- 3) What is the level of awareness of existence of performance appraisal in the university?

### **METHODOLOGY**

A cross-sectional survey was selected for this study because it was easy to undertake compared to longitudinal survey and the result from the sample can be inferred to the larger population. In addition, some extraneous factors could have manifested in the observed change other than the independent variable concerned.

The target population in the study was the members of staff (administrative) of Crawford University. The university is one of the privately registered missions

**Table 1.** Purpose of Performance Appraisal

<b>Purpose</b>	<b>1</b>	<b>2</b>	<b>3</b>	<b>4</b>	<b>5</b>	<b>Total</b>
Renewal of service contract	3.5	5.9	5.9	55.3	29.4	100
Promotion	7.1	0.1	2.4	36.5	47.1	100
Training needs	1.2	3.5	9.4	42.4	43.5	100
Rewards	16.5	5.9	3.5	31.8	42.4	100
Connecting and redeployment	7.1	5.9	12.9	28.2	45.9	100
Transfers	64.7	9.4	15.3	5.9	4.7	100
New assignment	5.9	7.1	50.6	31.8	4.7	100
Coaching	7.1	8.2	30.6	43.5	10.6	100
Discipline	57.6	7.1	10.6	7.1	17.6	100
Formality	80	10.6	3.5	4.7	1.2	100
Average %	25.07	6.37	14.47	28.72	24.71	100

Source: Field data (2010)

university in Nigeria. The university employees various staff with different specialties and at various levels.

Administrative staff at the Crawford University have a total population of 100. Because this population was not very large, the researcher chose to study the entire population, because the entire population was studied, this formed the sample for the study with need to use any sampling method.

A structural questionnaire was used to collect data from the respondents. The questionnaire was developed to capture the information on the level of respondents, knowledge on the main purpose of performance of appraisal system and a assessment of the awareness of performance appraisal by the university. The questionnaire was pre-tested with 5 respondents in Covenant University, Ota, to authenticate reliability. The pre-testing was done to avoid any possible influence on trial respondents before the actual survey.

The analyzed data was presented using descriptive statistics, frequency tables, percentages and, pie charts. Descriptive statistics allow the generalization of the data to give an account of the structure or the characteristics of the population as represented by the sample. Effective performance appraisal system was tested to determine its effectiveness in achieving its purposes of providing linkages between employee performance and organizational goals and the factors that contribute to an effective performance appraisal system, the level of awareness of the performance appraisal system used was tested using chi-square.

### **Data Analysis, Finding and Discussion**

The study presents the finding on the main purpose of the performance appraisal, analysis of the factors contributing to an effective performance appraisal and an

assessment of the awareness of performance appraisal. The results are all in percentages.

The data was organized in terms of the list of the purpose of performance appraisal system and the respondent's views on individual purpose as presented in the table 1 above.

The table was used to evaluate whether the members of staff (administrative) understand the main purpose for performance appraisal. The response were scaled from 1 to 5, where 1 indicated totally not agree, 2 indicated may agree, 3 indicated partially agree, 4 indicated agree and 5 indicated totally agreed. All the percentages under each identified purpose added up to 100%.

Table 2 below indicates how the respondents agree with the purpose of the performance appraisal system. 85% agreed that the system is used in training new assessment, 84.7% generally agreed that the system is used to evaluate the employees who may review the service contract and 83.6% indicated that the system is useful in determining promotion criteria among the employees. These three were therefore recorded as the main purpose of performance appraisal system in Crawford University. Although the employee identified above major purposes of the performance appraisal system, it is important to note that the purposes of the performance appraisal system is only 53.43% indicating that employees have not been properly sensitized on these purpose of the system.

In order to test the main purpose of the performance appraisal system (PAS) which is the first objective of the study, the study used a regression analysis model to test the dependency between whether the respondents were aware of an existence of performance appraisal system and their views on the purpose of the system as was designed in the tool for data collection. Awareness of the performance appraisal system was the dependent variable whereas the purposes of the system were the

**Table 2.** Agreement Level of the Purpose of Performance Appraisal

<b>Purpose</b>	<b>Agreement</b>
Training needs	85.9
Renewal of service contract	84.7
Promotion	83.6
Rewards	72.2
Counseling and redeployment	74.1
Coaching	54.1
New assignment	36.5
Discipline	24.7
Transfers	10.6
Formality	5.9
Average %	53.43

Source: Field Data (2010)

**Table 3.** Test of the Main Purpose of Performance Appraisal System

<b>Purpose of PAS</b>	<b>Unstandardized coefficient</b>		<b>Standardized coefficient</b>		<b>Sig.</b>
	<b>B</b>	<b>Std. Error</b>	<b>Beta</b>	<b>T</b>	
For renewal of service contract	0.04	0.10	0.11	0.42	0.68
Promotion	-0.03	0.16	-0.11	-0.21	0.83
For identifying training needs of a member of staff	0.01	0.19	0.02	0.06	0.96
Employees counseling and redeployment	0.05	0.12	0.16	0.38	0.70
Transfers	0.05	0.12	0.16	0.39	0.70
New assignment	-0.16	0.13	-0.40	-1.31	0.20
Coaching	0.08	0.11	0.24	0.79	0.43
Rewards	-0.04	0.07	-0.17	-0.58	0.56
Discipline	0.04	0.06	0.18	0.68	0.51
For formality	0.28	0.07	0.66	4.17	0.00
Improving performance planning	-0.03	0.16	-0.07	-0.20	0.84
Transparency	0.03	0.14	0.08	0.20	0.84
Clarifying	0.05	0.13	0.14	0.38	0.71
Regular open communication	-0.03	0.15	-0.07	-0.18	0.86
Identification of individuals roles	0.01	0.18	0.02	0.04	0.97
Providing feedback	0.00	0.00	-0.02	-0.29	0.77
Utilizing results	-0.03	0.19	-0.08	-0.15	0.88
Accountability	0.01	0.10	0.03	0.10	0.92

Source: Field Data (2010)

independent variables. Tables 3 above show the results of the regression model analyzed from the data. From the results in the table, it can be observed that the highest co-efficient is 0.66 coinciding with formality as the leading purpose of performance appraisal system in Crawford University. This result indicates that 66% of the respondents that are aware of the performance appraisal system see it to be just a formality without any important

objectives. This finding indicates that the university administration should do a lot of training of the performance appraisal system among the members of staff (administrative) can understand and appreciate the critical purpose of the system, some of the key issues to be addressed include the following; that the renewal of employees, contract must be pegged on the performance appraisal system, that the promotion in the university

**Table 4.** Percentage Frequency of Factors Leading to Effective Performance Appraisal System

<b>Factors for effective PAS</b>	<b>1</b>	<b>2</b>	<b>3</b>	<b>4</b>	<b>5</b>
Frequency of use	3.5	8.2	11.8	71.8	4.7
Organizational/employee objective	2.4	5.9	17.6	50.6	23.5
Training of the appraisers	9.4	4.7	60	12.9	12.9
Accurate record keeping	3.5	3.5	7.1	32.9	52.9
Employees performance measurement	3.5	2.4	24.7	60.2	7.1
Multi-rater system	4.7	5.9	23.9	50.6	15.3
Self appraisal	4.7	7.1	17.6	14.5	27.1
Employees performance review	4.7	1.2	56.5	28.2	9.4
Employees strength and weakness	4.7	1.2	56.5	28.2	9.2
Employee motivator					
PAS provide feedback	7.1	4.7	48.2	23.5	16.5
Void of biasness	4.7	5.9	27.1	35.3	27.1
PAS provide process/procedure	1.2	8.2	68.2	17.6	27.1
Average %	4.4	5.2	33.0	36.9	22.1

Source: Field Data (2010)

must be based on merit and that the merit indication must be obtained from the system.

The university must develop objective oriented training needs assessment to have a continuous training needs assessment to have a better out and results based management. The performance appraisal system should be used as a source of such information that would be selectively identified the unique training needs and match them with the specific employees to the training. Rewards are the human resources element that must be awarded to the employees to the heightened their moral which is a function of the high expected output. In order to attain objective and transparent rewards, the performance appraisal must be dependent on to generate the required information and decisions. Organizations today face a lot of discipline related challenges. Some of the discipline cases go unattended because the organizations do not have information about. Perpetrators of such offence – performance appraisal system thereby is very handy in identifying, executing and evaluating such disciplinary cases. As the business environment becomes complex and less demanding, organizations must have appropriate response mechanism to handle those scenarios. Some of the way in which one can adopt is to evaluate and assign employee new assignment through effective counseling and coaching. This complex requires effective decision that can be obtained from an effective performance appraisal system.

#### **Factors contributing to an effective performance appraisal system**

To addresses the second objective of the study which was to analyze the factors that contributes to effective performance appraisal, the researcher identified the following to be the main factors that contributes to an effective performance appraisal system in Crawford University. This factor was explored through the frequency table and regression models as the method of arriving at the conclusion of this objective. The research scale up the factors using Likert scaling system 1-5 according to the design used in data collection, 1 represented not effective, 2 represented least effective, 3 represents fairly effective, 4 represents effective and 5 represents very effective (see table 6 below)

In order to determine the respondent's inclination level, the researcher further summarized the table 4 above by adding both the effective and very effective frequencies to help understand the respondents, inclination toward the effectiveness of the system, see table 5 below.

Table 5 above indicate that that the respondents found accurate records keeping to be most important factor used for effective performance appraisal system, (85.8%) other favorite factors with an average of 70% included; Employees motivator, frequency of use, organization/employees motivator, frequency of use, organization employee objective and self appraisal,

**Tables 5.** Frequencies of Factors from Effective Performance Appraisal System (%)

<b>Factors for effective PAS</b>	<b>Effective (%)</b>
Accurate record keeping	85.8
Employee motivator	78.8
Frequency of use	76.5
Organizational/employee objective	74.1
Self appraisal	70.6
Employees performance measurement	67.3
Multi-rater system	65.9
Void of biasness	62.4
PAS provide process/procedure	44.7
PAS provide feedback	40
Employees performance review	37.6
Employee strength and weakness	37.6
Training of the appraisers	25.8
Average	59.0

Source: Field Data (2010)

employees performance measurement, multi-rate system the factors that scored an average of 60% were void of business.

Other important funding indicates that was training of the appraiser (28.8) other factors which were low rated to the average of 40% were employee strength and weakness, employee performance review, feedback provision and process/ procedure provision.

The funding indicate that employees seem not to understand the factors they under rated not to be effective. According to the performance appraisal principles, the least rated factors (employee strength and weakness, employee, performance review, feedback provision and process/procedure provision) are equally very important in the evaluation of an effective performance appraisal system.

The researcher used a linear regression model to find out the relation between the employees awareness of performance appraisal in use and their preferred factors that contribute to an effective performance appraisal system. The employee's awareness of performance appraisal system used was selected to be the dependent variable. Whereas, the factors contributing to an effective performance appraisal system were the independent variables as shown in the table 6 below.

Standardized co efficient was used to judge the regression model output. The table indicates that that the worst important factor was training of rates which scored 80% and multi rater system which scored 72% respectively. The least factor were void of biasness, self appraisal, frequency of appraisal and accurate records of employees which scored below 0%

The most interesting funding from this study is that the respondents viewed varied significantly when they looked at that factor in isolation with when they look at the factors in relation to their view of the performance

appraisal system used in the Crawford University. First accurate record keeping scored the highest percent when looked at in isolation (85.5%) whereas when it was analyzed by the regression of the factors and awareness of performance appraisal system used in Crawford university, it scored the least (-0.92) on the other hand training of the appraisers was the least when it was observed in isolation (25.8%). Through the regression model, training of the appraisers scored the highest value (80%).

The research concludes this objective by indicating that the training of the appraisers should always considered to be the most important factors contributing to an effective performance appraisal system in private university environment.

### **Level of Awareness of the existing performance appraisal system**

To answer the third objective of this study, the researcher considered two important variables, first whether the respondents are aware the performance appraisal system currently in use in Crawford university and whether the system achieve its objectives. Frequency tables were used to gauge the respondents and chi-square test was used to test the objective (Figure 7).

Majority of the respondents 84.7% observed that they are aware of the performance appraisal system in Crawford University.

Table 8 above indicates that although the majority of the respondents were aware of the performance appraisal system used, the majority of them were not aware of the objective of the system.

The level of awareness of existence of performance appraisal in the university.

**Table 6.** Test of Factors Contributing to Effective Performance Appraisal System

<b>Factors contributing to effective PAS</b>	<b>Unstandardized coefficient B</b>	<b>Std. Error</b>	<b>Standardized coefficient Beta</b>	<b>T</b>	<b>Sig.</b>
Training of raters	0.28	0.06	0.80	4.45	0.00
Multi-rater systems	0.27	0.08	0.72	3.36	0.00
Employee motivator	0.15	0.08	0.48	1.98	0.05
Provides feedback to employee	0.15	0.07	0.44	2.08	0.04
Measurement system	0.13	0.09	0.29	1.54	0.13
Process/procedure for system	0.09	0.08	0.17	1.08	0.28
Employees performance review	0.04	0.07	0.09	0.58	0.56
Organizational objectives	0.02	0.07	0.05	0.25	0.80
No biasness	-0.14	0.09	-0.40	-1.59	0.12
Self appraisals	-0.19	0.09	-0.56	-2.04	0.04
Frequency of appraisals	-0.24	0.07	-0.56	-3.32	0.00
Accurate records of employees	-0.33	0.07	-0.92	-4.77	0.00

Source: Field Data (2010)

**Table 7.** Awareness of Performance Appraisal System Currently Used

<b>Response</b>	<b>Frequency</b>	<b>Percent</b>
Yes	72.0	84.7
No	13.0	15.3
Total	85.0	100

Source: Field Data (2010)

**Tables 8.** Indication whether the system achieve its objective

<b>Response</b>	<b>Frequency</b>	<b>Percent</b>
Yes	11.0	12.9
No	74.0	87.1
Total	85.0	100

Source: Field Data (2010)

The probability of the cases in the frequency table above is given by

$$E_1 = E_2 = 0.55$$

The sample size was 85

The expected frequency  $E = 0.5 \times 85 = 42.5$

The observed frequency  $O$  are shown in tables 9 and 10 below.

The calculated chi-square is 41.0 whereas the critical chi at 1 degree of freedom is 3.84. Since the calculated chi is much higher than the critical chi-square, the researcher thereby concludes that the respondents are aware of the existence of performance appraisal system in use in the university.

## **SUMMARY, CONCLUSIONS, AND RECOMMENDATIONS**

### **Summary of the Key Findings**

It's the obligation of the top management in any organization to organize a participatory performance appraisal system that would handle all the appraisal activities in the human resource department in the organization. The need for appropriate appraisal system

**Table 9.** Awareness of Appraisal System Currently in Use

Response	Frequency	Percent
Yes	72.0	84.7
No	13.0	15.3
Total	85.0	100

Source: Field Data (2010)

**Table 10.** Chi-square Test of the Level of Awareness

Response	E	O-E	(O-E) <sup>2</sup>	E <sup>2</sup> /E
Yes	42.5	29.5	870.25	20.47647
No	42.5	-29.5	870.25	20.47647
Total	85.0	0.0	1740.5	41.0

Source: Field Data (2010)

cannot be overemphasized in a complex organization like a university because modern management is today run on a result based management approach. The main objective of this study was to evaluate the effectiveness of performance appraisal system in private universities in Nigeria.

The study came up with a number of important findings that should be taken up by the private university in the design or overhaul of their past-appraisal systems- first the researcher established that the employees were aware of the performance appraisal system used at the Crawford University found it to be just at formality. The system does not address the important purpose upon which it was designed, secondly, the study establish that the major factor that contributes to an effective performance appraisal system in the private universities. Firstly the provision of training to the employees involved in the appraising, secondly, an effective performance appraisal system should multi-rating, that's, there should be input from all the supervisions on the employees' performance.

Thirdly, most employees are aware of the performance, the performance appraisal system which is conveniently used to appraise them.

## CONCLUSIONS

Performance appraisal system is the only tangible metric way by which an organization can know the level of performance of its diverse employees. Although most employees are aware of the type of performance application system used in the private universities. Such systems are not based n any serious formal purpose for which they are designed.

## The effectiveness of Performance Application Systems

In the private universities are only based on training to the employees involved in the rating/appraising process and multi rating systems. Conclusively, because the performance application systems used in private universities are not effective and that they exist just as a matter of formalities, the private universities cannot measure employee's performance, hence making it difficult to achieve the intended human resource management objectives.

## RECOMMENDATIONS FOR IMPROVEMENT

From the findings and conclusion of this study, the following recommendations are crucial for developing effective performance application systems in private universities in Nigeria. The performance application system should be based in the following important purpose. They should be the tool used to evaluate employees' performance and decision support system used for renewing employees' contract. This will ensure that the right employees are retained for the right job. The system should be able to guide the universities in identifying employees' training needs, their execution and evaluation on whether they achieve their intended objective. The system should be used to evaluate the employees which are ready for promotion and other motivational rewards. The system should also be used to evaluate the employees who should be coached and prepare them for deployment, transfers on new assignments.

During the design of performance application system in

private universities, the management should consider all factors of an effective system so as to achieve the goals upon which they are designed. The major factor should include among others: frequency of the appraisal, accurate record system, employees' performance measurement, self appraisal approach, employees performance review, employees' strength and weaknesses, the system as an employee's motivator, the system should be able to provide feedback to employees, the system should be void of biasness and the process and procedures for the system should be ratable.

### Suggestion for Research

The following related areas can be researched on to add up to the knowledge of what this study has achieved. First, there is a need to carry out a comparative evaluation of the effectiveness of performance appraisal system in both public and private universities. Secondly, a research should be done to evaluate the impact of computerizing performance appraisal system both in public and private universities. This will help human resource manager understand the role of modern technology in designing performance appraisal system. Lastly, a study should be done to establish integration of performance appraisal system with other subsystems, financial management system in the organization. Such a study will help organization learn and understand the integration of all the systems meant to run their activities.

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