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Abstract

The purpose of this study was to determine the influence of result oriented employee appraisal on performance of public servants in Vihiga County, Kenya. The study adopted descriptive and explanatory survey design. This study targeted 359 heads of sections, 25 ward administrators and 8 members of the public service board. To ensure equal representation of individuals in the study stratified Random Sampling that involves dividing the population into two subgroups and then taking a simple random sample in each subgroup was used. To this regard, the study used a sample size of 183 heads of sections and 13 ward administrators. Further, purposive sampling was used to select the eight members of the public service board as key informants for the study, since they were expected to provide in-depth information relevant to the study. After data collection, the filled-in and returned questionnaires were edited for completeness, coded and entries made into SPSS. The descriptive analysis involving frequencies, percentage, mean and standard deviations were used as measures of central tendencies and dispersion respectively. A simple regression was also used to test the combined effect of all independent variables. The findings were presented in forms of Tables and charts. The study found out that there was a positive and significant relationship between results oriented employee appraisal and performance of public servants (β=0.406, p=0.000). The study concluded that appraisal forms in the county are completed by the line supervisor, which is then forwarded to the department´s chief officer for approval, further

transmission to the director of HR who consequently uses the content for effecting promotion, training and employee selection among others. The study recommended that employees should be involved in the entire appraisal process by allowing them to set their targets in line with organizational strategies as well as stating the resources needed to attain the set goals.

Keywords: *Result Oriented Employee Appraisal, Performance of Public Servants and Vihiga County, Kenya.*

1.0 Introduction

1.1 Background of the Study

The contemporary business landscape has shifted the basis of competitive advantage from tangible and physical resources to intangible and knowledge resources. In this scenario, knowledge has become the major driver of business performance; therefore, the process where such valuable assets are managed, developed, leveraged, and applied becomes a core capability to the organization. Compared with technological or financial resources, human resources are the most unpredictable (because of the complexities embedded in their characteristics) and often the largest ongoing cost factor in any organization, and they may be regarded as its most valuable assets. It is therefore crucial that they are managed effectively, equitably and ethically, and that their personal and work needs are satisfied, if organizational objectives are to be achieved (Nankervis, Compton, Baird, & Coffey, 2011).

The foregoing debate therefore enthuse that Human Resource (HR) practices should be directly linked with organizational objectives, where HR practices are integrated and supports business strategy. Gavrea, Ilieş, and Stegerean (2011) opine that the term strategy has its origin in the military campaigns of the ancient Greece, and it is used by organizations, businesses, governments, and teams to explain both the processes (like organizational restructuring, rightsizing, multi-skilling, product development) and the outcomes (like market position, profitability, competitiveness) of chosen long-term directions. It can be either a conscious, planned activity or a series of events that lead to a desirable objective. Sani (2012) aver that strategic human resource management is the pattern of planned human resource deployments and activities intended to enable an organization to achieve its set goals.

Performance management (result oriented performance appraisal), being the systematic evaluation of employees according to their job and potential development, has been established to, among other things, motivate employees and enhance their performance (Iqbal, Ahmed, Haider, Batool, & Qurat-ul-ain 2013). Further, opportunity for internal progression is also an important strategy for retaining skilled and competent work force, and thus employee performance. Patrick and Kumar (2011) found that Career guidance, leadership roles, network building, developing new skills, taking up special assignments and receiving productive feedback from the boss play the most important role in making the career path easier and aids in the performance and employee growth. Mwanje (2010) also found that low chances of promotion after training seriously cause dissatisfaction among employees of the Bank of Uganda.

It is evident from the aforementioned studies that specific strategic HR practices can influence employee productivity. However, studies pertaining to the influence of these practices on the performance of public servants working in the devolved governments have suffered a dearth of consideration. This notwithstanding, strategic human resource management practices have been found to elicit improved employee (and thus organizational) performance.

The Commission for Revenue Allocation (CRA, 2014) assessed all the 47 Counties to establish whether target goals are being met concerning budgets for which allocation of funds were made. Sectors upon which the County Governments were assessed included education sector, infrastructure, health, water, environment, tourism, agriculture, industrialization, transport, and trade. Performance of Vihiga County was found to be better than most other counties in all the sectors, although, just like other counties, most development projects remain incomplete. Thus, there is likelihood that HR practices in Vihiga County are aligned to its business strategies, as espoused by Armstrong (2010): business objectives are accomplished when human resource practices, procedures and systems are developed and implemented based on organizational needs, that is, when a strategic perspective to human resource management is adopted. However, no study has been done to establish the influence of result oriented employee appraisal on Vihiga County Government, which might have contributed to better performance as compared to other county governments in Kenya.

1.2 Statement of the Problem

It is universally accepted that devolution brings allocation and management of resources close to the people who in turn are able to implement development projects which suits their unique needs. Despite of this noble intent, county governments, having inherited employees from local authorities and other departments in the civil service, find themselves incapable of achieving set goals and targets through such employees who are unable to adapt to the changed system and work procedure. This situation calls for an analysis of strategic human resource management practices which are put in place by these county governments to achieve organizational goals meant to enhance service delivery in the new administrative units, since scholars are yet to draw any clear link between strategic HR practices and performance in situations where administrative authority in public sector is devolved. Approximately 40 out of 47 counties in Kenya have failed to complete their planned projects, and around 38 to 40 out of the 47 counties spent less than 40% of funds allocated to them in 2013 /2014 financial year, for various development projects budgeted for (CRA, 2014). Human resource management theorists (Armstrong, 2010; Gavrea, *et al*., 2011; Sani, 2012; Waiganjo & Awino, 2012; and Dermol & Rakowska 2014) have largely linked organizational performance to strategic human resource management practices, this link is yet to be established in the new devolved systems owing to labour law requirements regulating downsizing, recruitment and selection, amongst others. Despite of this reality, county governments' are still expected to develop strategic HR practices capable of attaining better performance to satisfy the needs of the local population. Although several studies have linked Results Oriented Employee Appraisal with employee performance, there has been no study to establish this relationship in any county governments in Kenya. This study was therefore set to determine the influence of result oriented employee appraisal on performance of public servants in Vihiga County, Kenya.

1.3 Objective of the Study

The objective of the study was to determine the influence of result oriented employee appraisal on performance of public servants in Vihiga County, Kenya.

1.4 Research Hypothesis

H_0: There is no significant influence of result oriented employee appraisal on performance of

public servants in Vihiga County, Kenya.

2.0 Literature Review

2.1 Theoretical Review: The Human Capital Theory

Bearing its roots in the works of classical authors such as Adams Smith (1776) and Alfred Marshall (1890), as cited by Mulongo (2012), Human Capital Theory (HCT) view employees as assets just like machines. Mulongo (2012) quotes Smith (1776) as suggesting that a man educated at the expense of much labour and time may be compared to one of those expensive machines, and the work he learns to perform should replace to him the whole expense of his education. Similarly, he (Mulongo, 2012) quotes Marshall (1890) as referring to industrial training as a national investment. Time and money spent on education builds human capital hence one should be able to estimate the rate of return (RoR) on such investment, in a way similar to investment in physical capital. In short, the HCT states that a person's education is an investment (involves costs, in terms of direct spending on education and the opportunity costs of student time) in her/his human capital (akin to investment by a firm in physical capital), which makes the individual more productive and accrue him/her a future stream of benefits (superior productivity, higher wages and other non-monetary benefits to the individual and the society).

Becker (1964), as cited by Wright and McMahan (2011), defined human capital as the knowledge, information, ideas, skills, and health of individuals. Comparing human capital to financial or physical capital, he (Becker, 1964, in Wright and McMahan, 2011) noted that all are forms of capital in the sense that they are assets that yield income and other useful outputs over long periods of time. On the other hand, the uniqueness of human capital stems from the fact that people cannot be separated from their knowledge, skills, health or values in the way they can be separated from their financial and physical assets.

The significance of education and human capital has been brought out in many studies and arguments of economic growth and development. Almeida and Fernando (2014) suggest that human capital may be acquired formally in school and other learning institutions, or, informally, through on-the-job training, and is a dominant paradigm in the process of wage determination., being helpful in explaining how those investing in human capital are rewarded with higher life-time earnings. Mulongo (2012) avers that other benefits of education may be realized in terms of greater productivity and less need to incur costs. An example of educational benefit that improves production possibilities is the greater labour market productivity of those with additional schooling. In addition, the lesser dependency on subsidies in educated communities is an example of benefit that reduces costs for taxpayers.

Organizations therefore accrue the positive results when human capital is effectively used, and an increase in aggregate human capital has an effect on aggregate productivity which is as a result of an increase in an individual's education on productivity. This further distinguishes general skills from specific skills, the former being that training increases an individual's productivity in an organization, while the latter intimate that specific training mostly increases an individual's productivity within the organization in which one is employed (Almeida & Fernando, 2014).

However, Human Capital Theory has come across significant criticisms. Teixeira (2014) states that education and other types of human capital overlook the impact of very important differences in terms of personal traits, such as ability and socio-economic factors. The returns ascribed to schooling could in fact be the result of problems of limited information in the labour market or the scarcity of certain types of skills rather than a return to a more productive worker due to better qualifications. Similarly, Almeida, Fernando and Hannif (2014) feel that while Human Capital

theorists insist on the importance of investment in education and the imparting of value to the future worker, they do not directly address the fact that this value must be harnessed in the labour market by employers for the human capital investment to be realized.

Human Capital Theory was deemed relevant to this study since knowledge and skills accumulated by employees in an organization is capable of attaining high productivity and lower costs. Therefore, superior performance by the County Government of Vihiga could be attributed to the accumulation of knowledge and skills by employees of the county, and it is upon human resource managers to align the human capital and other resources so as to enhance performance.

2.2 Empirical Review

Performance appraisal is an important human resources function, which provides management with a systematic basis for effectively recognizing and evaluating the present and potential capabilities of human resource. Yadavand Dabhade (2013) sought to figure out the key variables that are having strong influence on performance management in two companies in India. Data was collected from 250 using structured questionnaires, and analysed using Chi square test method. It was found that most employees are well aware about the Performance Management system of the company, and have complete idea about the various aspects of Performance except those elements which are kept confidential. Similarly, the study revealed that employees are of the opinion that their evaluation should be done by seniors as well as by self, and they were not happy with the non-transparency of the Performance Appraisal System: they had a common thinking that the ratings given should be revealed to the respective employee. They decried a lack of evidence regarding their usefulness; hence it is still not clear to what extent performance measures help agencies to achieve the goals.

In Africa, Boateng (2011) used a population of the entire staff of Manhyia District Hospital in Ghana totaling 221 to assess the effects of performance appraisal on the achievement of organizational objectives, using eleven-sectioned self completed questionnaire and interviews. Data presentation and discussions were supported with bar and line graphs, pie chart and tables to make the whole work easy to read and understand by all and sundry. The study revealed that the Staff Performance Appraisal exercise was not given the seriousness it deserves. Again, majority of the staff have knowledge of the performance appraisal system in the hospital and agreed that the system establishes key objectives. The only important aspect of performance appraisal that this study lacks is how it (performance appraisal) influence employee performance.

Similarly, Chaponda (2014) sought to determine the effect of performance appraisal on employee motivation using a survey of slum based Non-Governmental Organizations in Nairobi. The study adopted a descriptive research design with a population consisting of all 300 employees of slum based NGOs. A sample size of 171 was selected using stratified sampling method. Data was collected using structured questionnaires and analyzed using the Statistical Package for Social Sciences (SPSS) into frequency distribution, percentages and Pearson correlations. It was found that performance appraisal process is important for employee motivation; also help improve job performance at work. The regular assessment of performance leads to employee motivation, and performance standards quantified and pegged against an individual evaluation is essential for employee motivation. Although this study focused on how performance appraisal influences employee motivation, the sample was drawn from employees of a nongovernmental organisation. Focus should also be made on civil servants working under county governments.

Nyaoga, Kibet, and Magutu (2010) evaluated the effectiveness of performance appraisal system in private universities in Kenya, focusing on employees at Kabarak University. The study evaluated the purpose of performance appraisal using a cross-sectional survey design on all the employees of Kabarak University. A structured questionnaire was used to collect the data and analysis done by help of SPSS and presented using of descriptive statistics, frequency tables, percentages and pie charts. The findings revealed that 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 appraisal system used in the private universities, such systems are not based on any serious formal purpose for which they were designed. The effectiveness of performance appraisal systems in the private universities are only based on training of the employees involved in the rating/appraising process and are multi-rating systems. Still not covered by this study is how performance appraisal influences employee performance in organizations (private universities included).

Gichuhi, Abaja, and Ochieng (Undated) sought to establish the impact of performance appraisal criteria, feedback, reward and frequency of appraisals on employee productivity in Kenya. This study employed a cross-sectional survey design. The population of the study was 1560 employees distributed among the 7 main supermarkets operating in Nakuru Town. A sample of 308 respondents was selected using multi-stage sampling technique, whereby 178 filled questionnaires were returned. Simple regression models were used to analyze the data collected. The study found that performance criteria, feedback and frequency significantly influenced employee productivity. However, the direction of influence might have richly been covered if this study used interview method to support data obtained by questionnaires.

Iqbal, Ahmed, Haider, Batool, and Qurat-ul-ain (2013) focused on finding out the impact of performance appraisal on employee's performance and how motivation affects the relationship between performance appraisal and employee's performance in Pakistan. Two hypotheses were analyzed by using sampling techniques; 150 numbers of employees were selected through simple random sampling from among the banks of Dera Ghazi Khan. Primary data were collect through standard questionnaire. For analyzing data, correlation Coefficient was used through IBM SPSS and Amos Software. It was revealed that there is positive relationship between performance appraisal and employee's performance. Motivation as a moderator positively affected the relationship between performance appraisal and employee's performance. Using employees from three different organizations (3 different banks) means that data used in this study was heterogeneous: there is need to compare the relationship between performance appraisal and employee performance using a homogenous population.

While in Kenya, Nyaoga, Kibet, and Magutu (2010) used Chi-Squire test to evaluate the effectiveness of performance appraisal system at private universities in Kenya, focusing on employees at Kabarak University. They found that majority of the respondents 84.7% observed that they are aware of the performance appraisal system used in Kabarak University, and 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 therefore concludes that the respondents are aware of the existence of performance appraisal system in use in the university.
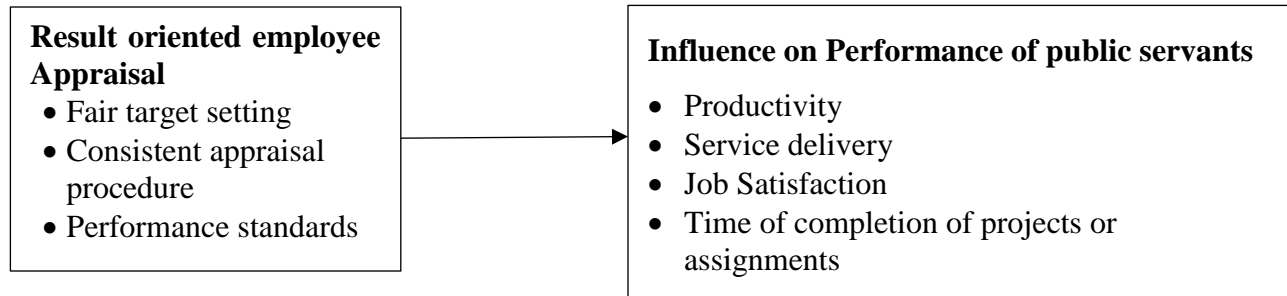
2.3 Conceptual Framework

Result oriented employee Appraisal	Influence on Performance of public servants
• Fair target setting • Consistent appraisal procedure • Performance standards	• Productivity • Service delivery • Job Satisfaction • Time of completion of projects or assignments

Figure 1: Conceptual Framework

3.0 Research Methodology

The study was carried out within interpretive paradigm and employed descriptive and explanatory survey design. It was descriptive because data was collected through a detailed questionnaire which describes research questions, guided by hypotheses derived from adopted theories. Further, the study was explanatory since it sought to explain the relationship between strategic human resource management practices and public servants performance. The study population comprised of section heads in the 10 departments, ward administrators and members of public service board in Vihiga County, Kenya. Vihiga County has eight members of public service board, 359 heads of sections and 25 ward administrators (Vihiga County Staffing Statistics Report, 2013). This study targeted all the 25 ward administrators, 359 section heads and eight (8) members of public service board. Accordingly, the target population of the study was three hundred and ninety two (392).

This study adopted Yamane (1967; cited in Israel, 2013) formula to calculate the sample size of participants (heads of sections and ward administrators) to obtain 204 respondents. The study used a closed ended questionnaire, and the questionnaire was intended to solicit responses relating to how strategic human resource management practices influence performance of public servants in Vihiga County. The questionnaire developed was based on multiple-item scales and summated ratings (Likert Scale) to quantify the construct(s) of opinions of respondents regarding the study variables. To ensure instrument validity and reliability, the researcher carried out a pilot study using 19 respondents (6 ward administrators and another 13 heads of sections) selected through purposive random sampling technique from Shinyalu Sub County in Kakamega County. The pilot testing of the questionnaire was carried out on 6 ward administrators and 13 heads of sections purposely selected from Sinyalu Sub County. Primary data was obtained from the respondents using structured questionnaire. A Likert scale of 1 to 5 (1= Strongly Disagree, 2 = Disagree, 3 = Neutral, 4 =Agree, 5 = Strongly Agree) was were presented for answering by respondents.

Cronbach's alpha was used to test the reliability of the measures in the questionnaire (Cronbach, 1995). Data analysis was done using SPSS. The study conducted normal distribution test for the dependent variable for normality distribution. The particular descriptive statistics used included frequencies and percentages while the particular inferential statistics included Pearson correlation analysis and regression. Correlation analysis was used to establish either positive or negative relationships between the variables. The following diagnostic tests were conducted prior data regression analysis. Multicollinearity was tested using variance inflation factor VIF. The test for

autocorrelation was performed to establish whether residuals are correlated across time (autocorrelation).

The regression model that was used was;

$Y = \beta 0 + \beta_1 X + \varepsilon$

Where:

Y = Performance of public servants

X = Result Oriented Employee Appraisal

β = Coefficient of the variable

ε= Error term

4.0 Results and findings

4.1 Descriptive Statistics

The objective of the study sought to establish the influence of Result Oriented Employee Appraisal on performance of public servants in Vihiga County, Kenya. To achieve this objective, the respondents were requested to indicate the extent to which the Result Oriented Employee Appraisal indicators have influenced performance of employees in their sections. A likert scale of 1 = Very small extent, 2 = Small extent, 3 = neither small nor large extent, 4 = Large extent and 5 = Very Large extent was used and the mean response rate from the respondents calculated. For purposes of interpretation 4 & 5 (Large extent and Very Large extent) were grouped together as large extent, 1 & 2 (Very small extent and Small extent) were grouped as small extent while 3 was neither small nor large extent. The results of this study are as depicted in Table 1.

Table 1: Descriptive Statistics for Result Oriented Employee Appraisal

Statement	Very small extent	Small extent	Neither small nor large extent	Large extent	Very large extent	Mean	Std. Dev.
Performance criteria or methods of work	12.30%	25.30%	32.70%	19.10%	10.50%	2.90	1.16
Facts concerning tasks to be performed	13.60%	19.80%	29.60%	27.20%	9.90%	3.00	1.19
Feedback of performance evaluation report	15.40%	24.10%	21.60%	28.40%	10.50%	2.94	1.25
Inconsistency in carrying out appraisal	16.00%	24.10%	34.00%	14.20%	11.70%	2.81	1.21
Target setting process	14.20%	24.70%	24.70%	27.80%	8.60%	2.92	1.20
Unrealistic targets	22.80%	23.50%	29.00%	14.80%	9.90%	2.65	1.26
Identification of training needs	26.50%	16.70%	25.30%	26.50%	4.90%	2.67	1.26
Discussion of personal training or development requirements	19.80%	22.20%	31.50%	16.00%	10.50%	2.75	1.24
Irregularity in appraisal	17.90%	23.50%	23.50%	22.20%	13.00%	2.89	1.30
Continuous performance appraisal	16.00%	13.60%	31.50%	26.50%	12.30%	3.06	1.24

Results in Table 1 show that majority, 37.6% (22.30% + 25.3%) indicated that Performance criteria or methods of work influenced employee performance to a small extent. The results had a mean response of 2.90 with a standard deviation of 1.16. Thirty three point four percent (33.4%) of the respondents indicated that Facts concerning tasks to be performed influenced employee performance to a small extent. The results had a mean response of 3.00 with a standard deviation of 1.19. Thirty nine point four percent (39.4%) of the respondents indicated that feedback of performance evaluation report has influenced employee performance to a small extent. The results had a mean response of 2.94 with a standard deviation of 1.25. Thirty-four point zero percent (34.0%) of the respondents indicated that Inconsistency in carrying out appraisal has influenced employee performance to a moderate extent. The results had a mean response of 2.81with a standard deviation of 1.21.

In addition, the results revealed that 38.9% of the respondents indicated that Target setting process influenced employee performance to a small extent. The results had a mean response of 2.92 with a standard deviation of 1.20. Forty six point three percent 46.3% of the respondents indicated that Unrealistic targets influenced employee performance to a small extent. The results had a mean response of 2.65 with a standard deviation of 1.26. Forty two percent (42%) of the respondents indicated that discussion of personal training or development requirements influenced employee performance to a small extent. The results had a mean response of 2.75 with a standard deviation of 1.24. Forty one point four percent (41.4%) of the respondents indicated that Irregularity in appraisal influenced employee performance to a small extent. The results had a mean response of 2.89 with a standard deviation of 1.30.

Further, 38.8% of the respondents indicated that Continuous performance appraisal influenced employee performance to a large extent. Empirical studies reveal that Appraisal systems have influenced employee performance across the globe. Iqbal, et al (2013) results revealed that there is significant positive relation between performance appraisal and employee's performance. Correlation results presented motivation strength the relationship of performance appraisal and employee performance. The results showed that Performance appraisal has direct impact on employee's performance while combine impact of motivation is positive and considerable.

Yadavand Dabhade (2013) in their study found that most employees are well aware about the Performance Management system of the company, and have complete idea about the various aspects of Performance except those elements which are kept confidential. Similarly, the study revealed that employees are of the opinion that their evaluation should be done by seniors as well as by self, and they were not happy with the non-transparency of the Performance Appraisal System: they had a common thinking that the ratings given should be revealed to the respective employee. They decried a lack of evidence regarding their usefulness; hence it is still not clear to what extent performance measures help agencies to achieve the goals.

4.2 Correlations Analysis

Correlation analysis was carried out to detect the association between the dependent variable, performance of public servants and the independent variable of results oriented employee appraisal as shown in Table 2.

Table 2: Correlation Analysis

		Employee Performance	Results Oriented Employee Appraisal
Employee Performance	Pearson Correlation	1.000	
	Sig. (2-tailed)		
Results Oriented Employee Appraisal	Pearson Correlation	0.506**	1.000
	Sig. (2-tailed)	0.000	
** Correlation is significant at the 0.01 level (2-tailed).			

Correlation results showed that there was a positive and significant association between Results Oriented Employee Appraisal and employee performance (r =0.506, p-value=0.000).

4.3 Diagnostic Tests

4.3.1 Test of Multicollinearity

Multicollinearity is a statistical phenomenon in which two or more predictor variable in a multiple regression model are highly correlated, the undesirable situation where the correlations among the independent variables are strong. A set of variables is perfectly multicollinear if there exists one or more exact linear relationship among some of the variables. Tolerance of the variable and the VIF value were used where values more than 0.2 for Tolerance and values less than 10 for VIF means that there is no multicollinearity.

For multiple regressions to be applicable there should not be collinearity among variables. Statistics used to measure multicollinearity include tolerance and variance inflation factor. From the findings, the all the variables had a tolerance values >0.2 and VIF values <10 as shown in Table 3. Indicating that there is no multicollinearity among the independent variable (Results Oriented Employee Appraisal).

Table 3: Multicollinearity test using Tolerance and VIF

	Collinearity Statistics	
	Tolerance	VIF
Results Oriented Employee Appraisal	0.713	1.403

Results in Table 3 shows that all the tolerance values were above 0.2 and VIF less than 10 and thus, there were no collinearity among the independent variables.

4.3.2 Test of Normality

Normality test was conducted first using histogram representation. Results are shown in Figure 2.
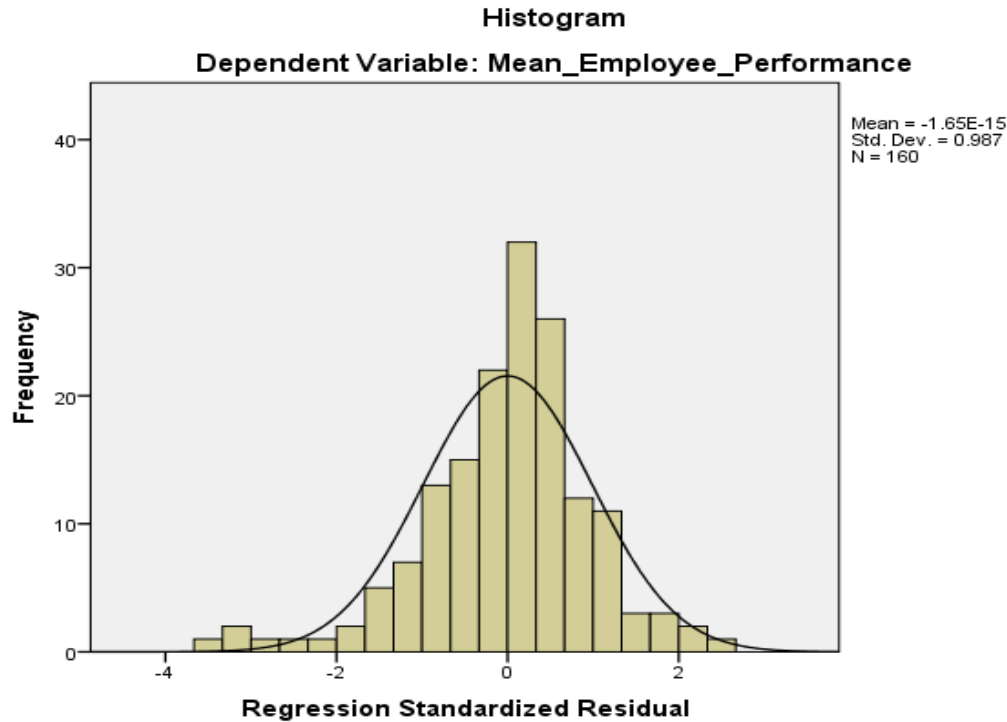
Figure 2: Histogram test of normality

The test for normality was examined using the graphical method approach as shown in the Figure 2. The results in the figure indicate that the residuals are normally distributed.

4.3.3 Test of Heteroscedasticity

The error process may be Homoscedastic within cross-sectional units, but its variance may differ across units: a condition known as group wise Heteroscedasticity. The hettest command calculates Breuch Pagan for group wise Heteroscedasticity in the residuals. Heteroscedasticity test was run in order to test whether the error terms are correlated across observation in the panel data. The null hypothesis is that the data does not suffer from Heteroscedasticity since the p-value is greater than the 5%. Results in Table 4 shows that null hypothesis was not rejected at a critical p-value of 0.05 since the reported value was 0.9544>0.05. Thus, the data did not suffer from Heteroscedasticity.

Table 4: Heteroscedasticity Results

Breuch-Pagan / Cook-Weisberg test for heteroskedasticity	
H_o: Constant variance	
Variables: fitted values of Employee Performance.	
chi2(1)	= 0.000
Prob > chi2	= 0.9544

4.3.4 Auto-correlation

Autocorrelation the relationship between values separated from each other by a given time lag in the residual (prediction errors) from a regression analysis. Durbin Watson test is used to check

serial correlation among variables. When error terms from different (usually adjacent) time periods (or cross-section observation) are correlated, then it is said that the error term is serially correlated. Serial correlation will not affect the biasness or consistency of ordinary least squares (OLS) estimator, but it affects their efficiency. To use a linear model, there should be no serial correlation among the observations. In table 5, the dependent variable must be independent and this was tested using Durbin-Watson (d) test which state that d=2 indicates that there is no autocorrelation. The value of (d) always lies between 0 and 4 where 0 indicates autocorrelation while above 1 indicates the residuals (prediction errors) are interdependent, the results from the study presented d=1.714 which indicates that the residuals are interdependent.

Table 5: Durbin Watson test

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate	Durbin-Watson
1	0.721	0.52	0.508	0.50211	1.714

4.4 Inferential Analysis

4.4.1 Fitness of Model

The results presented in Table 6 present the fitness of the regression model used in explaining the variation of performance of public servants as a result of results oriented employee appraisal.

Table 6: Model Fitness for Result Oriented Employee Appraisal

R	R Square	Adjusted R Square	Std. Error of the Estimate
0.491	0.241	0.236	0.62524

From the results in Table 6, result oriented employee appraisal was found to be satisfactory in explaining performance of public servants. This is supported by coefficient of determination also known as the R squared of 24.1%. This means that result oriented employee appraisal explains 24.1% of the variations in the performance of public servants. This finding is consistent with that of Iqbal, *et al* (2013) who assessed the impact of employee performance appraisal on employee performance among the banks of Dera Ghazi Khan in Pakistan and found out that that there is significant positive relation between performance appraisal and employee's performance.

4.4.2 Analysis of Variance

Table 7 provides the results on the analysis of the variance (ANOVA).

Table 7: Analysis of Variance for Result Oriented Employee Appraisal

	Sum of Squares	df	Mean Square	F	Sig.
Regression	19.626	1	19.626	50.205	0.000
Residual	61.766	158	0.391		
Total	81.392	159			

Results in Table 7 indicate that the overall model was statistically significant. Further, the results imply that the independent variable (results oriented employee appraisal) is a good predictor of

performance of public servants. This was supported by F-calculate value of 50.205 which was greater than the F-critical (obtained from the F-distribution table) of 3.94 and the reported p-value of 0.000 which was less than the conventional probability of 0.05 significance level. Regression coefficients result for result oriented employee appraisal is presented in Table 8.

Table 8: Regression Coefficient Result for Result Oriented Employee Appraisal

	Unstandardized Coefficients		Standardized Coefficients	t	Sig.
	B	Std. Error	Beta		
(Constant)	1.404	0.184		7.612	0.000
Internal Career Opportunities	0.406	0.057	0.491	7.086	0.000

$Y = 1.404 + 0.406\,x_1$

Where Y = Performance of Public Servants

x_1 = Result Oriented Employee Appraisal

Regression coefficients results in Table 8 revealed that there was a positive and significant relationship between results oriented employee appraisal and performance of public servants. (β_1=0.406, p=0.000). This means that a unit increase in results oriented employee appraisal, would lead to an improvement in performance of public servants by 0.406 units. This was supported by a calculated t-statistic of 7.086 which is larger than the critical t-statistic of 1.96 (obtained from t-student distribution table). This finding is consistent with that of Iqbal, *et al* (2013) who assessed the impact of employee performance appraisal on employee performance among the banks of Dera Ghazi Khan in Pakistan and found out that that there is significant positive relation between performance appraisal and employee's performance.

In addition, Nyaoga, *et al* (2010) revealed that performance appraisal systems are effective in identifying training needs and for employee rating processes. Nyaoga, Kibet, and Magutu (2010) revealed that performance appraisal system is the only tangible metric way by which an organization can know the level of performance of its diverse employees.

Further, interviews conducted on key informants (KIs) showed that employees do not directly participate in performance appraisal exercise, that apart from filling in the performance appraisal tool their personal details the rest of the information is filled by their immediate supervisors. This was stated clearly by one member of the public service board, who said that:

> *The immediate supervisor fills and completes the appraisal form on behalf of the employee. The same is thereafter forwarded to the department's chief officer for approval. Finally, the form is sent to the director of human resource for confirmation* (KI₁).

The immediate supervisor seems to be the key person who appraises his/her subordinates. This finding seems to be contrary to the spirit of procedural justice which is concerned with the fairness of procedures that are used to determine the outcomes that employees receive from appraisal process in the county (Crompanzano, et al., 2007). However, there are studies that have confirmed that similar procedures are used in appraisal purposes, although employees are not happy with it.

In India, Yadavand Dabhade (2013) found that employees felt that their evaluation should be done by seniors as well as by self, and they were not happy with the non-transparency of the Performance Appraisal System: they had a common thinking that the ratings given should be revealed to the respective employee.

The process, however, seems to be shielded from unfairness based on confirmation by the chief officer and the director of human resource. This was stated by one KI as:

> *The dully filled up appraisal form is forwarded to the chief officer in charge of the department to ensure that the supervisor does not become biased. This helps to give a true picture of employee's performance and ability* (KI$_2$).

The comment made by KI$_1$ shows that Vihiga County has put in place checks and balances to ensure that subordinates are not treated unfairly by their supervisors during performance appraisal exercise. This is an essential practice given that appraisal reports are always used to inform various decisions on the management of the human resource. For instance, one informant asserted that:

> *Information in the appraisal form is used for both promotion and identification of skills that an employee may be lacking* (KI$_3$).

This comment tends to suggest that decisions such as who to promote as well as who to train is pegged upon performance appraisal reports. Another KI stated that:

> *For employees who are on probation, appraisal report guides the organization in making decisions as to whether the officer should be confirmed or not* (KI$_4$).

The statement made by KI$_4$ extends the role played by appraisal report even to employees who have not been officially confirmed on permanent basis but are seeking to be employed on such terms of service in the same organization. It is therefore clear that decisions made with regard to human resource management practices like promotion, training, and selection among others are based upon reports in the appraisal form. These are decisions which are made on continuous basis hence appraisal exercise ought to be done continuously as stated by one informant during the interviews, that:

> *Employee appraisal is carried out annually* (KI$_5$).

This means that every year, Vihiga County is able to identify employees who need further training, those to be promoted, and those on probation to be either confirmed or rejected. This seems to be in line with the doctrine of distributive justice which is concerned with the outcomes that are consistent with implicit norms for allocation, such as equity or equality (Adams, 1966). Distributive justice articulates how the allocation of outcomes is differentiated in the workplace. Based on outcomes of appraisal in the county, these study findings implies that qualified persons are promoted, others in need of training are taken for training, and other employees on probation are either confirmed or referred for further training.

These findings agree with those in Ahmed, *et al* (2013); Iqbal, *et al* (2013); and Chaponda (2014). In a study done in Pakistan, Ahmed et al (2013) found that there is positive relationship between performance appraisal and employee's performance. Iqbal, et al (2013) also established that there was significant positive relation between performance appraisal and employee's performance in a study among commercial bank employees. The results observed that performance appraisal has direct impact on employee's performance while combine impact of motivation is positive and considerable. Chaponda (2014) also found that performance appraisal process was important for

employee motivation and help improve job performance at work in Kenya. The regular assessment of performance leads to employee motivation, and consequently performance standards.

4.4.3 Hypothesis Testing for Result Oriented Employee Appraisal

H_0: There is no significant influence of result oriented employee appraisal on performance of public servants in Vihiga County, Kenya.

The hypothesis was tested using simple regression results in Table 8 and determined using p-value. The acceptance/rejection criteria was that, if the p-value is greater than 0.05, we fail to reject the Ho but if it's less than 0.05, the Ho is rejected. Therefore, the null hypothesis is that there is no significant influence of result oriented employee appraisal on performance of public servants in Vihiga County, Kenya. Results in Table 8 show that the p-value was 0.002. This was supported by a calculated t-statistic of 3.094 which is larger than the critical t-statistic of 1.96. The null hypothesis was, therefore, rejected and thus concluded that there is a significant influence of result oriented employee appraisal on performance of public servants in Vihiga County, Kenya.

This finding is consistent with that of Chaponda (2014) who found that performance appraisal process is important for employee motivation; also help improve job performance at work. The regular assessment of performance leads to employee motivation, and performance standards quantified and pegged against an individual evaluation is essential for employee motivation.

5.0 Conclusions

The study concluded that oriented employee appraisal has a positive and significant effect on the performance of public servants. From the findings, the study concluded that the county has utilized result-oriented appraisal to a moderate extent. The study concluded that appraisal forms in the county are completed by the line supervisor, which is then forwarded to the department´s chief officer for approval and further transmission to the director of HR who consequently uses the content for effecting promotion, training and employee selection among others.

6.0 Recommendations

Vihiga County was found to have utilized result oriented employee appraisal to a moderate extent. It was also found that result oriented employee appraisal has positive relationship on performance of public servants and improvement in the same leads to a large influence on performance. Moreover, appraisal reports were found to be used to effect employee promotion, training, and employee selection. To further improve employee appraisal and consequently performance of public servants, the study recommended that employees should be involved in the entire appraisal process by allowing them to set their targets in line with organizational strategies as well as stating the resources needed to attain the set goals.

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