Effect of performance appraisal on employee productivity in the ministry of Agriculture Homa Bay County, Kenya

Globally, governments and companies spend billions of Shillings yearly on employee performance evaluation as it has become a critical component of the overall human resource management function in the civil service. Studies have been done globally but none has considered relationship between performance appraisal and employee"s productivity. In Kenya Most of the previous studies had focus on employee motivation and staff appraisal in the National government. Employee commitment reports from the ministry of agriculture and livestock Homa Bay County indicated continuous poor production. This prompted the need to look for performance appraisal records available in the Human Resource Department which revealed that performance in the two departments vary with wide margins with some scoring as high as 83% while other as low as 42% making it difficult to ascertain the effect of existing performance appraisal system in enhancing employee productivity. Specifically the study sought to establish the effect of performance appraisal criteria, feedback and reward on employee productivity in the Ministry of Agriculture, Homa Bay County. The study was anchored mainly on expectant theory and guided by a conceptual framework where the dependent variable was employee"s productivity and the independent variable has performance appraisal. The study employed a correlational research design. The study targeted 256 employees in the Ministry of Agriculture, Homa Bay County out of which a sample size of 156 respondents was determined using Yamane"s formula for sample size determination. The study used primary data which was collected using questionnaires. The instrument was exposed to experts in the field of study such as the researcher"s supervisor for review for validity checks. Half split method was employed by the researcher to ascertain the reliability of the instrument. The researcher calculated reliability co-efficient of 0.87. This proved that the instrument was reliable. The data was analysed using descriptive and correlational analysis. The regression results revealed an R₂ = 0.795 which implies that performance appraisal criteria, performance appraisal feedback and performance appraisal rewards explains employees productivity up to 79.5 %. It was also established that when independent variables (appraisal criteria, feedback and reward) are controlled for or held constant, there is a probability that employee productivity would be affected positively. The β coefficients were found to be positive i.e. ($\beta_1 = 0.971$, $\beta_2 = 0.667$, $\beta_3 = 0.603$) meaning that any unit increase in the independent variable would lead to a positive increase in employee productivity of the Ministry. This implies that increased employee productivity of Ministry of Agriculture Homa Bay County was found to be dependent on increased adoption of performance appraisal criteria, feedback and reward. The study therefore recommends that performance criteria use need to be clarified to employees, feedback should be done periodically (annually or half yearly) so that the appraisees may know whether they are meeting the management expectations or organization goals. There should be rewards for positive results as well as training for negative results in order to empower the employees. It is good to involve the appraisees in determining the reward they are to receive for good performance and finally a proper system of individual feedback giving process needs to be established. This study results may help in building progress towards organizational goals. It would also be helpful to human resource specialists and managers who would be interested in knowing how staff appraisal systems affect employee performance and increased employee's performance in organizations.