AN ANALYSIS OF FACTORS INFLUENCING PERFORMANCE APPRAISAL OF STAFF IN THE TOURISM SECTOR IN KENYA:

Case of selected firms in Mombasa

BY

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MAY 2008

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An analysis of factors influencing
DECLARATION

This research project is my original work and has not been submitted for a degree in any other university.

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DEDICATION

This work is dedicated to my parents, Samuel Kibiro and Grace Mweru who took me to school and encouraged me to work hard.
ACKNOWLEDGEMENTS

For this project report to have gotten this far, it has taken the effort of many individuals. I thank my wife, Nyambura for supporting and encouraging me even when I felt exhausted. I sincerely thank my Supervisor, Madam Kimutai for the positive criticism and encouragement she continues to give. Thanks a lot to Mr. Bett of Business Administration Department for creating time to offer advice on the project proposal after the defence stage. My sincere appreciation also is to Mr. Anjili and Mr. Wafula of Government Training Institute (GTI) Mombasa for their assistance. May God bless you.
ABSTRACT

The tourism industry is important to the Kenyan economy as well as many other economies the world over. In Kenya, the industry accounts for 13.3% of Gross Domestic Product (GDP), 14.7% of foreign exchange earnings and generates 138,000 jobs directly and 360,000 indirectly (www.kenyatourism.org). Tourism earnings trend has been rising with the sector earning 25.8, 39.2 and 48.9 billion shillings in 2003, 2004 and 2005 respectively (www.kenyatourism.org). This shows that this industry is important and a lot should be done to promote it. Tourist hotels should strive to improve their performance through performance appraisal among other activities. The researcher therefore intended to analyse the factors that affected effective performance appraisal.

This study set out to identify those factors that affect employee performance appraisal exercise, analysed them and made recommendations as to how best the exercise should be carried out for maximum benefits. Primary data was collected using open ended and closed ended questionnaires. Two sets of questionnaire were prepared: one for the employee and another for the human resource manager and any other person who was in charge of the performance appraisal exercise. Interviews were also used to collect the data. Secondary information from books, magazines, newspapers and the electronic media was also used. The data collected was analysed using descriptive statistics and recommendations made.
Research findings indicate that performance appraisal is an important exercise and that it is carried out in all the organisations that were covered by the research. The findings also indicate that some managers do not involve their employees in setting targets to be achieved. This explains why some of the employees do not find the exercise beneficial.

There are factors that were found to affect the performance appraisal exercise among them the method used, top management support, personal goals, organisational politics and employee perception of the process. Based on the findings, the researcher has suggested that the employee and the supervisor/manager should collaborate in the setting of targets and that performance should be used as the main consideration during the performance appraisal exercise.
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DEFINITION OF TERMS

Operational definition of terms

**Performance** – is the record of outcomes produced on a specified job function or activity during a specified time period.

**Appraisal** – assessment of competencies that includes knowledge, skills and abilities.

**Performance appraisal** – continuous assessment of employee performance in his/her duties.

**Competitive advantage** – an organization’s superior competitive position that allows it to achieve higher profitability than the industry’s average. It is what the organization does better than its competitors.
CHAPTER ONE

INTRODUCTION

1.1 Background Information

Human capital is the single most important aspect of any successful organization as identified by Beardwell (1997). This makes employee performance appraisal exercise important since it attempts to ensure some continuity of purpose by checking the validity of individual goals in terms of organizational goals. An appraisal system can promote effectiveness, job satisfaction and better manpower utilization. On the other hand it can promote organizational inefficiency, personal insecurity, distrust and conflict depending on how it is carried out. Riley, (1996) observes that the performance of the exercise is dependent upon the integrity of the system. The information collected from performance appraisals is most widely used for compensation, performance improvement or management and documentation. Appraisal data are also used for staffing decisions, training needs analysis, employee development, research and evaluation.

Riley (1996) has observed that the hotel industry is characterized by fairly large proportion of unskilled occupations, high levels of labour turnover and low levels of pay particularly for unskilled workers. This trend needs to change now that there is a lot of competition among hotels within the tourism industry. There are several factors that affect employee performance appraisal exercise among them the user reactions, performance feedback process, personal goals, organizational politics, method used and employee perception of the process.
The Kenyan tourism industry dates back to the period 1890. During the period up to 1939 tourists found the sea journey to East Africa too long and expensive and attractions were underdeveloped. Tourism was restricted to a number of adventures until the Second World War, and most tourists arrived by ship (Nkari 1985). After realizing the importance of the industry, the Kenya government upgraded the infrastructure and encouraged local and foreign entrepreneurs to invest in the industry. Mwakiti (2000) observes that due to the importance accorded the industry, the Kenya government has been involved in the activities and organization of the industry directly or indirectly: indirectly through offering aid to those in the private sector and directly through the ministry of Tourism and Wildlife and government bodies that regulate the industry.

Kenya’s coastal tourism nowadays account for 60-70% of the national tourism industry according to Coast Development Authority (1996). The coast attracts increasing number of European tourists. The average length of stay of vistors is declining. In 2001, it was calculated to be at 8.4 days compared to 11.8 days in 1997 (Kenya Tourism Board: 2003). This trend requires attention. Manon and Ramona (2003) assert that for an entrepreneur whose inside and outside business relations are not well developed (e.g. poor working conditions for his employees, no other than money based interests in customers and hesitating to work together and discuss with employees), who likewise lack knowledge, skills, competence and other attributes that are relevant to economic activity, it will be difficult to increase his economic possessions.

The tourism industry in Kenya is the leading foreign exchange earner. It accounts for 13.3% of Gross Domestic Product (GDP), 14.7% of foreign exchange earnings and
generates 138,000 jobs directly and 360,000 indirectly (Njonge, 2006). Tourism earning trends have also been rising from 25.8 billion to 39.2 and 48.9 billion shillings in 2004 and 2005 respectively. (www.kenyatourism.com).

1.2 Statement of the Problem

Performance appraisal is a major human resource practice that should be carried out as effectively as possible more so in the service industry. This is because in dispensing services, employees come into contact with the consumer of the service. The impression created by the employee is very important. Also, the exercise has the potential value of being a source of competitive advantage especially in the service industry. Employees in the industry should be accorded the best training in handling customers since their contact makes a big difference to the impression the customer gets of the organization.

Noe (2000) observes that managers view performance appraisal as an annual ritual—they quickly complete the form and use it to catalogue all the negative information they have collected on employees over the previous year. They continue to state that most managers and employees dislike performance appraisal because of lack of ongoing review, lack of employee involvement and lack of recognition for good performance. Bernardin and Russel (1993) in their study observe that many organizations have reported that their appraisal systems offer little or no value to their organizations and 64% cited plans to redesign the process.

The growing diversity of the workforce makes the exercise more difficult. There are a greater proportion of women, members of minority groups, people of varying sexual orientation, and employees with disabilities. This presents unfairness and bias in
appraisal systems and it may be magnified by greater diversity and differences between those doing the rating and the ones being rated. Therefore fairness and objectivity must be observed. Some of the studies that have been done include, perceived social and psychological effects on performance appraisal in the donor community in Kenya by Ngolovoi (2003) and a survey of preferred methods, rates and uses of performance appraisal by employees in tertiary public institutions, Obiye (2002). From the literature reviewed, the researcher has not come across any study on performance appraisal in the hotel industry and he therefore finds it necessary to conduct a study on factors affecting effective performance appraisal in hotels in the tourism industry in order to fill the gap in knowledge.

1.3 Objectives of the study

1.3.1 General objective

The general objective of the study was to analyse the factors that influenced employee performance appraisal in the tourism industry in Kenya.

1.3.2 Specific Objectives

The specific objectives were to:

1 Establish how the existing performance Appraisal methods affected performance appraisal
2 Identify if personal goals affected performance appraisal.
3 Establish whether top management support affected performance appraisal.
4 Establish whether organizational politics affected performance appraisal.
Establish whether employee perception of the appraisal process affected the exercise.

1.4 Research Questions

1. Did the existing performance appraisal methods affect performance appraisal.
2. Did personal goals of the employee affect performance appraisal?
3. Did top management support affect employee performance appraisal?
4. Did organizational politics affect performance appraisal?
5. Did employee perception of the exercise affect performance appraisal?

1.5 Significance of the study

The research findings are important to:

(a) The Government: The government benefits from the firms through the taxes they pay to it. When there is improved financial performance in these firms, the taxes paid to the government will increase. The government will also find the findings of the research important in its policy formulation towards the firms especially on employment.

(b) The Management: From the exercise, management of the firms will realize the importance of effective performance appraisal, which will motivate their employees. A motivated workforce is important for effective performance of any organization. The management will know how effectively to carry out performance appraisal such that it benefits the organization.

(c) Employees: Once employees realize that the performance appraisal exercise is being carried out for their benefit, they will view it positively and are most likely to
work hard so that they can benefit from it. This benefit will be in the form of promotion, further training and transfers among other benefits.

(d) Academia: The research findings will bridge a gap in knowledge in the area of study. The study will also inspire a series of other researchers to build on the recommendations given after the research. This is important since not much study has been carried in the area.

1.6 Scope of the study

The researcher limited the scope of his study specifically to performance appraisal in firms in the tourism industry. The firms were situated in Mombasa district. The researcher classified these firms into hotels, tour companies and recreation facilities.

1.7 Limitation of the study

The researcher was limited by time as he carried out the study. Some of those sampled as respondents were not cooperative and some did not return the filled in questionnaires. In some cases the researcher had to visit some organizations for more than five times to get the questionnaires back. The researcher also had a problem with resources. Substantial amounts of money were required to cater for travel expenses, telephone calls, stationery and preparation of the final report among others.
CHAPTER TWO

LITERATURE REVIEW

2.1 introduction to literature review

This chapter contains literature review and covers past studies in the area, methods of performance appraisal, factors that affect the appraisal exercise and conceptual framework.

2.2 Employee performance appraisal methods

Nzuve (1997) identifies the following methods:

i. Rating

In this method, each characteristic or trait to be measured is represented by a line or scale on which the evaluator indicates the degree to which the individual is believed to possess the characteristic or trait.

ii. Behaviorally Anchored Rating Scales (BARS)

The method attempts to identify many dimensions of performance in behavior-specific terms. The BAR consists of a series of vertical scales for each important dimension of job performance anchored by or based on the incidents judged to be critical. The incidents are located along the scale and are assigned points.
iii. **Essay method**

It requires the evaluator to compose statements, which describe the individual employee’s performance. It normally describes the employee’s strengths and weaknesses and recommends areas of improvement of the individual. It is however advisable that this method be used in combination with the rating scale method.

iv. **Evaluation by peers**

This method is only good when evaluating behaviors, which are more likely to be observed by the evaluatee’s colleagues than by the supervisor. The evaluatee’s colleagues must be capable of observing and evaluating objectively important aspects of job performance.

v. **Management By Objectives (MBO)**

It establishes a relationship between the evaluator and the evaluatee and sets goals that have to be achieved in a given period. There is a lot of participation by the employee in setting down targets with the help of the immediate supervisor. The supervisor meets with the individual subordinate to develop and agree on the areas/tasks to be on both current job performance and personnel development that may prepare the subordinate to perform other tasks or seek promotion. These are then put in writing. Periodic meetings are held to monitor subordinate progress in achieving the set goals. During these meetings, goals can be modified if new needs or problems arise. An appraisal meeting is held to evaluate the extent to which the agreed upon goals have been achieved. Special emphasis is placed on diagnosing the reasons for success or failure so that the meeting serves as learning experience for both parties.
vi. 360 degree feedback

It involves an appraisal feedback from different groups within the work situation – peers and the subordinates as well as bosses and possibly internal and external customers. The idea is to provide a broader appraisal covering good working relationship, teamwork, leadership, decision-making and quality of service provided.

vii. Upward feedback

It involves subordinate appraisal of managers. This can help to judge, among other things, manager’s ability to accept constructive criticism. This initially can be daunting experience for managers and to be effective requires an independent third person who can supply confidential feedback and comment.

viii. Performance ‘agreement or ‘contract’ Members of staff create a succinct document, agreed with their superior, which sets out their individual’s proposed contribution to the business plan of the organization. This document provides an agenda which can be referred to during the appraisal period and modified as necessary. This agenda serves as the basis of the appraisal judgment. This system turns the appraisal system into a dialogue.
2.3 Past Studies on Performance Appraisal

McGregor in 1957 was perhaps the severest critic of performance appraisal practices as they were employed in businesses in the 1950s. Particularly he attacked the fact that appraisal, having both administrative (salary and promotion) and developmental purposes, tended to place the superior in the incompatible roles of judge and counselor. The act of judging subordinate, McGregor observed, tended to elicit defensiveness so that in attempting to communicate criticism to a subordinate, the superior usually found that the effectiveness of the communication was inversely related to the subordinate’s need to hear it.

In his study, Appleby (1994) observed that the tests used for performance appraisal should be rated so that they can be shown to serve the purpose for which they were intended. For effective appraisal, the nature of work must first be analyzed. From an analysis of the job, the skills and knowledge required can be determined and from this an appraisal of the performance of the existing supervisors is needed in order to identify their training needs. According to him appraisal should be based upon target setting and the supervisor should preferably help to set his own targets. He identifies two points that are noteworthy:

i. Tests should be regarded as supplement to, rather than a substitute for other selection techniques, and
ii. Most tests emphasis what a candidate can do, rather than what he will do, and are useful in picking out potential failures.
Stoner et.al (2003) in their study observed that it is important for managers to differentiate between the current performance and the promotability (potential performance) of employees. Managers in many organizations fail to make this distinction because they assume that a person with the skills and ability to perform well in one job will automatically perform well in a different or more responsible position. This is why people are often promoted to positions in which they cannot perform adequately. They therefore advise that promotions be based on real ability and not perceived ability.

Weihrich and Koontz (2004) carried a study on the appraisal of managers. They observed that appraisal is essential for effective managing. Their Conference Boarding study showed differences between the stated objectives of appraisals and the way they were actually used. These differences may have caused dissatisfaction. They recommended that an effective method should measure performance in achieving goals and plans and managerial activities. They reiterated that traditional appraisal methods that attempt to measure personality traits have serious limitations. To them, an effective method is to appraise managers against verifiable objectives. They continue to observe that in assessing the accomplishments of goals, the evaluator must take into account such considerations as whether the goals were reasonably attainable in the first place, whether factors beyond a person’s control unduly helped or hindered the person in accomplishing goals and what reasons for the results were. The review should also note whether an individual continued to operate against obsolete goals when situations changed and revised goals were called for.

On the question of who should be appraised, how often appraisal should be and how open should the exercise be, Mullins (2005) has the view that traditionally, most appraisal
schemes have been applied to staff in managerial, supervisory and administrative positions. He states that there is no reason why appraisal should not be applied to manual workers especially skilled workers and those involved in technical duties. According to him the increasing adoption of flexible working practices and harmonization of conditions of employment, together with attempts to overcome the attitude of ‘them’ and ‘us’ has prompted the extension of appraisal to cover all members of staff.

On the frequency of appraisals, he observes that with majority schemes, staff receive an annual appraisal and for many organizations this may be sufficient. However the frequency of appraisal should be related to the nature of the organization, the purpose and objective of the scheme, and the characteristics of the staff employed. The appraisal exercise should be open because the more the staff sees their appraisal report; the more they are likely to accept the process of appraisal. Staffs are better able to check the consistency of the appraisal report with verbal feedback from the manager. With an open system of reporting, staff should be given the opportunity to sign the completed form and to add any comments on their perception of the accuracy of the assessment.

It has been observed that there is a difficulty in appraising expatriates. Dessler (2005) is of the view that several factors complicate the task. For one, he notes that the question of who actually appraises the expatriate is crucial. He states that it is obvious that local management must have some input, but cultural differences may distort the appraisals. On one hand, home-office managers may be so out of touch that they cannot provide valid appraisals since they are not fully aware of the situation the manager faces locally. Similarly the procedure may be to measure the expatriate by objective criteria, for example, profits and market share, but local events like political instability may affect the
manager’s performance while remaining invisible to home-office staff. Mullins has also observed that the three most wanted things by employees in the hospitality industry are good wages, job security and an opportunity for advancement and development.

Performance management has grown out of the realization that a more continuous and integrated approach is needed to reward performance. Crudely developed and hastily implemented performance appraisal systems do not deliver the results that people exist from. All the attention paid to performance appraisal in general is testimony to its potentially pivotal role in influencing organizational performance and effectiveness. The most effective performance management systems recognize that performance evaluation is not an end in itself; rather it is a critical component of a much broader set of human resource practices that should be linked to business performance, personal and organizational development, corporate strategy and culture, Ulrich (1995).

2.3.1 Factors influencing performance appraisal

According to Sherman (1998), the following factors affect effective performance appraisal:

2.3.2 Top management support

For an appraisal system to be effective, it must have top management support. Even the best conceived program will not work in an environment where appraisers are not encouraged by their superiors to take the program seriously. Top management should announce that effectiveness in appraising subordinates is a standard by which the appraisers themselves will be evaluated.
2.3.4 Employee perception of the system

One of the main concerns of employees is the fairness of the performance appraisal system, since the system is central to so many human resource management decisions, Sherman (1998). Employees who believe the system is unfair may consider the appraisal interview a waste of time and leave the interview with feelings of anxiety or frustration. Also they may view compliance with the appraisal system as a perfunctory and thus only play a passive role during the interview process. By addressing these employee concerns during the planning stage of the appraisal process, the organization will help the appraisal program to succeed in reaching its goals.

2.3.5 Organizational politics

It can introduce bias even in fairly administered employee appraisals. An example is whereby managers inflate evaluations because they desire higher salaries for their employees or because higher subordinate ratings make them look good as managers. Alternatively, managers may want to get rid of troublesome employees, passing them off to another department by inflating their ratings.

2.3.6 Personal goals

This is according to Porter (2006) who observes that work performance is affected by the goals that people set for themselves. Where there are clear, precise goals that are accepted by someone, this helps people to organize their efforts and strive towards attainment. Although employees prefer to be given discretion on goal-setting, they will often overestimate their resources to achieve them, whereas with the help of a supervisor, the goals will become more attainable. Goals that are SMART-specific, measurable,
achievable, realistic and time based—give the employee an exact specification to which they can work. This has clear implications for performance appraisal and review systems. Goals should never be imposed on someone from above without that individual’s input, and preferably agreement after an objective discussion of his or her realistic achievement.

2.3.7 Method used

There are many methods that are used in performance appraisal as mentioned earlier in this chapter. Each of these methods will suit a particular organization at a particular point in time. The method used greatly affects the appraisal exercise and it is important that whoever conducts an appraisal exercise selects the best suited to the circumstances. The method used according to Stoner (2003) should aim at:

(a) letting employees know formally how their current performance is being rated,
(b) Identifying employees who deserve merit raises,
(c) Locating employees who need additional training, and
(d) Identifying candidates for promotions.

2.4 CRITICAL REVIEW OF MAJOR ISSUES

A major problem in tourism in Kenya is in terms of quality employment in tourism. Sindiga (1999) notes that supervisory and managerial positions both in accommodation facilities and tour operators are held by expatriates. This leaves subordinate roles like drivers, porter’s, waiters, labourers and housekeepers for local people. These low level jobs are poorly remunerated and produce limited multiplier effects. Also, tourism
employment in Kenya tends to be seasonal, reflecting the annual patterns of tourist visits. The volume of traffic flow is very small between April and July. This affects tourism enterprises especially accommodation facilities because very few beds are occupied. This leads to many employees declared redundant. Performance appraisal should be used to identify structures that promote tourism to provide continuity.

Employees in general tend to be overly optimistic about what their ratings will be and also know that their raises, career progress, and peace of mind may hinge on how they are rated. This alone should make it somewhat difficult to rate performance. Dessler (1999) states that the numerous structural problems can cast doubt on the process. As a result, many experts argue that traditional appraisal methods may not work. They say that most performance appraisal systems neither motivate employees nor guide their development. Furthermore they cause conflict between supervisors and subordinates and lead to dysfunctional behaviours.

Managers are often reluctant to appraise subordinates and where they do their written comments are often glib, generalized and evasive. According to Margaret and Stuart (1996), managers often find appraisal schemes cumbersome and suspect that little action will be taken on the results. This is mainly because managers lack training in appraisal.

Performance management system should link employee activities with the organizational goals. One of the primary ways strategies are implemented is through defining the results, behavior and employee characteristics that are necessary for carrying out that strategy and then developing measurement and feedback systems that will maximize the extent to which employees exhibit the characteristics, engage in the behaviors and produce the results. To achieve this strategic purpose, the system must be flexible,
because when goals and strategies change, the results, behaviors and employee characteristics usually need to change correspondingly.

2.5 SUMMARY AND GAPS TO BE FILLED BY THE STUDY

From the literature reviewed, it is clear that performance appraisal is an important exercise. The process should be a source of information about individual learning and developmental needs. The critical elements of an effective performance management system are planning and feedback appraisal. The planning process includes an assessment of the employee's capabilities, a discussion with the employee in order to clearly define job roles and expectations. It also includes identifying tools required to do the job and to ascertain whether or not the employee has the knowledge and skills required to perform the job.

The research findings will be important to the government because it benefits from these firms through the taxes they pay to it. When there is improved financial performance in these firms, the taxes paid to the government will increase. The government will also find the findings of the research important in its policy formulation towards the firms especially on employment.

The Management of these firms will also benefit from the exercise in that it will realize the importance of effective performance appraisal, which will motivate their employees. A motivated workforce is important for effective performance of any organization. The management will know how effectively to carry out performance appraisal such that it benefits the organization.
Once employees realize that the performance appraisal exercise is being carried out for their benefit, they will view it positively and are most likely to work hard so that they can benefit from it. This benefit will be in the form of promotion, further training and transfers among other benefits.

The research findings will bridge a gap in knowledge in the area of study. The study will also inspire a series of other researchers to build on the recommendations given after the research. This is important since not much study has been carried in the area.

2.6 THE CONCEPTUAL FRAMEWORK

Figure 2.1 The conceptual framework

Organizational politics

Personal goals

Employee perception of the process

Method used

Efficiency of Performance Appraisal

Source: researcher 2008.
CHAPTER THREE

RESEARCH METHODOLOGY

3.1 Introduction

This chapter contains research methodology and covers research design, population, sample, data collection tools and data analysis techniques.

3.2 Research design

The entire concept behind the study was to analyze the factors that affect employee performance appraisal within the tourism industry in Kenya. The framework of the study was designed to be descriptive.

3.2 The Target Population

Table 3.1 Target population

<table>
<thead>
<tr>
<th>CLASSIFICATION</th>
<th>POPULATION</th>
<th>PERCENTAGE</th>
</tr>
</thead>
<tbody>
<tr>
<td>HOTELS</td>
<td>30</td>
<td>63</td>
</tr>
<tr>
<td>TOUR COMPANIES</td>
<td>11</td>
<td>23</td>
</tr>
<tr>
<td>RECREATION CENTRES</td>
<td>6</td>
<td>12</td>
</tr>
<tr>
<td><strong>TOTAL</strong></td>
<td><strong>47</strong></td>
<td><strong>100</strong></td>
</tr>
</tbody>
</table>

Source: Researcher (2008)
The target population in this study consisted of all employees in hotels, recreation facilities and tour companies in Mombasa. The hotels were estimated to be thirty, recreation facilities six and tour companies at eleven.

3.3 Sampling Strategy

The researcher sampled twenty one hotels from a population of thirty and eight tour companies from a population of eleven using the simple random sampling. The researcher also sampled four recreation facilities from a population of six. In each firm, the researcher targeted ten employees one of whom was the human resources manager. The researcher believed that the number would be a true representative sample.
Table 3.2 sample design

<table>
<thead>
<tr>
<th>CLASSIFICATION</th>
<th>POPULATION</th>
<th>RATIO</th>
<th>SAMPLE SIZE</th>
<th>TOTAL SAMPLE</th>
</tr>
</thead>
<tbody>
<tr>
<td>HOTELS</td>
<td>30</td>
<td>0.7</td>
<td>21</td>
<td>231</td>
</tr>
<tr>
<td>TOUR COMPANIES</td>
<td>11</td>
<td>0.7</td>
<td>8</td>
<td>88</td>
</tr>
<tr>
<td>RECREATION CENTRE</td>
<td>6</td>
<td>0.7</td>
<td>4</td>
<td>44</td>
</tr>
<tr>
<td>TOTAL</td>
<td>47</td>
<td></td>
<td>33</td>
<td>363</td>
</tr>
</tbody>
</table>

Source: Researcher (2008)

Simple random sampling technique was used to identify respondents who qualified for the study.

3.3 Data Collection Tools and data collection procedures

The researcher used a questionnaire to collect data. A set of two questionnaires was prepared; one for the selected employees and another for the selected person responsible for the performance appraisal exercise in each of the selected firms. Open ended and closed ended questions were included and enough space left for the respondent to fill. The questionnaire was dropped to the selected respondents and picked later by the researcher.
3.4 Data Analysis

The data collected from the research was edited, coded and tabulated. It was then organized into quantitative and qualitative data. The Statistical Package for Social Sciences (SPSS) was used to aid in analyzing the data collected. The measures for the independent variable were present data by use of pie charts, graphs and tables which ranked how strongly each independent variable affected the dependent variable.

3.5 Expected Output

The researcher expected to identify and analyze the factors that influence performance appraisal. The researcher expected to establish that most of the organizations in the tourism sector do not carry out performance appraisal and those that carry it out do not do it effectively.
CHAPTER FOUR

DATA ANALYSIS AND PRESENTATION OF RESULTS

This chapter presents the results of analysis and findings of the research obtained from institutions in the Tourism industry in Kenya. They include: Institutions that offer recreational facilities, Hotels and Tour companies.

4.1 Background information

4.1.1 Response

Table 4.1 Response of employees and managers by gender

<table>
<thead>
<tr>
<th></th>
<th>EXPECTED RESPONSE</th>
<th>ACTUAL RESPONSE</th>
<th>PERCENTAGE</th>
</tr>
</thead>
<tbody>
<tr>
<td>EMPLOYEES</td>
<td>330</td>
<td>256</td>
<td>77.6</td>
</tr>
<tr>
<td>MANAGERS</td>
<td>33</td>
<td>23</td>
<td>69.7</td>
</tr>
<tr>
<td>TOTAL</td>
<td>333</td>
<td>279</td>
<td>100</td>
</tr>
</tbody>
</table>

Source: Research data

Most employees and managers returned the questionnaires after filling in it. The high response is attributed to the fact that the researcher personally administered the questionnaires through the human department of each organization. The researcher made follow ups and collected back the questionnaires.
4.1.2 Distribution of Employees by Gender

Table 4.2 Distribution of respondents by gender

<table>
<thead>
<tr>
<th>POSITION</th>
<th>EMPLOYEE</th>
<th>HR MANAGERS</th>
<th>totals</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>No.</td>
<td>PERCENTAGE</td>
<td>No.</td>
</tr>
<tr>
<td>MALE</td>
<td>144</td>
<td>56.25</td>
<td>12</td>
</tr>
<tr>
<td>FEMALE</td>
<td>112</td>
<td>43.75</td>
<td>11</td>
</tr>
<tr>
<td>TOTAL</td>
<td>256</td>
<td>100</td>
<td>23</td>
</tr>
</tbody>
</table>

Source: Research data

From table 4.1 above most of the respondents (56.25% for employees and 52.17% for HR managers) were male. Female employees were 43.75% and the HR managers were 47.83%.

4.1.3 Working Experience

Table 4.3. Working Experience

<table>
<thead>
<tr>
<th>Duration</th>
<th>Employee</th>
<th>HR manager</th>
<th>totals</th>
</tr>
</thead>
<tbody>
<tr>
<td>position</td>
<td>Less than one year</td>
<td>1-5 years</td>
<td>6-10 years</td>
</tr>
<tr>
<td>Employee</td>
<td>12</td>
<td>119</td>
<td>47</td>
</tr>
<tr>
<td>HR manager</td>
<td>6</td>
<td>4</td>
<td>11</td>
</tr>
<tr>
<td>Total</td>
<td>18</td>
<td>123</td>
<td>58</td>
</tr>
</tbody>
</table>

Source: Research data

From table 4.3 above, most employees have served their organizations for one to five years. The case is different for managers as most lie in the category of six to ten years. This is so because most employees in this industry are casuals unlike the managers who...
are employed on permanent basis. Another reason for this is that the tourism industry is seasonal and so are the jobs.

All the sampled organizations carry out performance appraisal. This is because they realize the importance performance appraisal in the motivation of their employees and also due to the fact that the results of the employees and also due to the fact that the results of the exercise are used for salary administration, transfers and placement.

4.1.4. Employees Response On How Often They Are Appraised

Table 4.4 Frequency of appraisal

<table>
<thead>
<tr>
<th>RESPONSE</th>
<th>No. OF RESPONSES</th>
<th>PERCENTAGE</th>
</tr>
</thead>
<tbody>
<tr>
<td>Monthly</td>
<td>23</td>
<td>9</td>
</tr>
<tr>
<td>After six months</td>
<td>96</td>
<td>37.5</td>
</tr>
<tr>
<td>Annually</td>
<td>137</td>
<td>53.5</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>256</strong></td>
<td><strong>100</strong></td>
</tr>
</tbody>
</table>

Source: Research data

From table 4.4 above, most (53.5%) of the employees are appraised annually. Some companies as noted do appraisal monthly with a major review at the end of the year. Most of these are hotels. The fact that sizeable percentage of companies carry out their appraisal after six months could be attributed to the fact that the industry is very seasonal and turnover high. This is in line with Mullins (2005) who observes that the frequency of appraisal should be related to the nature of the organization.
4.2 Top Management Support

4.2.1. Top management support for performance appraisal

Figure 4.1 Employees responses

Source: Research data

Figure 4.1 indicate that most (48.8%) of the employees rated top management support for performance on average. Only a small number (8.6%) indicated that there was no support from top management. Those who indicated no support might be those whom the top management never acted on their appraisal report.

Figure 4.2 Managers Responses
Figure 4.2 shows that most managers (52.2%) found top management support an average while a small number (13%) rated it good.

Figure 4.1 and figure 4.2 above shows that most employees and managers (48.8 % and 52.2% respectively) rate the top management support average.

This could be because top management does not always act on the recommendations made after the performance appraisal exercise.

Top management therefore must ensure that performance appraisal report in always acted upon by way of promotions, transfers, salary administration and counseling.

4.3 Methods used

4.3.1. The Methods Used For Performance

<table>
<thead>
<tr>
<th>RESPONSE</th>
<th>NO. OF RESPONSES</th>
<th>PERCENTAGE</th>
</tr>
</thead>
<tbody>
<tr>
<td>MBO</td>
<td>2</td>
<td>9</td>
</tr>
<tr>
<td>BARS</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>360 degree feedback</td>
<td>1</td>
<td>4</td>
</tr>
<tr>
<td>Upward feedback</td>
<td>4</td>
<td>17</td>
</tr>
<tr>
<td>Performance agreement</td>
<td>16</td>
<td>70</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>23</strong></td>
<td><strong>100</strong></td>
</tr>
</tbody>
</table>

Source: Research data

The most used method is performance agreement or contract (70%) according to table 4.5 above. This could be because as mentioned earlier these jobs are seasonal and employees
are usually employed on contract. No one organization used BARS because it concentrated on behaviour and ignored other performance aspects.

In order to carry out an effective performance appraisal exercise managers indicated the need to adopt a method that best suits the organization’s needs.

4.3.2. Employees Rating On Those Who Carry Out The Exercise

Table 4.6 Rating of appraisers

<table>
<thead>
<tr>
<th>RESPONSE</th>
<th>NO. OF RESPONSES</th>
<th>PERCENTAGE</th>
</tr>
</thead>
<tbody>
<tr>
<td>Very fair</td>
<td>8</td>
<td>3.1</td>
</tr>
<tr>
<td>Fair</td>
<td>204</td>
<td>79.7</td>
</tr>
<tr>
<td>Biased</td>
<td>44</td>
<td>17.2</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>256</strong></td>
<td><strong>100</strong></td>
</tr>
</tbody>
</table>

Source: Research data

According to table 4.6, most employees rate those who appraise them as fair (79.7%). 17.2% rated the exercise biased partially because those carrying out the exercise are not trained. Margaret (1996) observed that most managers’ lack training on appraisal and that is why they do not carry it out effectively.
4.3.3. Employee Rating Of The Appraisal Method Used

Table 4.7 Employee rating of appraisal method used

<table>
<thead>
<tr>
<th>RESPONSE</th>
<th>NO. OF RESPONSES</th>
<th>PERCENTAGE</th>
</tr>
</thead>
<tbody>
<tr>
<td>Excellent</td>
<td>11</td>
<td>4.3</td>
</tr>
<tr>
<td>Very good</td>
<td>38</td>
<td>14.8</td>
</tr>
<tr>
<td>Good</td>
<td>104</td>
<td>40.7</td>
</tr>
<tr>
<td>Fair</td>
<td>64</td>
<td>25</td>
</tr>
<tr>
<td>Biased</td>
<td>39</td>
<td>15.2</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>256</strong></td>
<td><strong>100</strong></td>
</tr>
</tbody>
</table>

Source: Research data

According to table 4.7, employees rate the method used differently. Majority rate it as good (40%) with only 4.3% rating it excellent. As Dessler (1999) observes, most performance appraisal methods neither motivate the employee nor guide their development and that is why only 4.3% rate it highly.

For employees to have more confidence on those who rate them, managers must carry out the exercise objectively and professionally.

4.3.4. Extent to which method used affects performance appraisal

All managers indicated that the method used affects performance appraisal.

In order for the performance appraisal exercise to be effective, managers indicated that it was necessary for top management to always act on the report of the exercise by giving promotions, salary increments, transfers and counseling to the employees.

Employees on their part felt that top management needed to approach the exercise professionally and action taken on the reports after the exercise.
4.4 Employee Perception Of The Performance Appraisal Exercise

4.4.1 Employee rating of performance appraisal

Table 4.8 Employee rating of the performance appraisal exercise

<table>
<thead>
<tr>
<th>RESPONSE</th>
<th>NO. OF RESPONSES</th>
<th>PERCENTAGE</th>
</tr>
</thead>
<tbody>
<tr>
<td>Very beneficial</td>
<td>55</td>
<td>21</td>
</tr>
<tr>
<td>Beneficial</td>
<td>161</td>
<td>63</td>
</tr>
<tr>
<td>Not beneficial</td>
<td>40</td>
<td>16</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>256</strong></td>
<td><strong>100</strong></td>
</tr>
</tbody>
</table>

Source: Research data

Table 4.8 indicates that quite a big number, 63%, of the employees find the exercise beneficial, 16% find it not beneficial while 21% find it very beneficial. Since most organizations use performance appraisal as the basis for promotion and salary administration (Stoner: 2003), action by top management on appraisal report may have influenced this response. Even where this is not the case, employees felt that if it was professionally done, it would be viewed as beneficial by the employees.

To ensure that all employees find the appraisal exercise beneficial, it is important for top management to always act on recommendations after the exercise. The exercise should also be structured such that it leaves little room for biased managers.
4.4.2 Managers response as to whether employee perception affects the performance appraisal exercise

A 100% of the managers believe that employee perception affects the appraisal exercise. This concurs with the literature reviewed where Sherman (1998) asserts that employees who believe the system is unfair may consider the exercise a waste of time.

4.4.3. Managers Opinion on How Employees View The Performance Appraisal Exercise

**Figure 4.3 Managers view on employee’s perception**

<table>
<thead>
<tr>
<th></th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Positively</td>
<td>83%</td>
</tr>
<tr>
<td>Negatively</td>
<td>17%</td>
</tr>
</tbody>
</table>

Source: Research data

Most managers according to figure 4.3 feel that most employees (83%) view the exercise positively and only 17% feel that employees view the exercise negatively. This is because mainly the employees did not show any resistance when the exercise was conducted. Those who viewed it negatively could have been influenced by employees who did not take much interest mostly because they did not find it beneficial.
It is therefore important to adopt measures which will ensure that managers can be able to accurately measure employees’ perceptions. An example would be to give questionnaires that do not require the employees to identify him/her.

In order to improve employee perception of the exercise, managers felt that it was necessary to involve employee in the preparation and execution of the exercise. They also felt that they needed to be honest and give feedback to the employees after the exercise. On the other hand the employees found it necessary for the managers to fully involve them during the exercise. They also felt that immediate feedback was necessary.
4.5 Organisational Politics

4.5.1 Employee and managers view on whether organizational politics affect performance appraisal

Both managers and employees were requested to give their views on whether organizational politics affect performance appraisal.

**Figure 4.4 Employee responses.**

[Diagram showing employee responses with 62.5% indicating organizational politics affected performance appraisal and 37.5% indicating they did not.]

Source: Research data

Most of the employees (62.5%) indicated that organizational politics affected performance appraisal.

**Figure 4.5 managers response**

[Diagram showing managers response with 78.3% indicating organizational politics did not affect performance appraisal and 21.7% indicating they did.]

Source: Research data
A big number of the managers (78.3%) indicated that organizational politics affected performance appraisal. Only a small number (21.7%) felt that organizational politics did not affect performance appraisal.

Both managers and employees find organizational politics to affect performance appraisal according to Figure 4.4 and 4.5. The figures indicate that 62.5% and 78.3% of employees and managers respectively find that the politics affect performance appraisal but it is against expectation that it is the managers who feel it affects most.

By structuring the performance appraisal system, there would be little room for biasness in the ratings.

4.5.2. Frequency of managers rating of employees on factors other than performance

Figure 4.6 Frequency of managers rating on factors other than performance

Source: Researchdata
Figure 4.6 shows that managers very often use factors other than performance to rate employees, (65.2%), indicated that they often used other factors to rate employees other than performance. Only 4.4 % stated that they had not used other factors to rate employees apart from performance. 30.4% indicated that they often rated employees on factors other than performance.

This is the case mostly because the relationships that managers develop with employees make it difficult for them to judge them fairly and that is why they use factors like ethnicity, gender and friendship among others to rate employees.
4.6 Personal goals

4.6.1. Setting of Goals

Table 4.9.0 Managers response on whether employees are involved in goal setting

<table>
<thead>
<tr>
<th>RESPONSE</th>
<th>NO. OF RESPONSES</th>
<th>PERCENTAGE</th>
</tr>
</thead>
<tbody>
<tr>
<td>Yes</td>
<td>20</td>
<td>87</td>
</tr>
<tr>
<td>No</td>
<td>3</td>
<td>13</td>
</tr>
<tr>
<td>Total</td>
<td>23</td>
<td>100</td>
</tr>
</tbody>
</table>

A big number of managers (87%) indicated that they involved employees in setting goals.

Table 4.9.1 Employees response on who sets goals

<table>
<thead>
<tr>
<th>RESPONSE</th>
<th>NO. OF RESPONSES</th>
<th>PERCENTAGE</th>
</tr>
</thead>
<tbody>
<tr>
<td>Self</td>
<td>103</td>
<td>40.2</td>
</tr>
<tr>
<td>Supervisor</td>
<td>56</td>
<td>21.9</td>
</tr>
<tr>
<td>Self and Supervisor</td>
<td>97</td>
<td>37.9</td>
</tr>
<tr>
<td>Total</td>
<td>256</td>
<td>100</td>
</tr>
</tbody>
</table>

Source: Research data

Most of the employees (40.2%) indicated that they set goals on their own. A small percentage (21.9%) indicated that the supervisor sets goals for them.

According to table 4.9.1, 40.2 % of employees set goals on their own while 37.9 % set them in collaboration with the supervisor. 21.9 % of the employees indicated that it is the supervisor who set goals for them. This information conflicts with the responses in table 4.9.0 where 87% of managers indicate that employees are involved in goal setting.
This could be explained by the fact that managers could have involved the employees minimally, and to them that is involvement, but the employee did not find it sufficient.

Employees and managers should set goals to be achieved together and this create responsibility and interest as the employee will not be seen as receiving orders on goals to achieve.

4.6.2. Effect of Personal Goals on Performance Appraisal

Table 4.9.2 Employees response on whether personal goals affect performance appraisal.

<table>
<thead>
<tr>
<th>RESPONSE</th>
<th>NO. OF RESPONSES</th>
<th>PERCENTAGE</th>
</tr>
</thead>
<tbody>
<tr>
<td>Yes</td>
<td>148</td>
<td>57.8</td>
</tr>
<tr>
<td>No</td>
<td>108</td>
<td>42.2</td>
</tr>
<tr>
<td>Total</td>
<td>256</td>
<td>100</td>
</tr>
</tbody>
</table>

Source: Research data

Many employees (57.8%) felt that personal goals affected performance appraisal with a good a number (42.2%) indicating personal goals did not affect the exercise.

All managers indicated that personal goals affected performance appraisal

According to the findings, most of the employees and managers felt that employee’s personal goals affect performance appraisal at 57.8 % and 100 % respectively. Whereas 100% of the managers agree on the issue, a sizeable number of employees, 42.2 % of employees felt that their personal goals do not affect the performance appraisal exercise.
A good number of employees agree that personal goals affect performance appraisal mainly because as much as there are organizational goals to be achieved, there are also personal goals which enhance individual’s social development.

Therefore the performance appraisal exercise should consider personal goals as important while setting standards to be achieved.

4.7 SUMMARY OF DATA ANALYSIS

Data analysis revealed that all sampled organizations carried out performance appraisal. This is a testimony to the importance these organizations put to performance appraisal. In some cases some employees were not involved in the setting of goals and this affected the effectiveness of the appraisal exercise. Feedback was found to be lacking and where it came, employees felt that it was late. A lot therefore needs to be done to ensure efficiency of the exercise.
CHAPTER FIVE

SUMMARY, CONCLUSION AND RECOMMENDATION

This chapter summarises the research findings, discusses the conclusion and also gives recommendations.

5.1 SUMMARY

The study findings indicated that performance appraisal is carried out in the tourism industry. Top management support was found to affect performance appraisal where employees and managers felt that the support that top management gave to the exercise was not adequate. They felt that top management should always act on the reports of the exercise and where possible facilitate the professionalization of the exercise.

The method used was also found to affect the appraisal exercise. The frequency and method to be used should be dictated to by the organisations environment. Since all the sampled organisations were in the tourism industry which is seasonal, the methods used were usually based on initially agreed performance and the frequency varied from monthly, after six months and annually. The method and frequency of appraisal should therefore be influenced by the prevailing environment.

Employee perception of the performance appraisal exercise was found to be a major factor. Most employees found the exercise beneficial but felt that more ought to be done in order to develop a better perception which in turn leads them taking the exercise seriously. Employee rating for the appraisal exercise was found to be good and only 4.3% rated it excellent. Only 15.2 % rated it biased and this indicates that more effort should be added on the side of management to improve the perception.
Another factor that was found to affect performance appraisal exercise was organisational politics. Managers admitted to having factors other than performance to rate the employees. These factors include personal relationships and attitudes of managers towards the employees. 79.7% of the employees rated those who appraised them as being fair although 65.2% of managers agreed that they had more often than not used factors other than performance to rate the employees. This indicates that employees understand managers to be human and are therefore bound to act that way.

Finally the research findings indicated that personal goals affected the performance appraisal exercise. All managers agreed that personal goals affected the exercise affected the exercise. A big number of 42% felt that their personal goals did not affect the exercise. This could be because they were not involved by management in the formulation of the performance appraisal programme.

5.2 CONCLUSION
The survey revealed that performance appraisal is carried out in most of the organisations and it was done annually. Majority of the employees felt that the exercise was very beneficial and more should be done to improve it while a minority did not find it very beneficial. Most respondents indicated that they would prefer that the performance appraisal exercise results should form the basis for salary increments and the award of other benefits.
The existing appraisal methods affected the performance appraisal exercise since the environment under which the sampled organisations operated was unpredictable. There was also a high turnover of employees due to the seasonality of the businesses. Employees’ personal goals are important and the management should put them into consideration as they formulate appraisal programmes. Employees should therefore participate in the formulation of these programmes. Management support should be enhanced by ensuring that the report after the exercise is acted on. Employees should always get feedback after the exercise.

Whereas the persons carrying out the exercise are human and are easily attracted to using factors other than performance in rating employees, this should be avoided in order to improve the perception of the employee on the process.

5.3 RECOMMENDATIONS

From findings of the study the following recommendations can be made:-

1. For an effective performance appraisal exercise to be conducted, the supervisor and the employee should work hand in hand. The ideas of concerned persons should be incorporated when designing an appraisal system. It is also good to use a method that is reliable since not all methods fit all situations.

2. The supervisor and employee should discuss the results of the exercise with an aim of improving employee performance. Such a discussion should be open. This is because people learn best when they are given adequate feedback as to how they are performing.
3. Those carrying out the exercise should detach their personal opinions on the employee and other stereotypes from the exercise. All employees should be judged on the basis of their performance and not the perceived ability or lack of it.

4. Managers should always attend training and refresher courses on performance appraisal in order to ensure that they carry out the exercise as effectively as possible.

5.5 SUGGESTIONS FOR FURTHER STUDY

During the study, the researcher noted that most tour companies do not carry out performance appraisal. The researcher also noted that there is a high turnover rate of employees in the tourism industry. He therefore recommends that further studies be carried out to establish:

1. Why tour companies rarely carry out performance appraisal.

2. Why turnover rate of employee in this sector is relatively high.
REFERENCES


New Jersey.


www.kenyatourism.org

www.tripadvisor.com
Dear respondent,

I am a postgraduate student studying MBA, school of business, Kenyatta University. I am conducting a research on performance appraisal in the tourism industry.

The purpose of this letter is to request you to fill in the questionnaire. The information given by you will be treated in strict confidence and at no time will your name or that of the organisation be referred to directly. This information will be used for academic purposes only.

Sincerely,

J. I. Kibiro
APPENDIX 1: QUESTIONNAIRE – HUMAN RESOURCE MANAGEMENT

Topic: An analysis of factors influencing performance appraisal in the tourism industry in Kenya (A case of selected firms in Mombasa)

INSTRUCTIONS

Please tick (✓) against your option or write in the space provided. You are allowed to tick more than once where more than one option is your choice. Where ‘others’ is your option, please specify.

SECTION A: GENERAL INFORMATION

1. Name (optional) ____________________________________________

2. What is your gender?

   Male ❑

   Female ❑

3. Company (optional) ____________________________________________

4. Designation ____________________________________________
5. How long have you been with the organization?

Below one year  

1-5 years  

5 - 10 years  

10 - 15 years  

Over 10 years  

6. Does your company carry out employee performance appraisal?

Yes  

No  

7. If the answer in (6) above is yes, how often do you carry out employee performance appraisal?

After a month  

After six months  

Annually
SECTION B: TOP MANAGEMENT SUPPORT SECTION

8. How do you rate top management support for the performance appraisal exercise?

- Excellent
- Average
- Good
- No support

Others. Specify ____________________________

9. What should be done to improve top management support?
SECTION C: METHOD USED

10. Which method do you use to conduct performance appraisal?

- Management By Objectives
- Behaviorally Anchored Rating System
- 360 degree feedback
- Upward feedback
- Performance agreement or contract
- Others specify

11. What guides you in selecting the method to use?

12. To what extent does the method used affect the exercise?

- A lot
- A little
- Not at all
13. Which method do you think gives the best results from the ones listed in (10) above.

 SECTION D: EMPLOYEE PERCEPTION OF THE PROCESS

14. How do the employees view the performance appraisal exercise?

   Positively

   Negatively

   Others. Specify

15. Do you think employee perception of the appraisal process affects the exercise?

   Yes

   No
16. What recommendations would you make to improve employee perception of the process?

SECTION F: PERSONAL GOALS

17. How do you set goals or standards to be achieved by the staff?

________________________________________________________

________________________________________________________

________________________________________________________

18. Do you involve employees in setting of goals?

   Yes          [ ]  

   No           [ ]

19 a. Do you think personal goals affect performance appraisal?

   Yes          [ ]  

   No           [ ]

b. If yes state in which way.

20. Suggest what should be done on goals to improve performance appraisal.
SECTION G: ORGANISATIONAL POLITICS

21. Do organizational politics affect performance appraisal?

   Yes   
   No    

22. How often have you rated an employee on the basis of factors other than performance?

   Very often 
   Often     
   Never    

23. How do you ensure that your ratings are not biased after the performance appraisal process?

________________________________________________________________________
________________________________________________________________________
________________________________________________________________________
APPENDIX II: QUESTIONNAIRE FOR THE EMPLOYEES

INSTRUCTIONS: Please tick against your option in the spaces provided. Where others is your option, please specify.

SECTION A: GENERAL INFORMATION

1. Name (Optional) ..........................................................

2. Which is your gender?
   Male
   Female

3. Designation

4. Institution (Optional)

5. How long have you worked with the organization?
   Below one year
   1- 5 years
   6- 10 years
   Over 10 years
SECTION B: EMPLOYEE PERCEPTION OF THE PERFORMANCE APPRAISAL EXERCISE

6. How often are you appraised?

- Monthly
- After six months
- Annually
- Others Specify

7. How beneficial is the exercise to you?

- Very beneficial
- Beneficial
- Not beneficial
SECTION B: METHOD USED

8. How do you rate the method used in performance appraisal exercise?

   Excellent
   Very good
   Good
   Fair
   Biased
   Others, Specify ________________________________

SECTION C: TOP MANAGEMENT SUPPORT

9. To what extent do you think top management supports employee performance appraisal?

   Excellent
   Average
   Good
   No support
10. If yes, how?

SECTION D: ORGANISATIONAL POLITICS

11. How do you rate the person who carries out the performance appraisal exercise on you?

Very fair
Fair
Biased

12. Do you think factors other than performance are used to rate employees?

Yes
No

13. If yes what should be done to correct the situation?

SECTION E: PERSONAL GOALS

14. Who sets the targets you are to achieve?

Self
Supervisor
Self and supervisor
15. Do your personal goals affect performance appraisal?

- Yes
- No

16. What should be done to make the process better?
APPENDIX III LIST OF FIRMS

HOTELS

1. Severin Sea Lodge
2. Bamburi Beach Hotel
3. Whitesands Hotel
4. Sun N sund Hotel
5. Mombasa Beach hotel
6. Nyali Beach Hotel
7. Alliance Africana Sea Lodge
8. Castle Royal Hotel
9. Royal Court Hotel
10. Tamarind
11. Travellers Beach Hotel
12. Voyager
13. Orchid Hotel
14. Kenya Beach Bay Hotel
15. Neptune Beach Hotel
16. Shanzu Bay Hotel
17. Dolphin Beach Hotel
18. Jadini Beach Hotel
19. Shelly Beach Hotel
20. Silver Star Beach Hotel
21. Diani reef Beach Resort

RECREATION CENTRES
1. Kenya Wildlife Services
2. Fort Jesus
3. Haller Park
4. Bombolulu workshops

TOUR OPERATORS
1. Ketty Tours
2. Kuldip Transport Company
3. African Safaris
4. Somak Safaris

5. Leisure Car Hire and Tours Safaris

6. Pollmans

7. Gibbran safaris ltd

8. Jahazi Marine ltd
## APPENDIX IV: BUDGET

### PROJECT

<table>
<thead>
<tr>
<th>ITEM</th>
<th>AMOUNT (KSH)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Transport</td>
<td>12 000</td>
</tr>
<tr>
<td>Typing and printing of project</td>
<td>14 000</td>
</tr>
<tr>
<td>Binding project</td>
<td>3 000</td>
</tr>
<tr>
<td>Fieldwork stationary</td>
<td>3 000</td>
</tr>
<tr>
<td>Sub total</td>
<td>32 000</td>
</tr>
<tr>
<td>Miscellaneous (5% of total cost)</td>
<td>1 600</td>
</tr>
<tr>
<td><strong>Grand total</strong></td>
<td><strong>33 600</strong></td>
</tr>
</tbody>
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## APPENDIX V: TIME SCHEDULE

### PLAN AND SCHEDULE OF ACTIVITIES

#### A. PLAN

<table>
<thead>
<tr>
<th>ACTIVITY</th>
<th>DURATION (WEEKS)</th>
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<tr>
<td>1. Pilot study</td>
<td>ONE</td>
</tr>
<tr>
<td>2. Adjustments</td>
<td>ONE</td>
</tr>
<tr>
<td>3. Data Collection</td>
<td>FOUR</td>
</tr>
<tr>
<td>4. Data Coding</td>
<td>THREE</td>
</tr>
<tr>
<td>5. Data Analysis</td>
<td>THREE</td>
</tr>
<tr>
<td>6. Report Writing</td>
<td>THREE</td>
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</table>
# B. SCHEDULE OF ACTIVITIES

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<tr>
<th></th>
<th>March</th>
<th>April</th>
<th>May</th>
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<tbody>
<tr>
<td>1</td>
<td>Pilot</td>
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</tr>
<tr>
<td>2</td>
<td>Adjustments</td>
<td></td>
<td></td>
</tr>
<tr>
<td>3</td>
<td>Data Collection</td>
<td></td>
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</tr>
<tr>
<td>4</td>
<td>Data Coding</td>
<td></td>
<td></td>
</tr>
<tr>
<td>5</td>
<td>Data Analysis</td>
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<td></td>
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<tr>
<td>6</td>
<td>Report Writing</td>
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<td>7</td>
<td>Report Preparation</td>
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<td>8</td>
<td>Report Submission</td>
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