

## **Performance Appraisal and Employees Productivity: A Study of Oke-Ogun Polytechnic Saki, Oyo State, Nigeria**

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### **Abstract**

**T**his study aims at investigating the effectiveness of the performance appraisal system at The Oke-Ogun Polytechnics Saki, with particular focus on how evaluation criteria, feedback, and linkage between appraisals and rewards affect employee motivation and productivity. To achieve its objectives of examining the effect of performance appraisal on workers' productivity and how the employee reward system associated with performance appraisal influences employee productivity in the polytechnic, the study deployed the use of survey questionnaire to elicit quantitative data from 236 respondents across the institution. Findings reveal that performance appraisal has a statistically significant and positive effect on workers' productivity at The Oke-Ogun Polytechnics Saki; and that employees who received regular feedback through appraisal sessions demonstrated higher engagement levels and task performance. The study therefore concludes that an effective performance appraisal system serves as a critical driver of employee productivity, as reward systems associated with performance appraisal play a decisive role in improving performance outcomes. It recommends that the management of the Polytechnic should institutionalize a structured, transparent, and regular appraisal process which involves continuous monitoring and timely feedback. The study equally suggests that the management should introduce digital platform that has the capacity of automating record.

**Keywords:** Performance-Appraisal, Employee, Productivity, Feedback, Reward

### **Introduction**

Globally, performance appraisal has been recognized as a fundamental component of human resource management, serving as a critical mechanism for assessing and improving workforce efficiency. Across developed and developing economies, organizations utilize performance appraisal systems to monitor employee contributions, identify strengths and weaknesses, and align individual performance with corporate strategies. The practice has evolved from traditional, supervisor-driven evaluations to more dynamic, multidimensional approaches that incorporate self-assessment, peer review, and 360-degree feedback (Aguinis, 2019). Performance appraisal is not merely an evaluative tool but also a developmental strategy aimed at enhancing motivation, fostering employee engagement, and supporting career progression. In many countries, it is integrated into broader talent management systems, linking employee performance to training, promotions, and compensation (Dessler, 2020).

By establishing a structured and periodic review of employee output against predefined goals and expectations, organizations worldwide leverage performance appraisal to drive productivity and sustain long-term growth. Over the years, organizations have continuously refined their performance appraisal methods to ensure fairness, accuracy, and effectiveness. Traditional performance evaluations often relied on subjective assessments by supervisors, which led to concerns about bias and inconsistency (Murphy & Cleveland, 2018). However, modern performance appraisal systems incorporate objective metrics, self-assessments, peer reviews, and 360-degree feedback mechanisms to improve evaluation accuracy and employee satisfaction (DeNisi & Smith, 2014).

In Nigeria, public Institutions face numerous challenges in optimizing Staff productivity. Despite the implementation of performance evaluation mechanisms, concerns remain regarding their effectiveness in fostering motivation and career development (Obisi, 2011). Many public Institutions struggle with bureaucratic, inefficiencies, inadequate training programs, and resistance to performance -related feedback, which hinder the potential benefits of appraisal systems (Akinbowale, Lourens & Jinabhai, 2013). Furthermore, cultural and Institutional factors influence how performance appraisal is perceived and implemented in Nigerian organizations. Studies suggest that in many public Institutions, performance evaluations are often seen as punitive rather than developmental (Ekwoaba & Ikeije, 2019). Employees may fear appraisals due to the possibility of negative repercussions, such as denial of promotions or punitive actions, rather than viewing them as opportunities for growth. This perception affects the overall effectiveness of performance appraisal in enhancing productivity.

Performance appraisal plays a vital role in enhancing employee productivity and organizational effectiveness. However, its success depends on factors such as transparency, fairness, reward systems, and the use of modern technological tools. Although performance appraisal is designed to serve as a tool for improving employee productivity and institutional efficiency, evidence from The Oke-Ogun Polytechnics Saki, suggests that its implementation has not fully achieved these objectives. There appears to be a limited empirical understanding of how performance appraisal practices at the Polytechnics directly influence employee motivation and productivity.

While performance appraisal is widely discussed in the Nigerian public sector context, little is known about its specific effectiveness in The Oke-Ogun Polytechnics Saki. This study, therefore, seeks to investigate the effectiveness of the performance appraisal system at The Oke-Ogun Polytechnics Saki, with particular focus on how evaluation criteria, feedback, and linkage between appraisals and rewards affect employee motivation and productivity. To achieve these, the study seeks to examine the effect of performance appraisal on workers' productivity at The Oke-Ogun Polytechnics Saki; and also examine how the employee reward system associated with performance appraisal influences employee productivity in the polytechnic.

## **Literature Review**

### **Performance Appraisal**

Performance appraisal is a structured process used by organizations to evaluate employees' performance in relation to predefined goals, competencies, and expectations (Dessler, 2020). It plays a crucial role in human resource management by providing a framework for assessing employees' contributions, identifying areas for improvement, and aligning individual

performance with organizational objectives (Murphy & Cleveland, 2018). Performance appraisal is not only a mechanism for measuring productivity but also a strategic tool for fostering employee motivation, engagement, and career development. Through periodic evaluations, organizations can identify high performers, recognize outstanding achievements, and support employees who need additional training or skill enhancement (Fletcher, 2020).

The concept of performance appraisal has evolved significantly over the years. Traditionally, organizations relied on a top-down approach in which supervisors provided subjective assessments of employees' performance based on personal observations and informal judgments (Murphy & Cleveland, 2018). While this method was widely used, it often led to concerns regarding bias, favoritism, and inconsistency in evaluations. Employees perceived these assessments as arbitrary and unfair, leading to reduced morale and dissatisfaction (Obisi, 2011). In response to these challenges, modern organizations have restructured performance appraisal processes to enhance objectivity, transparency, and fairness, ensuring that employee evaluations are based on measurable performance indicators (Aguinis, 2019). Modern performance appraisal systems incorporate multiple assessment tools that provide a more comprehensive and balanced evaluation of employee performance.

One widely used approach is 360-degree feedback, which gathers input from multiple sources, including peers, subordinates, supervisors, and even clients (DeNisi & Smith, 2014). This method reduces bias by incorporating diverse perspectives, making the evaluation process more holistic and credible. Another key aspect of modern performance appraisal is competency-based evaluations, which assess employees based on specific skills, behaviors, and competencies required for their job roles (Dessler, 2020). Unlike traditional methods that focus solely on outcomes, competency-based appraisals emphasize how employees achieve their results, fostering a deeper understanding of their strengths and developmental needs. This approach helps organizations ensure that employees possess the necessary competencies to succeed in their roles while also identifying gaps that can be addressed through targeted training and development programmes (Fletcher, 2020). Organizations that implement competency-based performance appraisals often experience improved alignment between individual performance and business goals.

### **Employee Productivity**

Employee productivity is a key determinant of an organization's overall performance and success. It refers to the efficiency with which workers complete their tasks and contribute to the achievement of organizational goals. According to Fletcher (2020), productivity is not only about the quantity of work produced but also the quality and the alignment of that work with the strategic objectives of the organization. High productivity is typically associated with motivated employees who are equipped with the necessary skills and resources to perform their tasks effectively. Moreover, employees who are engaged and satisfied with their roles tend to be more productive, which is why organizations invest in various strategies to enhance employee productivity (Armstrong & Taylor, 2020).

Several factors contribute to employee productivity, including motivation, job satisfaction, training, and a conducive workplace environment. Motivation, in particular, is crucial in driving employees to achieve higher levels of performance. When employees are motivated, they are

more likely to invest their time and effort into their work, leading to increased efficiency and output. Effective training programs are also essential for equipping employees with the necessary skills and knowledge to perform their roles effectively, thus boosting their productivity. Additionally, a supportive workplace environment, which includes adequate resources, a positive organizational culture, and clear communication, can help employees focus on their tasks and produce better results (Fletcher, 2020).

One of the most significant tools for enhancing employee productivity is a well-structured performance appraisal system. Performance appraisals help to set clear expectations by defining what is required for employees to succeed in their roles. When employees are provided with specific goals and performance metrics, they are more likely to understand what is expected of them and focus their efforts accordingly. Furthermore, performance appraisals provide a platform for constructive feedback, which is vital for improving employee performance. Feedback helps employees identify areas for improvement, reinforcing positive behaviors and addressing weaknesses. Studies by Ogunyomi and Bruning (2016) suggest that regular performance appraisals contribute to higher employee motivation by recognizing good performance and offering opportunities for growth. In addition to providing feedback, performance appraisals play a crucial role in rewarding high performing employees, which can significantly impact overall productivity.

### **Relationship between Performance Appraisal and Employee Productivity**

The relationship between performance appraisal and employee productivity is well-documented in organizational research, with studies highlighting that effective performance appraisal systems can positively influence productivity by improving motivation, clarifying job roles, and supporting professional development. Aguinis (2019) asserts that performance appraisal systems, when properly implemented, help employees understand their job expectations, leading to clearer goals and a sense of direction. This clarity often results in enhanced productivity, as employees are more focused and organized in their work. Moreover, when employees know that their performance is being regularly assessed, they are more likely to put in effort to meet the established standards, thereby improving their productivity.

One of the primary ways performance appraisals boost productivity is by increasing motivation. Motivation is a significant driver of employee performance, and performance appraisals provide a structured framework for recognizing and rewarding hard work. According to Armstrong and Taylor (2020), when employees receive positive feedback and recognition through appraisals, their motivation increases, encouraging them to maintain or improve their performance and assess whether employees are meeting expectations.

Research by Ekwoaba and Ikeije (2019) highlights that when performance appraisals are poorly designed or executed, they can lead to job dissatisfaction, resistance to feedback, and a decline in employee engagement. Employees who perceive performance appraisals as unfair or biased may feel demotivated, leading to disengagement and lower productivity. Furthermore, appraisals that lack objectivity or fail to provide meaningful feedback may make employees feel that their efforts are not being properly recognized, which can diminish their drive to perform at their best.

### **Empirical Review**

Kagotho (2018) examined the impact of performance appraisal on employee performance within the healthcare sector in Kenya, specifically at Gertrude's Children Hospital. The study employs expectancy theory and Maslow's Hierarchy of Needs theory as its theoretical frameworks, emphasizing the importance of feedback, goals, methods, and processes in performance appraisals. The research utilizes a descriptive research design and collects primary data through questionnaires administered to 100 employees. The study finds that performance appraisal feedback plays a critical role in measuring staff performance, and appraisal goals positively impact employee productivity.

Unmeshi and Vaishali (2021) examined the impact of performance appraisal on employee motivation and productivity. The research uses a descriptive design, collecting primary data from 100 respondents via structured questionnaires. The findings suggest that performance appraisal practices have a positive effect on employee performance, satisfaction, and productivity within an organizational environment that promotes a positive atmosphere. This indicates that performance appraisals, when well implemented, can lead to increased motivation and better overall productivity in the workplace. This work provides relevant insights by highlighting the positive effects of performance appraisal on employee motivation and productivity.

Istivani (2022) examines the influence of performance appraisals on employee productivity within Lebanon's retail sector. The research utilizes a quantitative approach, employing survey questionnaire distributed via Google Forms, and uses SPSS statistical tools for data analysis. The study focuses on two performance appraisal methods: 360 degree appraisal and management by objectives, exploring their relationship with employee productivity. The findings indicate a direct link between structured performance evaluations and improved employee motivation and productivity.

Naol (2023) investigates the impact of the Trakstar platform on employee productivity in Oromia Bank. The study focuses on four key independent variables Performance Management, Learning Management, Applicant Tracking, and Workplace Analytics highlighting their collective influence on employee productivity. Using a descriptive research design, the study surveys 203 employees, analyzing data through both qualitative and quantitative methods. It finds that performance management systems positively contribute to employee productivity, emphasizing the importance of employee development programs for long term organizational growth. However, the study acknowledges limitations such as the lack of expertise in performance management and poor evaluation criteria, which hinder the success of these systems.

### **Gaps in Literature**

Despite the extensive research on performance appraisal, certain gaps remain: while the body of literature on performance appraisal continues to grow, several key gaps still exist that hinder a complete understanding of its application and effectiveness, particularly within specific contexts. First, most research tends to focus on corporate organizations, leaving a significant gap in the application of performance appraisal systems in public institutions. For instance, studies exploring performance appraisal in Nigerian public institutions like The Oke-Ogun Polytechnics Saki remain scarce. Without a deeper exploration of these environments, it becomes difficult to develop performance management frameworks that cater to the distinct needs of public institutions.

## Research Methodology

This study adopts a quantitative survey research design to examine the effect of performance appraisal on employees' productivity among academic and non-academic staff of The Oke - Ogun Polytechnic Saki. The target population of the study are therefore, academic and non-academic staff of The Oke - Ogun Polytechnic Saki (TOPS), Oyo State, which also include the adjunct academics. The total number of staffs at the Polytechnic as at January, 2025 is 548. The breakdown of the population is represented in Table 1 below:

**Table 1: Breakdown of the Population by Cluster**

Cluster	Population
<b>Academic</b>	218
<b>Non- academic</b>	254
<b>Adjunct lecturer</b>	76
<b>Total</b>	<b>548</b>

Source: Registry, The Oke-Ogun Polytechnic Saki (TOPS), as at January, 2025

To determine the sample size, the Taro Yamane (1967) formula for sample size was used to arrive at a sample size of 236. A total number of 236 copies of questionnaire were distributed across the identified clusters in the polytechnic. Below is a table showing how the copies of questionnaire were allotted to each cluster:

**Table 2: Cluster, Population and No. of Allotted Questionnaire to Each Cluster**

Cluster	Population	No. of Allotted Questionnaire
<b>Academic</b>	218	94
<b>Non- academic</b>	254	109
<b>Adjunct lecturer</b>	76	33
<b>Total</b>	<b>548</b>	<b>236</b>

Source: Researcher's Field work, 2025

Data collected from questionnaire was analyzed using the Statistical Package for Social Sciences (SPSS). Inferential statistics, particularly correlation and regression analysis was used to test the relationship between performance appraisal and employee productivity. The reliability of the research instrument was tested using Cronbach's Alpha to determine the internal consistency of each construct. According to Hair et al. (2022), a Cronbach's Alpha value of 0.70 and above indicates acceptable reliability. The Cronbach's Alpha coefficients ranged between 0.867 and 0.901, exceeding the 0.70 threshold, which confirms that the instrument used for data collection was internally consistent and reliable for the analysis.

## Inferential Statistics Results

This section presents the inferential statistical results obtained from the analysis conducted using IBM SPSS Statistics version 30.0 (2024). The analyses were carried out to determine the impact of performance appraisal on employees' productivity in The Oke-Ogun Polytechnic Saki. The statistical procedures employed include Pearson correlation analysis and multiple regression analysis.

### Correlation Analysis

The Pearson correlation coefficients were computed to examine the strength and direction of relationships among key variables performance appraisal frequency, feedback and reward system as they relate to employee productivity.

**Table 3: Correlation Matrix**

Variables	1	2	3	4
1. Performance Appraisal Frequency	1.000			
2. Feedback System	0.662**	1.000		
3. Reward System	0.701**	0.728**	1.000	
4. Employee Productivity	0.735**	0.749**	0.776**	-0.601**

Note: Correlation is significant at the 0.01 level (2-tailed).

The results reveal strong and positive correlations between employee productivity and all key dimensions of performance appraisal. The highest correlation was found between reward system and employee productivity ( $r = 0.776$ ,  $p < 0.01$ ), and feedback system ( $r = 0.749$ ,  $p < 0.01$ ). This indicates that effective reward mechanisms and timely feedback significantly contribute to higher employee productivity.

### Multiple Regression Analysis

To determine the combined and individual effects of performance appraisal components on employee productivity, a multiple regression analysis was conducted with employee productivity as the dependent variable..

**Table 4: Coefficients of Regression**

Variables	Unstandardized B	Std. Error	Standardized Beta ( $\beta$ )	t	Sig.
Constant	0.421	0.132	—	3.182	0.002**
Appraisal Frequency	0.174	0.043	0.181	4.046	0.000**
Feedback System	0.218	0.049	0.234	4.449	0.000**
Reward System	0.256	0.047	0.268	5.447	0.000**

Note: Dependent Variable: Employee Productivity;  $p < 0.01$  (significant).

The regression coefficients reveal that all predictors have positive and statistically significant effects on employee productivity at the 1% level. The reward appraisal system recorded the highest standardized beta ( $\beta = 0.268$ ,  $p < 0.01$ ), indicating it is the strongest predictor of productivity. Similarly, the feedback system ( $\beta = 0.234$ ,  $p < 0.01$ ) significantly influence employee productivity, implying that fair and transparent recognition systems coupled with constructive feedback drive better performance outcomes. The frequency of appraisal ( $\beta = 0.181$ ,  $p < 0.01$ ) also positively affects productivity, suggesting that regular assessments maintain focus and accountability.

### Discussion of Findings

Objective One: Effect of Performance Appraisal on Employees' Productivity at The Oke-Ogun Polytechnics Saki. Findings revealed that performance appraisal has a statistically significant and positive effect on workers' productivity at **The Oke-Ogun Polytechnics Saki**. This indicates that when performance appraisals are properly conducted, employees are more likely to exhibit improved job commitment, efficiency, and overall productivity. The result aligns with Unmeshi

and Vaishali (2021) findings which reveal that performance appraisal practices have a positive effect on employee performance, satisfaction, and productivity within an organizational environment that promotes a positive atmosphere.

The study further established that employees who received regular feedback through appraisal sessions demonstrated higher engagement levels and task performance. This finding is supported by Kagotho, 2018 study, which revealed that performance appraisal feedback plays a critical role in measuring staff performance, and appraisal goals positively impact job satisfaction and employee productivity. At the Oke-Ogun Polytechnic Saki, periodic performance reviews create a sense of fairness and recognition that encourages Staff to invest more effort in their duties. Employees perceive appraisals as an indication that management values their contributions, thereby boosting morale and output. In summary, the result suggests that the performance appraisal system at the Oke-Ogun Polytechnic Saki plays a critical role in enhancing performance and motivating Staff to achieve higher levels of productivity.

**Objective Two: Influence of Employee Reward System Associated with Performance Appraisal on Employee Productivity.** Statistical analysis showed that the employee reward system, when linked with performance appraisal outcomes, significantly influences employee productivity. The result suggests that recognition, financial incentives, and promotion based on appraisal results enhance employee morale and job satisfaction. Findings from this study are consistent with the submission of Mensah and Ofori (2023) which revealed that linking appraisal outcomes to tangible incentives such as promotions, recognition awards, or salary increments increases employee motivation and productivity in public Institutions.

This implies that employees at the Oke-Ogun polytechnic are more driven when their performance reviews translate into meaningful recognition and compensation. In conclusion, this finding demonstrates that the linkage between performance appraisal and reward systems at the Oke-Ogun Polytechnic Saki significantly drives productivity. By rewarding excellent performance, the institution fosters a performance-oriented culture that encourages commitment, innovation, and efficiency.

## **Conclusion**

The study provides valuable insights into the relationship between performance appraisal and employee productivity within the Oke-Ogun Polytechnic Saki. Based on the findings, the study concludes that an effective performance appraisal system serves as a critical driver of employee productivity, as it helps to identify individual strengths and weaknesses, set clear goals, and enhance productivity. The results affirm that regular, objective, and well-structured appraisals contribute significantly to higher productivity levels among employees.

Furthermore, the study concludes that reward systems associated with performance appraisal play a decisive role in reinforcing positive behavior and improving performance outcomes. Employees tend to exert greater effort when they perceive the appraisal and reward processes as fair, transparent, and linked to measurable performance indicators.

## **Recommendations**

Based on the findings and conclusions of this study, the following recommendations are made in line with the two specific objectives:

### **i. Strengthening the Appraisal Process:**

Since the study established a strong positive relationship between performance appraisal and employee productivity, the management of the Oke-Ogun Polytechnic Saki should institutionalize a structured, transparent, and regular appraisal process. Clear performance indicators aligned with organizational goals should be developed, and employees should be informed about the criteria used in their evaluation. Continuous monitoring, timely feedback, and fair assessment will ensure that appraisals serve as a genuine tool for growth and motivation. Also, the management can introduce digital platform that has the capacity of automating record-keeping, data analysis, and performance tracking, thus reducing human bias and administrative delays. These systems could allow employees set their goals, track progress, and receive instant feedback, thereby fostering engagement, transparency, and accountability.

### **ii. Enhancing the Reward System:**

Given the significant influence of reward systems on productivity, the Institutions should ensure that performance-based rewards whether financial or non-financial are administered equitably and transparently. Merit-based promotions, training opportunities, recognition awards, and bonuses should be tied directly to appraisal outcomes. This approach will not only motivate employees but also enhance institutional efficiency and accountability.

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