

INFLUENCE OF PERFORMANCE APPRAISAL ON SERVICE DELIVERY IN TVET INSTITUTIONS IN WESTERN REGION, KENYA

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Abstract

Performance contracting was adopted in tertiary institutions as a tool for accountability and realization of service delivery when it first came into operational in the year 2008. However, the Government continues to experience the problem of delays and resistance of putting all its key institutions on performance contracting, most trade unions have come up with raft of demands that should be fulfilled by employers before the advice their members to sign these contracts. Service delivery suffers a great deal in terms of lateness, customer complaints, outright mismanagement of resources and compliance with set budgetary levels. The objective of the study was to examine the influence of performance appraisal on service delivery in TVET institution in the Western Region, Kenya. The study analyzed data by using both descriptive and

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inferential statistic. The target population constituted 1527 service providers with a sample size of 308 employees from eleven TVET institutions in the seven counties in Western Regions elected through purposive and stratified random sampling. The findings showed that there was a coefficient determination² = 0.359 which is between performance appraisal and service complaints in TVET institutions in western region. The value is statistically significant since it is higher than 0.01 significance level. This implies that when performance appraisals ratings are conducted it minimizes complaints from the service providers. The study recommends that in order to attain a predetermined level of standard of performance in TVET institution in Kenya

Keywords: performance appraisal, Pearson correlation, Tertiary institutions and Western region.

INTRODUCTION

A Performance Contract is a management tool for measuring performance against negotiated performance targets .It is a freely negotiated performance agreement between the Government ,acting as the owner of a public agency, and the management of the agency (CIDA,2001).The Performance appraisal specifies the mutual performance obligations, intentions and responsibilities of the two parties as a memorandum of understanding, since the MOU is rooted in an evaluation system through autonomy and accountability .It's a branch of management science commonly referred as management control systems. Mukherjee (2006) defines Service delivery as getting services as effectively and quickly as possible to the intended recipient. It implies a degree of excellence on the part of organization and is a hall mark of economies that moved past the production phase. Service delivery frame work is asset of principles, standards policies and constraints that is used to guide development, in the service industry the input is the customers and the output is the value added to the customers. Achieving superior performance through improved organization management has been the pre-occupation of management scientist sever since the time of F. W Taylor and Henry Fayol(1865-1915).Stakeholders-Agency theory is a major pillar to performance obligations in most institutions, since it helps to police contracts entered into between institutional managers and array of stakeholders(Hills,2001).According to(Grant,2010) who advocated for the resource based theory points towards four characteristics of resources and capabilities to enhance performance in organization, for example transparency, durability,

transferability and replicability which links the organization ability to sustain its competitive advantage. Performance contract in Kenya is a hybrid system borrowed from the international best practice and balance score cards. The best practice has been drawn from countries such as Korea, China, USA, UK, Morocco and Malaysia, but contextualized and domesticated to suit the native context (Obongo, 2009).

Objective of the study: Investigate the influence of performance appraisal on service delivery in TVET institutions in Western Region, Kenya.

Significance of the Study.

This study is going to pinpoint key players in tertiary institution whose performance should be monitored closely and enhanced through constant training, capacity building, and setting of targets and institutionalization of performance-oriented culture in order to enable the key stakeholders in TVET institution such as the trainees, the trainers, the government and other facilitators to attain vision 2030.

THEORETICAL FRAMEWORK

Robert Philips and Edward Freeman proponents of stakeholders' theory argued that an organization's performance, perhaps its survival depends on the relationships it forms with array of stakeholders. The Agency theory and Stakeholder theory points a paradigm that helped to explain the following principles, affirm strategic behavior, structures of management-stakeholders contracts, institutional structures that monitor and enforce contracts between managers and other stakeholders and evolutionary processes that shapes both management-stakeholders contracts (Hills, 2001). The Agency theory was primarily concerned with the relationship between managers and shareholders who include employees, customers, suppliers, creditors, communities and the general public. The paradigm encompasses the implicit and explicit contractual relationship between all stakeholders. Organizational governance as historically focused around the perspective of principals and managers and has traditionally pursued the goal of maximizing owner wealth (Hills, 2001).

These theories complimented each other in this study and were applied primarily to the principal and agent relationship in performance contracting in TVET institutions. The theory assisted in the understanding of the three contracts entered into in performance contracts in these institutions, the first contract was entered into between individual employee (agent) and the head of department (principal), the second contract between the head of department (agent) and head of institution (principal), and the third contract between the head of institution (agent) and Government ministry (principal). In the three contracts, the agent was expected to provide the institutions with time skills and human capital commitments, while the principal provided basic facilities and resources and expected value for money in exchange.

The Agency theory was relevant to this study when ascertaining agency costs in the areas of accountability, budgeting and audit systems. The agency costs aided governance structures to provide mechanisms that will police the explicit and implicit performance contracts through providing structures in legal apparatus (rules and guidelines framework), monitoring mechanism (board of governors) and monitoring mechanisms (Government and public oversight). The stakeholder theory was used in understanding the key parties and their role in performance contracting and how these contracts are evaluated and policed.

RESEARCH METHODOLOGY

Research Design

A qualitative survey was applied in order to contextualize and interpret the findings of the study, as the training institution chosen faced numerous challenges on administrative operations and employee dissatisfactions. Kothari (2004) a survey refers to the study of population through observations of its members and provides an insight to the problem.

Target population

The population of this study constituted some total of 1527 service providers in the eleven TVET institutions spread across the seven counties in the Western Region, Kenya representing the three main categories of employees. The first strata of service providers comprised the members of the administration, the principal, deputy principal, the registrar, dean of student and the head of departments. The second strata included all the members of teaching staff and the third strata

catered for non-teaching support staff. *Source: TVET Institution Principal, human resource records and staff return (2016)*

Sampling Procedure

The study applied both stratified sampling and Purposive sampling in order to involve different cadres of employees and inclusion of all departments. A purposive sample was used to select top institutional management and the head of departments who were major signatories to performance contracting documents and records. Stratified sampling was adopted by dividing employees into three main strata in relation to institutions academic and non-academic departments, teachers and non-teaching staff roles, duties and responsibilities in these institutions, so as to identify and allocate units based on information available on performance contracting and services delivered to customers

Sample size

The sample size comprised of 308 respondents. The Sample size was derived from Krejcie and Morgan table (1970) : adopted from Kenpro (2012) The sample frame was determined by the population of the service provider in each of the strata, the administrative staff, the teaching staff and non-teaching (support) staff representing staff in each institution and multiplied by the sample size of 308 and then divided by the total population of the study 1527. This was meant to show how the sample was distributed across TVET institutions in Western Region, Kenya among the service providers.

Research Instruments

Data was collected from both primary and secondary sources. Primary data collection instrument included survey questionnaire and interview guide and data types collected included responses from the key respondents representing the personal view of the administrative staff, teaching staff and non-teaching staff while secondary data was sourced from government publications and institutions human resource records and data types collected included the overview analysis and information of the study problem.

Reliability of the Research Instruments

The pre-testing of questionnaire was carried out on 30 respondents before administering the full-scale survey in the eleven institutions. The internal consistency of the questionnaire was determined through Cronbach coefficient alpha (Cronbach, 1951). The researcher chose it because it was commonly applied when multiple Likert scale questions were used in a survey. Calculating alpha required one test administration and was important in the evaluation of a questionnaire. The study adopted Cronbach alpha coefficient above a scale .70. Since alpha coefficient of $0.6 < \alpha < 0.7$ was (Acceptable) in relation to the rule of thumb for describing internal consistency.

Data Analysis Approach

Data was analyzed using descriptive and inferential statistics. In descriptive statistic, data was presented using frequencies and percentages. Mean and median were used to measure central tendency and standard deviation for measuring dispersion of the study sample. According to Amin, (2015) descriptive statistic utilizes numerical and graphical methods to look for pattern in a data set, so as to summarize and present the information in a convenient form.

FINDINGS & DISCUSSION

Table 4.1: The Gender Distribution among the Service Providers

Gender	Frequency	Percentage (%)
Male	205	66.6
Female	103	33.4
Total	308	100.0

In all the eleven TVET institutions, gender balance was skewed towards male employees at 66.6% constituting of 205 service providers and female employees at 33.4% constituting of 103 service providers. This can be attributed to the nature of courses and training offered which tend to attract more male trainees and trainers than their female counterparts. This confirms that

gender parity is a factor in performance management if these institutions are to be relied on in delivering timely and costless services.

The Influence of Performance Appraisal on Service Delivery.

The findings in respect to objective which sought to investigate the influence of performance evaluation on service delivery in TVET institutions in Western Region, Kenya by performance appraisal and monitoring and evaluation.

In Performance Appraisal the respondents were asked whether they regularly sign performance appraisals forms in line with service requirements. The results were shown in the table 4.5

Table4.5: performance appraisal

Appraisals	Frequency	Percentages (%)
Strongly Disagree	12	3.9
Disagree	58	18.8
Neutral	46	14.9
Agree	119	38.6
Strongly Agree	73	23.7
Total	308	100.0

38.6% (119) and 23.7% (73) of the respondents constituting mainly the teaching and Administrative staff agreed and strongly agreed respectively that they regularly sign negotiated self-staff appraisals forms in line with service requirements. Appraisals ratings outcome are used to assess, evaluate and measure the extent of service delivery on updated work records. 14.9% (46) were neutral indicating that at times they sign performance appraisal forms due to their work demands and some of them don't take the exercise seriously. 18.8% (58) of the respondents mainly members of non-teaching staff fail to sign these forms occasionally due to factors such as absenteeism and sheer neglect, while 3.9 % (12) are not aware and do not sign appraisals forms in these institutions due to the

fact that most of them (non-teaching staff) perform blue colour labour which the institution management find difficult to appraise. institution management find difficult to appraise.

Table 4.1: Influence of Performance Appraisal Rating and Service Costs

		Appraisal	Service costs
Appraisal ` tailed)	Pearson	1	.285(*)
	correlation(2-		.000
	N	308	308
Service cost ` tailed)	Pearson	.285(*)	1
	correlation (2-	.000	
	N	308	308

*Correlation is significant at the 0.01 level (2 tailed).

The findings showed that there was a coefficient of determination of $r^2 = 0.285$ between performance appraisal and service cost in TVET institution in western region. The value is statistically significant since it is higher than the 0.01 significance level. Performance appraisal rating only accounts for 28.5% of the total variation in service costs. This implies that when performance appraisal rating is done there is a slight reduction in service cost. The findings are in agreement with the study done by Frei and Harker, (1996) whose results indicated that there was strong correlation between process efficiency score and service delivery in retail banking in USA.

RECOMMENDATIONS

Based on the empirical evidence the study recommends that performance appraisal should be carried out in order to attain a predetermined level of standard of performance in TVET institution in Kenya, all service providers should be put on compulsory performance appraisal ratings and quality assurance tools deployed in all service sectors so as to precisely track and report on the extent of service delivery.

SUGGESTIONS FOR FURTHER STUDIES

This study recommends further research to be conducted on the factors affecting the implementation of performance contracting on service delivery in TVET institutions in Kenya.

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