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**Relationship between Performance Appraisal and Employee
Performance in Level Four Hospitals in Kisii County, Kenya**



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Relationship between Performance Appraisal and Employee Performance in Level Four Hospitals in Kisii County, Kenya

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ABSTRACT

Purpose: The study sought to investigate the relationship between performance appraisal and employee performance in level 4 hospitals in Kisii County.

Methodology: The research adopted a descriptive research design. The study target populations of this study was staff of level four hospitals in Kisii County while the study population was 1200 employees. The study adopted stratified sampling and Yamane formula to get 300 respondents. The researcher used questionnaires as the main data collection instrument.

Findings: The findings revealed that performance appraisal planning, methods, goals and feedback had a positive and significant influence on employee performance in level 4 hospitals in Kisii County ($\beta=0.253$; $p = 0.008$; $\beta=0.230$; $p = 0.008$; $\beta=0.272$; $p = 0.003$; $\beta=0.304$; $p = 0.001$ respectively).

Unique Contribution to Theory, Policy and Practice: The level four hospital administration through their human resource departments should devise new performance appraisals that factor in best practice and best criteria fit that are canvassed and agreed to by majority of employees. The level four hospital administration should ensure that employees receive consistent feedback, preferably within a month after filling in their performance appraisal forms. Performance appraisal should be transparent, timely and effective for employees.

Keywords: *Employee Performance, Performance Appraisal, Level Four Hospitals*

INTRODUCTION

Background of the Study

Performance appraisal is a crucial human resource management practice aimed at evaluating and enhancing employee performance. Globally, organizations across diverse sectors have increasingly embraced performance appraisal systems as strategic tools for managing human capital and improving organizational outcomes. In developed countries such as the United States and the United Kingdom, performance appraisal has evolved from traditional top-down assessments to more comprehensive and participatory approaches, integrating self-appraisal, 360-degree feedback, and performance-based incentives (Aguinis, 2019). These systems are designed not only to measure individual output but also to identify areas for professional growth, training needs, and promotion readiness, thereby fostering a culture of continuous improvement.

In the healthcare sector, performance appraisal is particularly vital given the high stakes involved in service delivery. Studies in countries such as Canada and Australia have demonstrated that effective performance appraisal systems contribute to enhanced job satisfaction, motivation, and accountability among healthcare workers (Armstrong & Taylor, 2020). These benefits ultimately translate into improved patient care and organizational efficiency. However, despite its importance, performance appraisal in many parts of the world remains inconsistent in practice, often hindered by poor implementation, lack of training, and resistance from employees.

In many African countries, public hospitals face persistent human resource challenges, including low motivation, poor supervision, and inadequate performance monitoring mechanisms. According to Agyepong *et al.* (2012), performance management in sub-Saharan Africa is often hindered by bureaucratic inefficiencies, lack of training, and inconsistent appraisal criteria. These issues affect employee morale and, consequently, the quality of healthcare services delivered to the public.

Kenya, like many other African nations, has made strides in institutionalizing performance appraisal systems in public institutions, including health facilities. The Ministry of Health introduced performance contracts and annual staff appraisals to enhance accountability and service delivery (Government of Kenya, 2018). In Level Four hospitals, which serve as key health delivery points at the county level, the appraisal process is intended to align individual efforts with organizational goals. Despite this, concerns persist about the objectivity and impact of appraisals on employee performance, particularly in rural counties such as Kisii.

Performance appraisal is a crucial component of human resource management that significantly influences employee motivation, productivity, and organizational effectiveness. In the context of healthcare institutions, particularly level four hospitals in Kenya, performance appraisal systems play a vital role in ensuring accountability, enhancing service delivery, and improving employee

performance. These hospitals, which provide specialized services at the sub-county level, rely heavily on efficient human resource practices to meet growing healthcare demands (MOH, 2020).

In Kisii County, level four hospitals form the backbone of the healthcare delivery system. They cater to a large population with diverse health needs, and their performance is largely dependent on the effectiveness of their workforce. However, the region continues to grapple with challenges related to employee motivation, job satisfaction, and performance, often attributed to ineffective appraisal systems (Gichuhi, Abaja, & Ochieng, 2014). A well-structured performance appraisal system helps align individual employee goals with organizational objectives, offering a basis for rewards, training, and development decisions.

Despite the implementation of performance management policies under Kenya's public sector reforms, many hospitals in Kisii County still face inconsistencies in the appraisal process. Issues such as favoritism, lack of feedback, unclear evaluation criteria, and inadequate follow-up have undermined the intended benefits of performance appraisal (Njanja, Maina, & Kibet, 2013). These challenges often lead to dissatisfaction among healthcare workers, reduced morale, and poor service delivery, which can negatively impact patient outcomes.

Statement of the Problem

Employee performance is a critical factor in determining the quality of healthcare service delivery, particularly in public health institutions such as level four hospitals in Kenya. Performance appraisal serves as a strategic human resource management tool aimed at evaluating and enhancing employee productivity by identifying areas of strength and improvement (Armstrong, 2014). Despite the increasing adoption of performance appraisal systems in public hospitals, there is growing concern over their effectiveness in achieving the desired improvement in employee performance.

In Kisii County, level four hospitals face persistent challenges related to staff motivation, accountability, and service delivery efficiency. Reports indicate that performance appraisal practices in these hospitals are often inconsistent, subjective, and disconnected from employee development plans or organizational goals (Public Service Commission of Kenya, 2022). These shortcomings have contributed to low staff morale, high turnover, and suboptimal patient outcomes, raising concerns about whether the current appraisal mechanisms are effectively enhancing employee performance.

Studies conducted in various Kenyan counties have shown mixed results regarding the impact of performance appraisal on employee output. For instance, Mwema and Gachunga (2014) found a significant positive relationship between regular performance appraisal and employee productivity in public organizations, while other studies such as Wanjiru (2020) highlight that poorly implemented appraisal systems may breed dissatisfaction and resentment among staff. This

inconsistency points to the need for localized research to assess the relevance, fairness, and effectiveness of appraisal systems in specific contexts.

Mohapatra & Sharma (2019) looked at the effects of performance appraisal on workers' productivity in the Indian banking industry, one of several studies that have addressed such questions. Similarly, Niu, Jiang, and Zhang (2019) used a survey approach and data from 300 employees to investigate the relationship between performance appraisal and employee performance in Chinese construction enterprises. Essandoh & Agyapong (2019) looked into the connection between performance reviews and productivity in Ghanaian telecom firms. Despite the critical role of performance appraisal in managing health workforce performance, there is limited empirical evidence on how these systems influence employee performance in level four hospitals in Kisii County. Without this understanding, hospital administrators may continue to implement ineffective appraisal strategies, resulting in underperformance and compromised healthcare service delivery. Therefore, this study sought to examine the relationship between performance appraisal and employee performance in level four hospitals in Kisii County, with the aim of generating insights that can inform policy and practice in the county's health sector.

General Objective of the Study

The study sought to investigate the relationship between performance appraisal and employee performance in level 4 hospitals in Kisii County.

Specific Objectives of the Study

The study specific objectives were as follows:-

- i. To find out the influence of performance appraisal planning on employee performance in level 4 hospitals in Kisii County, Kenya.
- ii. To determine the influence of performance appraisal methods on employee performance in level 4 hospitals in Kisii County, Kenya.
- iii. To find out the influence of performance appraisal goals on employee performance in level 4 hospitals in Kisii County, Kenya.
- iv. To assess the influence of performance appraisal feedback on employee performance in level 4 hospitals in Kisii County, Kenya.

LITERATURE REVIEW

Theoretical Review

The Expectancy Theory

Victor Vroom first proposed the expectancy theory in 1964; according to Li, S. (2024), it states that people act in response to their expectations of future success. To rephrase, the factors that motivate an individual to carry out a task are their belief in their own abilities to achieve the goal, their anticipation of receiving a reward, and the importance they place on that reward. Employees

are more likely to put in the effort necessary to attain set goals when they are financially rewarded based on their performance, according to this hypothesis. Bonuses, pay raises, or monetary incentives in the form of gift cards or vouchers might be among these benefits (Hanscom, 2020). When workers see that their efforts are paying off in the shape of a promotion or a raise in pay, they are more likely to keep up their excellent performance. They are motivated to consistently aim for greatness by this reinforcement. Furthermore, the notion states that employees are more motivated to work hard and accomplish their goals when their performance is linked to real, valuable rewards.

According to the expectation theory, workers are more likely to put in their best effort when they have a positive outlook on their skill level and a clear idea of the benefits they might anticipate from completing a task. Workers are more inclined to put in the necessary effort to accomplish a goal when they have faith in their ability to do so and value the benefits they stand to get (Hanscom, 2020). Supporting this principle and motivating people to perform at their best, firms can develop performance-based reward systems. Such benefits not only give workers a reason to put in the time and effort necessary to reach their objectives, but they also make them feel good about themselves afterward (Russo, 2017). Also, like other forms of positive reinforcement, performance-based rewards help spread the word about good deeds and discourage bad ones. Motivating workers to work harder and produce better outcomes is the prospect of receiving praise, advancement in rank, or monetary compensation for outstanding performance. This theory was applied in laying framework towards understanding performance appraisal process and employee performance.

Results Based Theory

The result-based theory of management served as the foundation for this investigation. Originally presented by Peter Drucker in the 1960s, it underwent an evolution in the 1970s to become the Logical Framework for the Public Sector. According to Kenneth J. (2002), Result-Based Management (RBM) is a management technique that attempts to improve productivity by implementing crucial changes in how organizations work. By ensuring that methods like feedback, goal planning, and training are used appropriately, performance appraisals strive to improve employees' productivity. Due to its focus on cost-effectiveness, this theory has found widespread application in the realm of performance evaluation benchmarking. Kenneth J. (2002) argues that RBM is distinct from other approaches like the Logical Framework Approach and Management by Objectives due to its emphasis on input, output, and outcome synchronization. According to (Ireland, 2003) and (Binnedjikt, 2000), RBM serves two primary purposes: first, to enhance management via learning and better decision making and planning; and second, to hold individuals accountable through performance reporting. They pinpointed that RBM is also largely applied for the purpose of performance appraisal; therefore it is from this suggestion by Ireland (2003) that the researcher intends to apply the RBM theory to explain the influence of performance appraisal methods on the employee performance.

Goal Setting Theory

Goal-setting theory was proposed by Edwin Locke and Gary Latham in 1968. In this view, setting and working toward specific objectives motivates people to perform better because they clarify the path to success and keep them focused on the end result. Furthermore, according to the theory, performance improves when objectives are both defined and difficult, as opposed to neither (Davis, 2023).

A person can be more successful if they have clear objectives, according to the goal-setting hypothesis put forward by Locke and Latham. Performance is enhanced when objectives are defined with precision and difficulty. Using this idea, you may set reasonable and attainable goals for your staff and encourage them to reach them. Managers can develop a sense of ownership and responsibility among employees by using goal-setting to set attainable targets and hold them accountable for their performance. Additionally, according to the theory (Gyepi-Garbrah, T., Preko, A., Mohammed, I., & Mohammed, 2023), goals should be agreed upon and tactics should be used to reach them. Employees are better equipped to focus their efforts and learn what needs doing when objectives are specific and quantifiable. The positive correlation between quantifiable objectives and performance can be further strengthened through the use of performance-based goal-setting. Thus, the goal-setting theory is applicable to the research since it stresses the significance of giving employees constructive criticism and clear, quantifiable objectives as part of performance appraisals. This theory can be adopted in the current study in identifying the link between performance appraisal goals and employee performance.

Social Cognitive Theory

Albert Bandura's social cognitive theory (SCT) is a theoretical framework in psychology that places an emphasis on the role of self-regulation, self-efficacy, and observational learning in comprehending and predicting human behavior. By bringing together theories of behavior, cognition, and social learning, SCT acknowledges people as dynamic entities impacted by their surroundings (Wang, Q., & Shao, 2024).

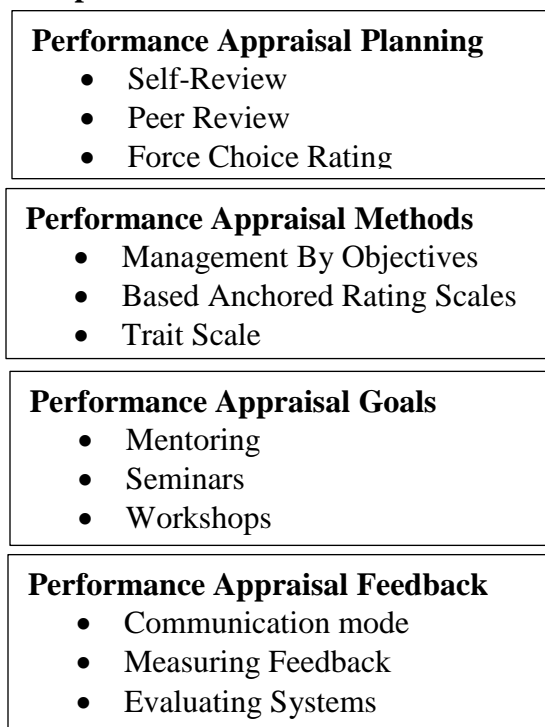
Performance appraisal feedback is shown to be useful in boosting employee performance according to SCT, which explains how individuals learn and improve their talents. Mehmood, Hasan, Ali, Nawaz, and Amjad (2024) state that SCT views performance appraisal feedback as an example of observational learning. That is, employees learn by seeing and analyzing the feedback they receive. By controlling their own actions based on this input, they are able to establish objectives and make plans to reach them. In the end, SCT believes that performance can be improved when workers believe they can achieve the goals set out in performance reviews.

Learning via observing and mimicking other people is known as observational learning or modeling, and it is central to SCT. Reward increases the likelihood that people imitated an action, whereas punishment decreases that likelihood, according to SCT. So, in the context of performance

reviews, feedback can be used to shape behavior by providing praise and criticism for excellent work. In addition, according to Akbari, Mokarami, Cousins, Taghanaki, Kaveh, and Jahangiri (2024), employees can benefit from performance appraisal feedback in two ways: first, by helping them define goals, and second, by providing them with evidence of how they are doing in reaching those goals. By offering guidance and inspiration, this form of feedback can boost workers' productivity. Feedback from performance reviews also allows workers to reflect on their actions, identify areas for improvement, and identify and implement solutions. Staff members can learn to improve their performance and adapt their actions when managers provide constructive criticism. Critical to raising productivity in the workplace is the feedback component of performance appraisals. In order to assist employees achieve their goals, track their progress, and reward good conduct, feedback is a valuable tool. Additionally, feedback can aid employees in learning from their mistakes and improving their overall performance.

Conceptual Framework

Independent Variables



Dependent Variable

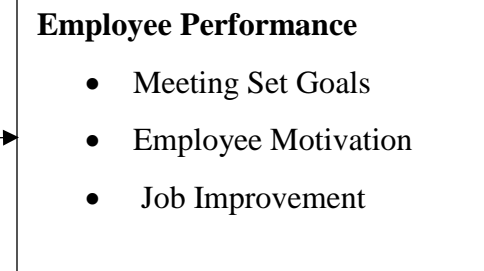


Figure 1: Conceptual Framework

Empirical Review

Kirai and Kisang (2016) sought to establish the effects of performance appraisals on employee motivation at Equity Bank in Kenya. The key finding was that objectivity of performance appraisal and feedback positively influenced employees' motivation. The study, however, did not explore

the link between motivation and employee motivation. Zayunet *al.*, (2017) conducted a study to examine the effect of Performance Appraisal on Employee Motivation in Plateau State Internal Revenue Service. The study adopted survey research design. The study only focused on a non-educational institution.

Mhurchu, Aston and Jebb (2010) investigated the effects of worksite health promotion interventions on employee diets focusing on a systematic review of participatory decision making noting that it remains a central theme in business, policy and practice research. A study by Sigei (2013) to determine the extent which 360-degree performance appraisal has been adopted in the banking sector in Kenya. The findings of the study indicated that the banking sector in Kenya has put in self evaluations and adoption of feedback by immediate supervisor. However, the reliance on consultants and subordinates to act as sources of evaluations in the 360-degree feedback appraisal has not commonly been taken up.

Wagancha and Maende (2016) conducted a study which sought to determine the effect of performance design and methods, employee perception and performance-based rewards on employee productivity. The general objective of this study was to establish the effect of performance appraisal systems on employee motivation in commercial banks in Kenya focusing on those based in Nairobi County. This study recommends the continued use of performance appraisals.

Lee, Sugimoto, Zhang and Cronin (2013) conducted a study on bias in peer review. They found out that a common misconception by management is that participation in decision involves simply asking employees to participate or make suggestions. Farrell (2013) conducted a study to investigate the effectiveness of performance appraisal among the consumer service companies in Ireland. The study established that employees were overly happy as they have to complete the performance appraisal.

Research Gaps

The reviewed empirical literature indicates that there is no specific study that has investigated the effect of performance appraisal on employee performance of level 4 hospitals in Kisii County, Kenya. Mwangi (2013) explored the general use of performance appraisal systems among commercial banks in Kenya. Though the study found that performance appraisals was carried out in the banks mostly quarterly the study did not quite show the link between the performance appraisals and employee productivity. Nyamboga (2016) evaluated the use of performance appraisals at National Bank of Kenya. The study found that the 360-degree appraisal method and management by objectives among other methods of performance appraisal greatly influenced employee performance at the bank. Maritim (2017) argues that organizational reforms and training were key to ensure good performance and productivity. It is therefore necessary to carry out investigation on the relationship between performance appraisal and employee performance in level 4 hospitals in Kisii County, Kenya.

RESEARCH METHODOLOGY

Research Design

The research was conducted using a descriptive research design. The study target populations of this study was staff of level four hospitals in Kisii County while the study population was 1200 employees. A stratified proportion sampling was employed to obtain a suitable unit representative of analysis. The sample size for the study was calculated according to the formula recommended by Yamane, (1967) resulting in a sample size of 300 respondents. The researcher used questionnaires as the main data collection instrument. The pilot testing was conducted using the questionnaire on 10 staff based at Kisii Teaching and Referral Hospital. Descriptive statistics such as mean and frequency distribution was used to analyze the data. Inferential statistics was used in drawing conclusions. Data in the questionnaire was analysed using frequency distributions and percentages to determine the respondent's responses. The data was analyzed by use of descriptive statistics. Specifically, means and percentages were employed by the researcher. The data analysis tools were simple tabulations and presentations of the report using spreadsheets. The data is presented using tables. Data was analysed using both qualitative and quantitative methods.

RESULTS AND DISCUSSION

Response Rate

The sample population of the study was 300 respondents. Out of these, 264 questionnaires were returned. This comprised of 88% of the questionnaires issued. Rogelberg & Stanton (2007) assert that for studies carried out at the organizational level, the acceptable data collection rate should be over 35%.

Table 1: Response Rate

Category	Frequency	Percentage
Response	264	88
Non Response	36	12
Total	300	100

Descriptive Analysis

Performance Appraisal Planning

The study aimed at assessing the influence of performance appraisal planning on employee performance of level four Hospitals in Kisii County, Kenya. The respondents were asked to indicate their level of agreement or disagreement with specific statements drawn from these aspects based on a 5-points Likert's scale.

The findings revealed that majority of the respondents indicated that appraisal planning is based on core competencies (79.6%) and Performance appraisal planning focuses on employee capabilities (69.4%). The respondents also agreed that there are adequate resources supporting performance appraisal planning as evidenced by a mean of 2.85 and a standard deviation of 1.19. Most of the respondents however agreed that Performance appraisal planning enhances employee performance (Mean = 1.59; Standard Deviation = .63). The findings imply that performance appraisal planning is upheld among employees working in level four Hospitals in levels in Kisii County.

Table 2: Descriptive Results on Performance Appraisal Planning

Statements	Strongly Agree	Agree	Neutral	Disagree	Strongly Disagree	Mean	Std. Dev.
Appraisal planning is based on core competencies	20.4%	59.2%	2.0%	17.3%	1.0%	2.19	0.99
Performance appraisal planning focuses on employee capabilities	11.2%	58.2%	5.1%	23.5%	2.0%	2.46	1.03
There are adequate resources supporting performance appraisal planning	13.3%	33.7%	12.2%	35.7%	5.1%	2.85	1.19
Performance appraisal planning enhances employee performance	46.9%	49.0%	2.0%	2.0%	0.0%	1.59	0.63

Performance Appraisal Methods

As the findings show, 93.8% of the respondents agreed that Performance appraisal adds value to employee performance while 82.7% agreed that Performance appraisal methods identifies training needs. The respondents further indicated that Performance appraisal methods enhances employee performance (Mean = 2.24; Standard deviation = 1.07; Agree and strongly agree = 74.5%). The findings further revealed that there is adoption of effective performance appraisal system as evidenced with a mean of 2.13 and standard deviation of .94. The findings imply that most of the respondents were fairly motivated by the performance appraisal methods adopted by level four Hospitals operating in Kisii County.

Table 3: Performance Appraisal Methods

Statements	Strongly Agree	Agree	Neutral	Disagree	Strongly Disagree	Mean	Std. Dev.
Performance appraisal adds value to employee performance	41.8%	52.0%	4.1%	2.0%	0.0%	1.66	0.65
Performance appraisal methods identifies training needs	27.6%	55.1%	9.2%	6.1%	2.0%	2.00	0.89
Performance appraisal methods enhances employee performance	23.5%	51.0%	5.1%	18.4%	2.0%	2.24	1.07
There is adoption of effective performance appraisal system	20.4%	60.2%	9.2%	6.1%	4.1%	2.13	0.94

Performance Appraisal Goals

As the findings portray, majority of the respondents (95.9%) agreed that Organization training policies are linked to performance appraisal goals. The respondents also agreed that Performance appraisal goals identifies training needs (74.5%) and that Performance appraisal goals improves employee performance (89.8%). Majority of the respondents indicated that Performance appraisal goals are achieved in the organization it as evidenced by a mean of 1.71 and a standard deviation of 0.70. The findings imply that most of the performance appraisal goals are mainly driven by training needs and training policies.

Table 4: Descriptive Results on Performance Appraisal Goals

Statements	Strongly Agree	Agree	Neutral	Disagree	Strongly Disagree	Mean	Std. Dev.
Organization training policies are linked to performance appraisal goals	43.9%	52.0%	4.1%	0.0%	0.0%	1.60	0.56
Performance appraisal goals identifies training needs	29.6%	44.9%	24.5%	0.0%	1.0%	1.97	0.79
Performance appraisal goals improves employee performance	42.9%	46.9%	10.2%	0.0%	0.0%	1.67	0.65
Performance appraisal goals are achieved in the organization	41.8%	45.9%	11.2%	1.0%	0.0%	1.71	0.70

Performance Appraisal Feedback

As the findings in Table 5 reveal, majority of the respondents (97%) agreed that Performance appraisal feedback is implemented in the organization. The respondents indicated that Performance appraisal feedback improves employee performance (Strongly agree = 37.8%; Agree = 54.1%; mean = 1.70; standard deviation = 0.61). Most of the respondents indicated that Performance appraisal feedback is used for improving next section appraisal as evidenced by a

mean of 1.96 and a standard deviation of 0.69. The respondents further indicated that Performance appraisal has an effect on staff performance had a mean of 1.69 and standard deviation of 0.58.

Table 5: Descriptive Results on Performance Appraisal Feedback

Statements	Strongly Agree	Agree	Neutral	Disagree	Strongly Disagree	Mean	Std. Dev.
Performance appraisal feedback is implemented in the organization	54.1%	42.9%	3.1%	0.0%	0.0%	1.48	0.56
Performance appraisal feedback improves employee performance	37.8%	54.1%	8.2%	0.0%	0.0%	1.70	0.61
Performance appraisal feedback is used for improving next section appraisal	25.5%	52.0%	22.4%	0.0%	0.0%	1.96	0.69
Performance appraisal has an effect on staff performance	36.7%	57.1%	6.1%	0.0%	0.0%	1.69	0.58

Employee Performance

As the findings portray, majority of the respondents (76.5%) agreed that the reward system at the hospital is linked to the results of performance appraisal. The respondents also indicated that there is a formal reward system in line with the performance appraisal policy. Most of the respondents agreed that process of rewarding performance is fair and objective (80.6%) while Promotions and salary increments are based on performance appraisal was indicated by a mean 1.70 and standard deviation of 0.52.

Table 6: Descriptive Results on Employee Performance

Statements	Strongly Agree	Agree	Neutral	Disagree	Strongly Disagree	Mean	Std. Dev.
The reward system in our hospital is linked to the results of performance appraisal	17.3%	59.2%	6.1%	15.3%	2.0%	2.25	0.98
There is a formal reward system in line with the performance appraisal policy	13.3%	54.1%	6.1%	23.5%	3.1%	2.48	1.08
The process of rewarding performance is fair and objective	17.3%	63.3%	4.1%	14.3%	1.0%	2.18	0.92
Promotions and salary increments are based on performance appraisal	32.7%	64.3%	3.1%	0.0%	0.0%	1.70	0.52

Inferential Statistics

Correlational Results of Study Variables

Table 7: Correlation among Study Variables

Variables		X_1	X_2	X_3	X_4	Y
X_1	Pearson Correlation	1				
	Sig. (2-tailed)					
X_2	Pearson Correlation	.393**	1			
	Sig.(2-tailed)	.000				
X_3	Pearson Correlation	.420**	.307**	1		
	Sig. (2-tailed)	.000	.000			
X_4	Pearson Correlation	.407**	.391**	.443**	1	
	Sig. (2-tailed)	.000	.000	.000		
Y	Pearson Correlation	.719**	.585**	.654**	.768**	1
	Sig. (2-tailed)	.000	.000	.000	.000	

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

Specifically, the association between performance appraisal planning (X_1) and employee performance is positive and significant ($r = 0.719$; $p = 0.00$). This implies that for every unit increase in performance appraisal planning, there is a positive increase of 0.719 in employee performance. Similarly, the association between performance appraisal methods and employee performance is positive and significant ($r = 0.585$; $p = 0.00$). This implies that for every unit increase in performance appraisal methods, there is a positive increase of 0.585 in employee performance. Additionally, the association between performance appraisal goals and employee performance is positive and significant ($r = 0.654$; $p = 0.00$) implying that for every unit increase in performance appraisal goals, there is a positive increase of 0.654 in employee performance. Lastly, the association between performance appraisal feedback and employee performance is positive and significant ($r = 0.768$; $p = 0.00$). This implies that for every unit increase in performance appraisal feedback, there is a positive increase of 0.768 in employee performance.

Model Summary

The model summary, ANOVA and the regression coefficients were used to test for the hypothesis. As the model summary results on Table 8 portray, the R squared for the model was 0.822. This implies that 82.2% of the variation in the employee performance of hospitals in Kisii County is as a result of the combined effect of performance appraisal planning, performance appraisal methods,

performance appraisal goals and performance appraisal feedback. The findings portray that there is a strong relationship between performance appraisal and employee performance of level four Hospitals in Kisii County, Kenya.

Table 8: Model Summary

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.907 ^a	.822	.814	.25936

a. Predictors: (Constant), performance appraisal planning, performance appraisal methods, performance appraisal goals and performance appraisal feedback

The Analysis of Variance results (ANOVA) results are as shown in Table 9. The results revealed that at a F-statistic of 107.448, the model was significant at a significance level of 0.000. This is an indication that the model could statistically significantly predict the relationship between performance appraisal planning, performance appraisal methods, performance appraisal goals and performance appraisal feedback and employee performance of level four Hospitals in Kisii County, Kenya.

Table 9: ANOVA Results

Model		Sum of Squares	Df	Mean Square	F	Sig.
1	Regression	28.910	4	7.228	107.448	.000 ^b
	Residual	6.256	260	.067		
	Total	35.166	264			

a. Dependent Variable: Employee Performance

b. Predictors: (Constant), Performance appraisal planning, performance appraisal methods, performance appraisal goals and performance appraisal feedback

The regression coefficients as shown in Table 10 revealed that Beta coefficient for performance appraisal planning was 0.253, the coefficient for performance appraisal methods was 0.230, the coefficient for performance appraisal goals was 0.272 while the coefficient for performance appraisal feedback was 0.30. The findings imply that a unit change in Performance appraisal planning, performance appraisal methods, performance appraisal goals and performance appraisal feedback could influence employee Performance by 25.3%, 23.0%, 27.2% and 30% respectively.

Table 10: Regression Coefficients

Model	Unstandardized Coefficients		Standardized t Coefficients		Sig.
	B	Std. Error	Beta		
(Constant)	-.115	.114		-1.012	.314
Performance Appraisal Planning	.253	.094	.244	2.699	.008
Performance Appraisal Methods	.230	.085	.197	2.716	.008
Performance Appraisal Goals	.272	.089	.269	3.074	.003
Performance Appraisal Feedback	.304	.092	.279	3.293	.001

a. Dependent Variable: Employee Performance

CONCLUSIONS AND RECOMMENDATIONS

Conclusion

The association between performance appraisal planning (X_1) and employee performance is positive and significant ($r = 0.719$; $p = 0.00$). The study concluded that for every unit increase in performance appraisal planning, there is a positive increase of 0.719 in employee performance.

The association between performance appraisal methods and employee performance is positive and significant ($r = 0.585$; $p = 0.00$). The study concluded that for every unit increase in performance appraisal methods, there is a positive increase of 0.585 in employee performance.

Additionally, the association between performance appraisal goals and employee performance is positive and significant ($r = 0.654$; $p = 0.00$) implying that for every unit increase in performance appraisal goals, there is a positive increase of 0.654 in employee performance.

Lastly, the association between performance appraisal feedback and employee performance is positive and significant ($r = 0.768$; $p = 0.00$). This implies that for every unit increase in performance appraisal feedback, there is a positive increase of 0.768 in employee performance.

Recommendations

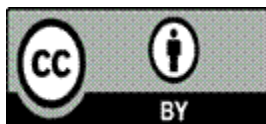
The level four hospital administration through their human resource departments should devise new performance appraisals that factor in best practice and best criteria fit that are canvassed and agreed to by majority of employees.

The level four hospital administration should ensure that employees receive consistent feedback, preferably within a month after filling in their performance appraisal forms. Performance appraisal should be transparent, timely and effective for employees.

The level four hospital administration should set goals that are challenging but attainable, specific rather than vague, goals should be measurable and clearly understood and employees should be involved in the process of setting their own goals in order to realize the required performance level. There is the need to develop a good feedback system, appropriate and adequately filing, discussing appraisal results, participatory appraisal rating system and design procedure to make employees aware of the appeal process.

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