

# The Influence of Performance Management on Staff Performance: A Case of Two Bureaucracies in Federal Public Service of Nigeria

**Ogbewere Bankole Ijewereme**

Department of Political Science and Public Admin., Faculty of Business and Social Sciences, Adeleke University, Ede, Nigeria

**Email address:**

[ijewereme4change@yahoo.com](mailto:ijewereme4change@yahoo.com)

**To cite this article:**

Ogbewere Bankole Ijewereme. The Influence of Performance Management on Staff Performance: A Case of Two Bureaucracies in Federal Public Service of Nigeria. *Journal of Public Policy and Administration*. Vol. 7, No. 2, 2023, pp. 98-108. doi: 10.11648/j.jppa.20230702.18

**Received:** April 7, 2023; **Accepted:** May 17, 2023; **Published:** June 27, 2023

---

**Abstract:** Management by Objective (MBO) theory suggests that for any organization to derive the best performance from the employees the components of performance management must be practiced. To investigate whether this argument applies to the public service organizations that have undergone performance reform, this study explores the influence of performance management on employees' performance in the FCS and NNPC of the federal public service of Nigeria. Data were obtained from management staff in FCS and NNPC in Nigeria and analyzed with t-test and multiple regression. The results showed that there is no significant difference between methods of performance appraisal in NNPC and FCS. It also revealed that the components of performance management such as training mechanisms and feedback on employees' performance among others have a significant influence on employees' performance. The study concluded that even though performance management influenced employees' efficiency, job satisfaction, productivity, and quality of services; the weaknesses diagnosed from employees' appraisal forms are not often linked with employees' training and development in both organizations. The theoretical and practical implications are discussed.

**Keywords:** Performance Management, Performance Appraisal, Employees' Performance, Human Resource Management, Public Service

---

## 1. Introduction

Annual Performance Evaluation Report (APER) is a major performance management tool, use for managing and measuring the performance of employees in the Nigerian public service [37]. APER is an open appraisal system, which incorporates the Management by Objective technique. In an open appraisal system, the appraisee's strengths and weaknesses are made known to him or her as well as his or her contributions and failures which are discussed with him or her during performance counseling, and interview, which serves to reveal and create self-awareness [8, 21, 47, 16]. Performance management helps the employee become more reflective and objective about himself and future planning, which enables him to establish an action plan for the coming year in terms of fixing targets, activities, responsibilities, and the areas the employee needs to improve through training [16, 37]. Besides, studies in OECD countries demonstrate that

performance management has been used to achieve improved quality management and effective government in many countries [33]. Even though studies show performance management has undergone challenges and difficulty in implementing the outcome of appraisal forms with employee training needs, including challenges of fairness and objective implementation in public and private organizations worldwide [8, 47, 16], managers are reluctant to abandon performance management appraisal which they still regard as the only matrix to know and improve the performance of employees as well as an essential tool of human resource management [32, 16].

More of the study where generalization is available adopts a qualitative method to generalize their findings across countries [12, 39]. It is quite infrequent to see studies that apply quantitative exploratory methods to explore any country's federal public service [17]. Besides, for some of Nigeria, notwithstanding robust engagement with the nexus of

performance management and staff performance, much of the less visible empirical study on the subject in Nigeria is often lost in a narrative dominated by the private sector [24]. Thus far, theoretical, and empirical explanations of the nexus between performance management and employee performance in Nigeria's Federal public service remain relatively unknown within the context of efficiency, productivity, and effectiveness. To bridge this gap, the following will be interrogated: Is there a significant difference between the methods of performance appraisal system in practice in FCS and NNPC of the federal public service of Nigeria? Is there a relationship between the components of performance management and employees' performance in the federal public service of Nigeria?

## 2. Literature Review

Over the past two decades, performance management has captured the central component of New Public Management and public policy in the literature on public administration [48, 12, 45]. Performance management encourages the idea of result-oriented management, together with the careful planning of targets and performance measures, incorporating them into the decision-making process, and using them to implement accountability for actions and results [19, 43].

Performance appraisal is an aspect of performance management that deals with a periodic appraisal of employees' performance, so the employees know their weaknesses and improve on the weaknesses while reinforcing their strengths [11]. Performance appraisal has two purposes. First, the appraisal has an evaluative/administrative purpose; it provides information for decisions relating to promotions, firings, transfer/deployment, dismissal, layoffs, demotion, pay increment or confirmation of appointment, and so on. For example, the present job performance of an employee is often the most significant consideration for determining whether to promote the person or not. Furthermore, performance appraisal provides information for the correct placement of employees, auditing management talents, and validating personnel decisions [27, 8].

Second, Performance appraisal is a developmental tool; it helps to identify individual employees' strengths and weaknesses, which in turn will prove helpful to determine the organization's overall training and development needs/program needed to address employees' weaknesses and deficiencies. It provides information that can be used in giving adequate counseling to employees, as well as provides a framework for improving organizational development by identifying employees with good, managerial potential and developing them in preparation for higher future responsibilities. In addition, it enables a supervisor to closely monitor their subordinates and motivate individual employees to know how well they have fared in the past years and how much effort they need to put in to achieve better performance [27, 8].

Nevertheless, Banjoko [7] complains that despite the significance of performance appraisal in the entire portfolio of

personnel/human resource management, the way it is structured and implemented in many organizations, particularly the public sector, will reduce its effect both as an administrative/evaluative and developmental tool. Banjoko laments that in most organizations, rarely is an attempt made to discuss constructively with employees whether expected results, as predetermined by the supervisor, were met, exceeded, or not with an explicit explanation of reasons for success or failure. Yet, today's employees want to know not only how suitable they are for the goals of the organization for which they work but also what aspects of self-improvement are needed in their performance [37].

Furthermore, performance management has become the central feature of contemporary governance. Components of performance management assist to address contemporary issues of governance in the areas of accountability, goal setting, transparency, and control in the public sector [34.] Certainly, performance measures are crucial components of several arrays of managerial interactions, demonstrated in such areas as human resource management and more recent decades, public institutions together with social and political systems [20, 34, 41, 43].

Within the political and public governance realm, performance management systems are managerial instruments through which policymakers and/or supervisors jointly set goals and performance indicators with their subordinates for the organization, define expected standards of behavior about targets, and apply tools to motivate supervisors and employees to realize the anticipated standards [5, 10]. Furthermore, performance management mechanisms have a direct influence on internal management, the deployment, and distribution of resources, decision-making processes, and leadership, while also encouraging institutional excellence in transparency and ethical behavior [33].

Theoretically, performance management is built on Management by Objective (MBO) theory. MBO is a performance management technique that suggests that for any public organization to achieve the best performance from the employees the components of performance management must be practiced by ensuring there is mutual identification of job-related goals and the measurement of the result against shared expectations, a constant review of goals and objectives, continuous coaching and social support mechanism, employees' training based on appraisal, and feedback on employees' performance [24]. Management by Objective (MBO) was introduced and popularized by Drucker in 1954 which transformed a manager's role from being a judge to an assistant in employees' and organizational development. According to Banjoko [8], usually, at the commencement of the planning stage, the manager and the subordinate jointly determine what goals and objectives are to be attained [44]. Similarly, they also clearly define what is expected of both from the angle of shared responsibilities and accountability for the results anticipated. Thus, if the subordinate is involved in goal setting, there is a likelihood to have a higher level of commitment and success [44]. Occasionally, during the assessment stage, the manager and subordinate review the

performance thus far and make needed changes in performance plans as may consider fit [44]. In doing this, the expected results are used as a means of evaluating each other's contribution. Thus, the prospects of deviations from established performance targets are minimized. At the end of the planning period, overall performance is reviewed; reasons for deviations (if any) are identified and noted [23].

In other words, management by objective is a model in performance management that acts as one of the most indispensable aspects of human resources practice [15]. Accordingly, performance measures are a means or a set of mechanisms by which employers hold any employees accountable for their efforts, or lack thereof, to perform the assigned jobs. Banjoko [8] posits that: whether in a public or a private sector, effective results and maximum individual employee performance is crucial to the organization's growth and survival. Performance standards or goals are established, and all employees are enjoined to strive individually and collectively toward corporate goal attainment. Consequently, there is a need for an individual staff's performance to be appraised against established goals or a specific set of behaviors. By appraising an individual's performance, areas of relative strengths can be identified and reinforced while areas of shortcomings can be communicated to the appraisees and be encouraged to redirect their work habits in a manner that is conducive to better performance growth [8, 24, 25].

Empirically, studies emanating from some public organizations in OECD countries on performance management demonstrate quality management and effective government across OECD countries. Three indicators were utilized to measure quality management and total evaluation of effective government according to Worldwide Governance Indicators 2013 and OECD 2013 [49, 33]. The first indicator uses the degree to which individuals of a particular country accepted its leadership. The findings demonstrate a wide difference across countries regarding the evaluation of their leadership. Switzerland (81%), Luxembourg (75%), Norway (67%), and New Zealand (64%) rated the quality of their leadership quite high, while countries such as Estonia (19%), Hungary (17%), Greece (15%) the Czech Republic (13%) respectively ranked their leadership quality quite poor [33]. The median index of leadership indicator across 35 OECD nations was within the region of 41% in 2012, which is of a relatively paltry level.

Second, two precise indices were used to measure effective government. The first was the WGI's indicator of quality regulation, which demonstrates citizens' thoughts about the ability of the government to formulate policies to ensure sectorial development. The indicator has existed since 1996 and has demonstrated a progressive rise in usage for several years in most nations. In 2012, the index shows that numerous nations were rated above 60 percent while only 7 countries out of 37 fell below that line [33]. The median scale across OECD nations was 73%.

Third, this has to do with the WGI's index of effective government, which demonstrates citizen thoughts concerning the quality-of-service delivery in the public sector, the quality

of the civil service and the extent of its independence from political pressures, the quality of policy preparation, formulation and execution, and the credibility of the government's commitment and dedication to the policies [33]. This composite indicator has also existed since 1996. In 2012, the measure shows that 24 countries out of 37 ranked between 90% and 70%, while just 7 countries scored less than 60%. The median score across OECD nations was 73% [33].

Furthermore, a study conducted by Wright, Gardner, & Mounihan [50] supports the popular view that organizations that manage human resources with more progressive employee performance management practices can expect to see an improved operational performance. Accordingly, performance feedback has a significant influence on employees' job satisfaction and team performance [2]. In a similar vein, there is a relationship between employee training and development practices and organizational performance [26, 42, 1].

However, the need to have an effective Performance Appraisal System in the management of employees' performance is supported by Nganga, Wanjiku, & Sakwa [36], Mullins [35], and Verbeeten [46] who are of the view that measuring the performance of staff is a mandatory responsibility as it enables an organization to have a record of recent organization's activity to allow a proper assessment of their improvement to redeploy plan and actualize organizational performance.

Several studies have also demonstrated the possibility of dysfunctions of this instrument notwithstanding its merit, by itemizing the danger of its misrepresentation and gaming of targets, measures, and information [19, 4]. For example, a study by Ali, [1] revealed a negative correlation between performance management appraisal and organizational performance within the context of Iraqi oil and gas companies. Ali attributed the negative relationship to the inappropriate practices of performance appraisal, and he assumed the appraisal system not to be based on performance criteria because of the negative political and organizational influence that often attempt to change the appraisal system in Iraqi oil and gas corporations. However, most of the studies on performance management mechanisms have not explored the mainstream of public service at the National level but seem to concentrate on empirical surveys at specific units such as health care, education, local government, and education in Britain, the United States as well as in oil companies in Iraqi.

Organizations in the public sector can adopt or adapt performance management in the private sector or modify them to suit their peculiarity [45]. Accordingly, performance management is very similar to the idea of strategic management [3]. There are considerable differences in the application of performance management between the public sector and private sectors in many ways. Managers in governmental organizations regularly challenge themselves with diverse issues and dilemmas more than those in private organizations. Most private organizations normally have a smaller size and fewer tasks than public institutions [32]. Managers in private organizations have a lot of flexibility, and

managerial autonomy to plan and implement clear contracts together with the terms intended to motivate their staff [33], Rajala, [40].

In a similar vein, performance management in a public corporation like the Nigeria National Petroleum Corporation (NNPC) is expected to have more private sector practices because NNPC came into operation on the need to expand the revenue base of the Nigeria public sector by managing it efficiently and profitably through the application of New Public Management that put more emphasis on private sector performance management. However, performance management in the Federal civil service of Nigeria is not strictly flexible since its focus and mission is not for profit making but to assist the government in policymaking and implementation. The Federal Civil Service and the Nigeria National Petroleum Corporation (NNPC) are bureaucracies in the Federal Public Service of Nigeria that are part of the economy which is controlled by the government on behalf of the state, to provide basic services and amenities to the citizens. Such amenities include but are not limited to welfare, infrastructure, security, social justice, education, health care, and a means of regulating or deregulating the economy. Consequently, the methods of performance appraisal in the two bureaucracies may not necessarily be different despite the differences in their focus and mission [24]. Since NNPC operates by new public management principles common with the private sector with varying differences from Federal Civil Service (FCS), the following hypothesis is therefore formulated:

*Hypothesis 1: There is a significant difference between the methods of performance appraisal system in practice in FCS and NNPC of the federal public service of Nigeria.*

Nevertheless, while organizations in the private sector focus on performance pay systems, governmental organizations struggle with the necessity to adopt all-inclusive components of the performance management approach which include planning, employees' performance appraisal, employees' training, feedback on employees' performance, and structural reorganizations [21, 18, 34] with mission fragmentation [40].

However, scholars have pointed out that a variety of empirical research on the connection between performance management and employees' performance in governmental establishments is inadequate, inconsistent, and inconclusive [33, 1, 40], with a dearth of empirical analysis of the relationship between the components of performance management and employees' performance in the public service within the Africa context, particularly Nigeria. Based on the above arguments, the following hypothesis is formulated:

*Hypothesis 2: The components of performance management significantly influence employees' performance in the federal public service of Nigeria.*

### 3. Methodology

#### 3.1. Materials and Methods

Data for this study were derived from senior public servants

in selected ministries in Abuja, specifically: the Ministry of Education, Health, Budget and National Planning, and Communication Technology in the Federal Civil Service of Nigeria (FCSN) and four departments in Nigerian National Petroleum Corporation (NNPC) such as Corporate Planning and Strategy, Engineering and Technology, Corporate Service and Commercial Investment in the head office in Abuja.

The federal public service of Nigeria is an especially interesting context in which to study the dynamics of the influence of components of performance management on employee performance. Performance management influences employees in Nigerian public service through the applicability of Management by Objective (MBO) theory builds on goal setting. The goals pursued by employees can trigger motivation, leading to superior performance [30]. From the viewpoint of psychology, goal setting assumes that all ambitious individuals have conscious goals that drive them and direct their thought and behaviors toward an end. Many establishments have been changed from small firms into Multinational Corporations because the employees and management are goal oriented. In a similar vein, many Nigerian civil servants were able to attain the peak of their careers today because they were goal oriented.

The origin of management by objective in the Nigerian Public Sector can be traced to the Udoji Reform Commission of 1972-74. According to Benson [9], the Udoji Commission was established in 1972 to carry out a study on Federal Government Reform Agenda, the term of reference was: The examination of the structures, organization, management, conditions of service, and training arrangement of the public service. His recommendation in 1974 implicated the cultural setting of the civil service and enunciated 'New Style Public Service'- result and performance-oriented. Recommendation of suitable management techniques: Project Management, Management by Objective (MBO), Planning Programming Budgeting System (PPBS), to adapt the service to the demands of development, recognition of the importance of personnel to efficient performance, and recommendation of appropriate recruitment and training. Udoji recommended Open Reporting System for employees' evaluation. The Udoji Commission introduced and emphasized merit as a yardstick for promoting officers in the Nigerian public service [9].

Furthermore, to concretize the Udoji recommendations of 1974, the 1988 Civil Service Reform and the Ayida Reform 1994 consolidated goal setting and performance appraisal system in the Nigerian public service organizations, which was premised on "objective assessment, subject to measurable job performance and demonstration of professional competence with effective rewards and sanctions" [14].

#### 3.2. Sample and Data Collection

To investigate the nexus between performance management and employees' performance in the Federal Public Service of Nigeria, a questionnaire survey was designed to capture the perceptions of middle and top management in selected ministries such as Education, Health, Budget and National Planning, and Communication Technology in the federal civil

service and National Petroleum Corporation (NNPC). The survey questionnaire was administered on a physical one-on-one basis between November 2021 to March 2022.

The method with proven success to collect data in the federal public service of Nigeria, such as a personal delivery and pick-up technique, was utilized for collecting data [25]. The researcher hired and trained two young promising scholars who just bagged their Ph.D. degrees as research assistants/agents full-time and led the team of the research agent for questionnaire administration and data collection from middle and top management staff in selected ministries in Abuja, specifically: Ministry of Education, Health, Budget and National Planning, and Communication Technology in the Federal Civil Service of Nigeria (FCSN) and four departments in Nigerian National Petroleum Corporation (NNPC) such as Corporate Planning and Strategy, Engineering and Technology, Corporate Service and Commercial Investment in the head office in Abuja.

### 3.3. Measurement

Data collected from the primary source were analyzed using the Statistical Package for Social Science (SPSS). Mixed method statistical analytical tools were used ranging from descriptive and inferential statistics such as frequency distribution, simple percentages, Mean, Standard deviation, Cronbach's alpha and Kendall's W tests, Multiple regression analysis, and four and five-point Likert scale. Four-point Likert scale, as well as the five-point Likert scale, was adopted because of its proven success to collect and analyze strategy formulation and implementation data from the Federal Civil Service of Nigeria (Ijewereme, 2018) with a precision that avoids single-source bias. The four-point Likert scale ranging from 4 (strongly agree), 3 (agree), 2 (disagree), to 1 (strongly disagree) was adopted to measure constructs in *methods of performance appraisal system in FCS and NNPC in the Public Service of Nigeria*. While the five-point Likert scale ranging from 5 (strongly agree), 4 (agree), 3 (indifferent) 2 (disagree), to 1 (strongly disagree) was adopted to measure constructs in *components of performance management and employees' performance in Nigerian Public Service*.

Data were collected from FCSN and NNPC, using two sets of questionnaires. Set 1, each organization was administered 245 questionnaires. Of the 490 questionnaires administered, 190 were retrieved from each of the two organizations, a total of 380 from both organizations to analyze the methods of performance appraisal system in NNPC and FCS to test the hypothesis which states: *There is a significant difference between the methods of performance appraisal system in practice in FCS and NNPC of the federal public service of Nigeria*.

The methods of performance appraisal in the two organizations were measured and compared by three variables such as appraisal by supervisors, employees, team, or a combination of raters; Annual Performance Evaluation Report (APER); and Management by Objective (MBO).

Set 2, each organization's senior management staff was administered 75 questionnaires. Of the 150 questionnaires administered, 60 were retrieved from FSC and another 60 from

NNPC respectively, totaling 120 questionnaires analyzed to examine the components of performance management and employees' performance in the Federal Public Service of Nigeria to test the hypothesis which says: *The components of performance management significantly influence employees' performance in the federal public service of Nigeria*.

The components of performance management were measured by 9 variables such as goal setting mechanism, stakeholders' participation in performance standard setting, job design, accountability mechanism, a constant review of goals and objectives, continuous coaching and social support mechanism, annual performance appraisal, employees' training mechanism, and feedback on employees' performance. Also, employees' performance was measured with efficiency, job satisfaction, productivity, and quality of services.

In addition, interviews were conducted to elicit information from FCS directors in four selected ministries and four managers in four selected departments in NNPC to complement questionnaire administration. Primary data collected were analyzed with simple percentage, frequency distribution, t-test, and multiple regression analysis. Interviews were analyzed qualitatively.

### 3.4. Reliability of Data

Reliability was evaluated using Cronbach's alpha and Kendall's W tests. The basic assumption of Cronbach's alpha test includes the Barlett test of sphericity and Kaiser-Mayer-Olkin. Cronbach's alpha and Kendall's W tests were used to test for internal reliability and degree of concordance. The variables were subjected to Cronbach's alpha and Kendall's W tests to obtain the internal reliability and consistency of the variables for the adequacy and reliability of the study. The reliability values for *components of performance management* were determined at Cronbach's alpha ( $>0.996$ ) and Kendall's W tests of (0.280\*), while the reliability values for *employees' performance* were determined at Cronbach's alpha 0.982 and Kendall's W tests of (0.14\*) for all scales suggesting a satisfactory degree of internal consistency.

## 4. Research Results

### 4.1. The Examination of the Methods of Performance Appraisal System in NNPC and FCS of the Federal Public Service of Nigeria

The first variable in Table 1 describes the frequency distribution of "appraisal can be done by supervisors, employees, team, or a combination of raters". The result obtained showed that both NNPC and FCS state officers agreed to this fact with 71.1% and 66.7% respectively. About 28.0% against 33.0% strongly agree, and no officer in the two civil Services disagreed with a mean score of 3.29 against 3.35 among the NNPC and the FCS Officers respectively.

Variable II, which was the Annual Performance Evaluation Report (APER) is a major parameter for measuring the performance of employees in Federal Public Service and

received a stronger strength of agreement. In all, 64.7% against 76.3% of the respondents strongly agreed, 34.2% against 23.7% agreed in NNPC and FCS and just 0.5% each were accounted for by disagree and Strongly Disagree in NNPC with a mean score of 3.63 against 4.00 for NNPC and FCS respectively.

For “Management by Objective (MBO) is one of the major methods used in performance appraisal in federal public

service”, the officers in both NNPC and FCS responded with majority agreement. To start with the least, 0.5% and 6.3% strongly disagreed and disagreed with NNPC while none of the officers disagreed with FCS. Among the majority who agreed to support this point, 13.7% against 20% strongly agreed while 79.7% against 77.4% agreed with a mean score difference of 3.07 against 2.97 among officers of NNPC and FCS states civil services respectively. See Table 1 (Insert Table 1 here).

**Table 1.** Examination of the Methods of performance appraisal system in FCS and NNPC in the Public Service of Nigeria.

S/N	VARIABLE	State	SA		AG		DA		SD		Total		Mean scores
			F	%	F	%	F	%	F	%	F	%	
1	The appraisal can be done by supervisors, employees, team, or a combination of raters	NNPC	54	28.4	135	71.1	-	-	-	-	100.0	185	3.2872
		FCS	63	33.4	126	66.7	-	-	-	-	100	188	3.3514
2	The annual Performance Evaluation Report (APER) is a major parameter for measuring the performance of employees in my civil service	NNPC	123	64.7	65	34.2	1	0.5	1	0.5	100.0	186	3.6296
		FCS	145	76.3	45	23.7	-	-	-	-	100	189	4.0054
3	Management by Objective (MBO) is one of the major methods used in performance appraisal in my civil service	NNPC	26	13.7	150	79.9	12	6.3	1	0.5	100.0	186	3.0745
		FCS	38	20.0	127	77.4	5	2.6	-	-	100.0	188	3.1720

#### 4.2. Testing Hypothesis 1

*There is a significant difference between the methods of performance appraisal system in practice in FCS and NNPC of the federal public service of Nigeria.*

The first hypothesis is shown in Table 1 below tests the alternative hypothesis which states that there is a significant difference between the methods of performance appraisal system in practice in FCS and NNPC against the null

hypothesis that is otherwise at 5.0% level of significance and 372 degrees of freedom. The computerized independent sample t-test is used.

Since  $P < 0.05$  for variables 1, 2 & 3 indicate no significant difference, the alternate hypothesis is rejected while the null hypothesis is accepted. Thus, it follows that there is no significant difference between the methods of performance appraisal system in practice in NNPC and FCS of the federal public service. See Table 2 for detail.

**Table 2.** Independent T-test for Hypothesis 1.

S/N	VARIABLE	SA	AG	DA	SD	Aggregate score	Total	Mean score	Standard Deviation	T-test	P-value
1	The appraisal can be done by supervisors, employees, team, or a combination of raters	116	261	-	-	1255	378	3.3201	.52083	1.189	.235
2	APER is a major parameter for measuring the performance of employees	267	109	1	1	1450	380	3.8158	2.08974	1.734	.084
3	MBO is one of the major methods used in appraisal*	64	297	17	1	1182	379	3.1187	.45906	2.123	.064

Source: Fieldwork March, (2022)

Degree of freedom= 372 \* means significant level  $P < 0.05$ .

#### 4.3. The Components of Performance Management and Employees' Performance in the Federal Public Service of Nigeria

Table 3. identifies the components of performance management, the reliability results, and Kendell's coefficient of concordance for the variable under analysis. The coefficients of concordance indicated that about 28% of the respondents in NNPC and FSC of the federal public service of Nigeria had a parallel view concerning what constitutes components of performance management in the public service. However, in general terms, 98% of the respondents agreed that the listed components of performance management are important in the federal public service of Nigeria.

According to the value of weighted means score (WMS)

given in Table 3, all the 9 components of performance management were considered to have above 3.00. in all, the WMS ranges from 4.41 to 4.47 with standard deviation ranges between 0.59-0.63. The finding indicates that staff in the federal public service generally agreed that performance management components are made up of “Goal setting mechanism (4.43±0.59); Stakeholders' participation in performance standard setting (4.42±0.59); Job design (4.45±0.59); Accountability mechanism (4.43±0.59); Constant review of goals and objectives (4.45±0.59); Continuous coaching and social support mechanism (4.45±0.59); Annual performance appraisal (4.45±0.59); Employees' training mechanism (4.47±0.59); and Feedback on employees' performance (4.47±0.59).

The result of reliability analysis demonstrates the employee performance in federal public service, it reveals a Cronbach's

alpha (0.982) which indicates good instruments and proper capturing of information. Besides, Kendall's W test result shows coefficients of concordance value (0.14) which implies that insufficient respondents (14%) had a similar view about

the employees' performance in federal public service. However, their opinions were limited to agreed and strongly agreed only which were all pointing in a similar direction (agreement). For more information.

**Table 3.** Table showing Components of performance management and employees' performance in Nigerian Public Service.

S/N	Item	SA 5	A 4	I 3	D 2	SD 1	W.M. S	Std. Dev.	Cronbach's Alpha/ (Kendall's W)
Components of performance management									
1	Goal setting mechanism	56 (46.7)	62 (51.7)	02 (1.7)	-	-	4.43	0.59	0.996 (0.280*)
2	Stakeholders' participation in performance standard setting	55 (45.8)	63 (52.5)	02 (1.7)	-	-	4.42	0.59	
3	Job design	58 (48.3)	60 (50.0)	02 (1.7)	-	-	4.45	0.59	
4	Accountability mechanism	56 (42.7)	62 (51.70)	02 (1.7)	-	-	4.43	0.59	
5	Constant review of goals and objectives	58 (48.30)	60 (50.0)	02 (1.7)	-	-	4.45	0.59	
6	Continuous coaching and social support mechanism	58 (48.30)	60 (50.0)	02 (1.7)	-	-	4.45	0.59	
7	Annual performance appraisal	58 (48.30)	60 (50.0)	02 (1.7)	-	-	4.45	0.59	
8	Employees' training mechanism	61 (50.8)	57 (47.50)	02 (1.7)	-	-	4.47	0.59	
9	Feedback on Employees' Performance	56 (46.7)	59 (49.2)	03 (2.5)	02 (1.7)	-	4.41	0.63	
Employees' Performance in Nigerian Public Service									
1	Employees' efficiency has been enhanced through the timely delivery of programs and services	51 (42.5)	67 (55.8)	02 (1.7)	-	-	4.41	0.53	0.982 (0.14*)
2	Employees' job satisfaction has increased	51 (42.5)	67 (55.8)	02 (1.7)	-	-	4.41	0.53	
3	Employees' productivity has improved	51 (42.5)	69 (57.5)	-	-	-	4.42	0.50	
4	Employees' services have improved qualitatively	53 (44.2)	67 (55.8)	-	-	-	4.44	0.50	

Source: Fieldwork March, (2022)

#### 4.4. Testing Hypothesis 2

*The components of performance management significantly influence employees' performance in the federal public service of Nigeria.*

Table 4 shows the multiple regression analysis for the influence of components of performance management on employees' performance in the federal public service of Nigeria. According to the table, F-test (34.54) was significant ( $P < 0.05$ ), therefore, the hypothesis is accepted, which implies the components of performance management significantly influence employees' performance in the federal public service of Nigeria.

The regression results also confirmed that components of performance management itemized in this study can only explain 69% variability in employees' performance. Furthermore, Employees' training mechanism ( $\beta = 0.77$ ) and

Feedback on employees' performance ( $\beta = 0.42$ ) were significant items ( $P < 0.05$ ) and positively affected employees' performance in the dimension of efficiency, job satisfaction, productivity, and quality of services in federal public service of Nigeria. If there is a 1% improvement in the employees' training mechanism, a corresponding 77% improvement in employee performance (in the dimensions of efficiency, job satisfaction, productivity, and quality services) would follow, and if a percent increase is experienced in the feedback on employees' performance, this would lead to 42% rise in employees' performance in the same performance dimensions in the federal public service of Nigeria. This means that the industry must pay careful attention to these two components of performance management to enhance employees' efficiency through the timely delivery of programs and services, job satisfaction, productivity, and quality services. See Table 4 for statistical detail.

**Table 4.** Regression results show the influence of components of performance management on employees' performance in the federal public service of Nigeria.

Components of performance management		Employees' performance			
		Std. $\beta$	T	R <sup>2</sup>	P-value
			-27.24	0.69	34.54
1	Goal setting mechanism	0.73	0.88		0.38
2	Stakeholders' participation in performance standard setting	-0.97	-1.22		0.22
3	Accountability mechanism	-0.24	-0.72		0.47
4	Constant review of goals and objectives	0.47	0.90		0.37
5	Continuous coaching and social support mechanism	0.26	0.40		0.69
6	Annual performance appraisal	-0.60	-1.48		0.14
7	Employees' training mechanism**	0.77	2.32		0.02
8	Feedback on employees' performance **	0.42	2.08		0.04

#### ***4.5. Descriptive Analysis of Data from Interview Conducted on the Influence of Performance Management Appraisal System on Employees in the Study Areas***

On the effect of MBO being an instrument for the identification of job-related goals between supervisor and subordinate at the beginning of a new year and the measurement of their results against shared expectations at the end of the year in the public service as recommended by the Udoji Commission of 1972-74 in Nigeria". Both organizations key officers agreed that MBO practice is in their civil services but further responded that hardly their civil services set clear goals at the beginning of a new year.

However, key officers in FSC and NNPC interviewed agreed that the Annual Performance Evaluation Report (APER) helped to diagnose employees' strengths and weaknesses, but the probing question was subsequently asked such as (do your organization makes frantic effort to train subordinates in line with the report of weaknesses diagnosed from subordinate' appraisal form?). The responses from both organizations centered on a lack of funds and hardly their public service train staff according to the weaknesses of each subordinate, that what is common is group training through the workshop, seminars, on-the-job training, and off-the-job training through the acquisition of parallel certificates/degrees without on some occasions not taking cognizance of individual training needs in their respective APER form. This finding affirms the lamentation of Banjoko [7] on his claim that many public organizations in Nigeria emphasize more on training without paying special attention to each employee's weaknesses diagnosed in APER and that it is the outcome of employees' appraisal that is supposed to reveal training needs. Both organizations agreed to the interview question that employee appraisal is a means to reward employees, especially around promotion.

## **5. Discussion**

This study examined the influence of performance management on employees' performance in the Federal Civil Service (FCS) and Nigerian National Petroleum Corporation (NNPC) of the federal public service of Nigeria. The research is anchored on Management by Objective (MBO) theory which suggests that for an organization to derive the best performance from the employees the component of performance management must be practiced – where there is mutual identification of job-related goals and the measurement of the results against shared expectations by stakeholders (employees and managers) [24]. MBO presupposes that uniform regular/annual performance measures must be used to know the weaknesses and the strengths of employees to reinforce the strengths and improve on the weaknesses through training and feedback mechanisms [24]. To this extent, the study investigated the method of the performance appraisal system and the influence of performance management on employees' performance in the

selected two bureaucracies. Findings from the study t-test analysis indicated no difference in the methods of appraisal used in both organizations, while multiple regression analyses demonstrated that the components of performance management such as training mechanism, a constant review of goals and objectives, stakeholders' participation in performance standard setting, and annual performance appraisal among others significantly influence employees' performance in federal public service of Nigeria. Besides, the study interview demonstrated that while Annual Performance Evaluation Report (APER) helped to diagnose employees' strengths and weaknesses but hardly did the selected organizations trained staff according to weaknesses in their APER form. From the foregoing, it is axiomatic that these results have significant theoretical and practical implications.

Management by Objective (MBO) theory as a framework in performance management studies provides a comparative premise to analyze diverse dynamics of the practice of components of performance management. However, a handful of extant research has methodically analyzed the nexus between diverse MBO practices regarding performance management in the public sector performance. The few available studies so far have concentrated on the nexus between performance management and leadership quality, quality regulation, the quality-of-service delivery, and the quality of the civil service in the public sector in OECD countries [49, 38, 33]. However, scholars have pointed out the nexus between performance management and employees' performance in the public sector, such studies are inadequate, inconsistent, and inconclusive [33, 1, 40], with a wide dearth of empirical analysis of the relationship between the components of performance management and employees' performance in the public service within emerging economics like Nigeria. This study does not only fill the gap the in the subject matter but also situates the study in an African country (Nigeria) by showing that goal-setting mechanism, stakeholders' participation in performance standard setting, a constant review of goals and objectives, annual performance appraisal among others have significantly influenced employees' performance through increased job satisfaction, timely delivery of programs, improved productivity, and enhanced quality of services in the federal public service of Nigeria. Although the study demonstrated the successful implementation of performance management in the Nigerian public sector, the interview seems to indicate that weaknesses diagnosed from staff evaluation forms are not often connected to staff training and development needs. Since the organizations under review are not completely ensuring appraisal outcome being the sole determiner of training needs, the implication is that there is the likelihood of the organizations putting the cart before the horse and are in turn stifling genuine individual and organizational growth, thereby depriving honest employees' excellent growth and development [7, 8, 24].

This study stresses that organizations in the public sector utilize diverse blends of components of performance management and that those mixtures can have far-reaching

implications on employees' performance in public service organizations. Prominently, organizations who pay careful attention to components of performance management particularly the performance appraisal unit as well as training staff according to weaknesses from their evaluation form are likely to enhance employees' efficiency through timely delivery of programs and services, job satisfaction, productivity, and quality services.

Public policy-makers in search of enhanced efficiency, effectiveness, and productivity of employees of federal public service ought to accordingly put into consideration dynamic goal-setting mechanism, stakeholders' participation in performance standard setting, appropriate job design, accountability mechanism, a constant review of goals and objectives, continuous coaching and social support mechanism, annual performance appraisal, employees' training mechanism, and feedback on employees' performance.

Besides, demonstrating the possible advantages of performance management, these results likewise confirm the worth of management by objective theory as a prominent instrument for examining performance management and public service performance in the African context. This theory is effective in Federal Civil Service (FCS) and Nigerian National Petroleum Corporation (NNPC) because of NPM reforms in the federal public service of Nigeria. It is likewise possible that performance management is particularly fruitful in federal public service because management by objective has been in practice in the Nigerian Public Sector since the Udoji public service reform commission of 1972 [9, 24, 25]. Other factors for the successful performance management implementation could be attributed to the strategic leadership demonstrated by President Olusegun Obasanjo at the inception of strategic planning and economic management in 2004 when he assembled outstanding Nigerians all over the globe as members of his cabinet, and subsequently designed performance management strategic plan document that emphasizes employees' performance which was sustained by successive administrations to date [25].

However, since the results to some extent corroborate with previous studies by Worldwide Governance Indicators [49], OECD [38, 33, 4] on the nexus between performance management and leadership quality, quality regulation, the quality of civil service delivery in the public sector in OECD countries, it appears sensible to suggest that the public organizations in other African countries may perhaps gain the advantages of performance management in their quest to improve employees' performance and more importantly ensuring staff is trained according to the weaknesses from their appraisal form.

Even though the study findings validate the study hypotheses, the research design has obvious setbacks or limitations, which necessitate opportunities to conduct further study. First, the present study was derived mainly from the perception of middle and top management staff within four ministries as Education, Health, Budget and National Planning, and Communication Technology in the

Federal Civil Service (FCS) of Nigeria, and four departments in Nigerian National Petroleum Corporation (NNPC) such as Corporate Planning and Strategy, Engineering and Technology, Corporate Service and Commercial Investment in the head office in Abuja. Since the study was interested in the influence of independent variables on the dependent construct or the relationship between components of performance management and employees in the public service without a comparison of successive administrations within a defined period, it will thus, be vital to compare impacts from one political administration performance management implementation with the others. Also, it would be suggestive to investigate the relationship between performance management and employees' performance in other public organizations in Nigeria. For instance, the outcomes of this study may not be applied uniformly in other public organizations like public universities, public hospitals, Central Bank of Nigeria, etc that also enjoy a high degree of freedom with a free operation like NNPC and with strict political regulation associated with FCS of Nigeria.

Second, more importantly, it would be appreciable if the future study were explicitly explored from the perspective of performance management and employees' performance across several African countries' federal, state, and local governments at diverse periods of democratization. In addition, further study should investigate the interplay between performance management, performance appraisal, and employee performance in African countries and the Western world.

Third, due to the absence of published reports on 'objective' employees' performance evaluations in the FCS and NNPC in Nigeria, the researcher was constrained with no other option than to depend on the perception of middle and top management officials.

Fourth, Nigeria's public service should invest huge resources in the training of civil servants, and the training should be linked to employees' weaknesses diagnosed in the Annual Performance Evaluation Report (APER) to achieve excellent employee efficiency and effectiveness.

Finally, more industries must pay careful attention to the components of performance management to enhance employees' efficiency through the timely delivery of programs and services, job satisfaction, productivity, and quality services, and there should be a clear commitment to performance management throughout all levels of Nigeria public sector or any organization worldwide.

## 6. Conclusion

The researcher is very confident that this study has expanded the frontier of knowledge in an area with little research, by itemizing and analyzing the influence of components of performance management on employees' performance in the dimensions of efficiency, job satisfaction, productivity, and quality of services. However, the weaknesses diagnosed from employees' appraisal forms are not often linked with employees' training and development in both organizations. Therefore, emphasis should be placed on the training of civil servants

according to weaknesses diagnosed from their APER form. More importantly, not only more organizations need to pay careful attention to the components of performance management to enhance employees' efficiency, job satisfaction, productivity, and quality services, but also there should be a clear commitment to performance management by all management staff throughout public organizations worldwide. Since the study is more suggestive, further studies should be conducted on the relationship between performance management and employees' performance in other public organizations in the entire African countries to provide room for generalization across nations.

## References

- [1] Ali K. A. (2017). Relationship between SHRM and Organizational Performance among Iraqi Oil Companies. *Journal of Global Economy* 5: 241. doi 10.4172/2375-4389.1000241.
- [2] Aguinis H, Joo H, Gottfredson R. K. (2011). Why we hate performance management—And why we should love it. *Business Horizons* 54: 503-507.
- [3] Arnaboldi, M., Lapsley, I., & Steccolini, I. (2015). Performance management in the public sector: The ultimate challenge. *Financial Accountability & Management*, 31 (1), 1–22.
- [4] Andrews, R. (2010). New Public Management and the Search for efficiency. In T. Christensen & P. Lægrid (Eds.), *Ashgate research companion to the New Public Management*. Aldershot: Ashgate Press.
- [5] Andrews, R. (2014). *Performance management and public service improvement*. Public Policy Institute for Wales, PPIW Report No. 3.
- [6] Armstrong M (2001). *Human Resource Management Practice*, Kogan Page Publishers, 8<sup>th</sup> edition.
- [7] Banjoko. S. A. (1982). *Employee Performance Appraisal*; Pennan Vol. 8, No. 3, July-Sept, Pp. 65–70.
- [8] Banjoko, S. A. (2002). *Human Resource Management: An expository approach*, Ibadan: Pumark publication.
- [9] Benson, K. S. (2010). Administrative System and Public Service Reform in Nigeria: Implications and challenges, *International Journal of Studies in the Humanities*, 7 (8), Pp137–138.
- [10] Boyne, G. A. (2010). Performance management: Does it work? In R. M. Walker, G. A. Boyne, & G. A. Brewer (Eds.), *Public management performance: Research directions* (p. 207–226). Cambridge: Cambridge University Press.
- [11] Brumbach, G. B. (2003). "Blending the We/Me in Performance Management: Team Performance", *International Journal* 9 (7/8) pp167–173.
- [12] Bouckaert, G., & Halligan, J. (2008). *Managing performance: International comparisons*. New York: Routledge.
- [13] Davis, R. (1995). *Choosing performance management: A holistic approach journal*. New Delhi, CUPA Publication.
- [14] Ekpe, A. N., Daniel, E. E., and Ekpe, M. A. (2013). Analysis of Performance Appraisal System of the Nigerian Public Sector Organizations. *IOSR Journal of Humanities and Social Science*, Volume 18, Issue 3, PP 49-54.
- [15] Ferris, G., Munyon, T. & Basik-Buckley, M. (2008). The performance evaluation context: Social, emotional, cognitive, political and relationship components: *Human Resource Management Review*, 5 (1), P. 18.
- [16] Frank V. Cespedes (2022). How to Conduct a Great Performance Review. <https://hbr.org/2022/07/how-to-conduct-a-great-performance-review>
- [17] Gerrish, E. (2016). The impact of performance management on performance in public organizations: A meta-analysis. *Public Administration Review*, 76 (1), 48–66.
- [18] Heinrich, C. J. (2007). False or fitting recognition? The use of high-performance bonuses in motivating organizational achievements. *Journal of Policy Analysis and Management*, 26, 281–304.
- [19] Heinrich, C. J., and Marschke, G. (2010). Incentives and their dynamics in public sector performance management systems. *Journal of Policy Analysis and Management*, 29 (1), 183–208.
- [20] Holzer, M., & Yang, K. (2004). Performance measurement and improvement: An assessment of the state of the art. *International Review of Administrative Sciences*, 70, 15–31.
- [21] Huber, V. L. (1983). An analysis of performance appraisal practices in the public sector: a review and recommendations, *Public Personnel Management Journal*, Vol. 12 pp. 258–67.
- [22] Hvidman, U., & Andersen, S. C. (2013). The impact of performance management in public and private organizations. *Journal of Public Administration Research and Theory*, 24, p. 35–58.
- [23] Ijewereme, O. B. & Dunmade, E. O. (2014). Goal Setting and Performance Appraisal in Nigerian Public Enterprises: An Empirical Study of Nigeria National Petroleum Corporation (NNPC). *Public Policy and Administration Research*, 4 (9), pp 44–50.
- [24] Ijewereme, O. B. (2014). Comparative Study of Performance Appraisal in Edo and Ondo States Civil Service of Nigeria. Unpublished M.Sc. Thesis Submitted to Post-graduate College, Obafemi Awolowo University, Ile-Ife.
- [25] Ijewereme, O. B. (2018). *Strategic Planning and Performance in the Federal Civil Service of Nigeria (2004-2015)*. (Ph. D's thesis), in Public Administration Submitted to Post-graduate College, Obafemi Awolowo University, Ile-Ife.
- [26] Jiang K, Lepak DP, Hu J, Baer JC (2012) How does human resource management influence organizational outcomes? A meta-analytic investigation of mediating mechanisms. *Academy of Management Journal* 55: 1264–1294.
- [27] Kim, T., and Holzer, M. (2016). Public Employees and Performance Appraisal: A Study of Antecedents to Employees' Perception of the Process. *Review of Public Personnel Administration* 36 (1) 31–56, DOI: 10.1177/0734371X14549673.
- [28] Latham, G. P., and Wexley, K. N. (1977), "Behavioral observation scales", *Personnel Psychology*, Vol. 1 (30), pp. 255–68.
- [29] Longenecker, C. O. (1997). Why managerial performance appraisals are ineffective: Causes and lessons, *Journal of Career Development International*, 2 (5), pp. 212–218.

- [30] Locke, E. A. (1968). Towards a theory of task motivation incentives. *Organizational Behaviour and Human Performance*, 3, 157–189.
- [31] Meier, K. J., & O'Toole, L. G. (2011). Comparing public and private management: Theoretical expectations. *Journal of Public Administration Research and Theory*, 21, p. 283–299.
- [32] Messah, O. B, and Kamencu, S. M. (2011). The Effect of Performance Appraisal System on Employees in Kenya Tea Development Agency: A Survey of Selected Tea Factories in Meru County-Kenya, *Research Journal of Finance and Accounting*, 2 (3), 20–23.
- [33] Mizrachi, S. (2017). Mizrahi, Public Policy and Performance Management in Democratic Systems: Theory and Practice DOI 10.1007/978-3-319-52350-7\_2.
- [34] Moynihan, D. P. (2008). *The dynamics of performance management constructing information and reform*, Washington DC: Georgetown University Press.
- [35] Mullins, J. L. (2013) *Management and Organizational Behavior*. Pearson Education, Harlow.
- [36] Nganga R, Wanjiku PN, Sakwa M (2013) The Link between Performance Appraisal and Firm Performance. *International Journal of Academic Research in Business and Social Sciences* 3: 46–56.
- [37] Obisi, C. (2011). Employee Performance Appraisal and its Implication for Individual and Organizational Growth, *Australian Journal of Business and Management Research*, 1 (9), pp 92–97.
- [38] OECD. (2013). Government briefly. <http://www.oecd-ilibrary.org/docserver/download/4213201e.pdf?expires=1476352769&id=id&acname=guest&checksum=A2F3B05BC2F054481949FC65AD8BD385>.
- [39] Pollitt, C., & Bouckaert, G. (2010). *Public management reform: A comparative perspective*. Oxford: Oxford University Press.
- [40] Rajala, T. Laihonon, H and Vakkuri, J. (2018). Shifting from Output to Outcome Measurement in Public Administration-Arguments Revisited, in E. Borgonovi et al. (eds.), *Outcome-Based Performance Management in the Public Sector; System Dynamics for Performance Management* 2, DOI 10.1007/978-3-319-57018-1\_1.
- [41] Rothstein, R. (2008). *Holding accountability to account: How scholarship and experience in other fields inform exploration of performance incentives in education*. National Center on Performance Incentives Working paper 2008–2004, Vanderbilt University, Peabody College.
- [42] Salas, E., Tannenbaum, S. I, Kraiger, K., Smith-Jentsch, K. A. (2012). The science of training and development in organizations: What matters in practice. *Psychological Science in the public interest* 13: 74–101.
- [43] Stiglitz, J., Sen, A., & Fitoussi, J.-P. (2009). *The measurement of economic performance and social progress was revised*. OFCE, Paris. Downloaded from: [www.stiglitzsenfitoussi.fr/documents/overview-eng.pdf](http://www.stiglitzsenfitoussi.fr/documents/overview-eng.pdf).
- [44] St-Onge, S., Morin, D., Bellehumeur, M. & Dupuis, F. (2009). Manager's Motivation to Evaluate Subordinate Performance: Qualitative Research in Organizations and Management, *International Journal of Management*, Vol. 4, No. 3, pp -273–293.
- [45] Talbot, C. (2010). *Theories of performance: Organizational and service improvement in the public domain*. Oxford: Oxford University Press.
- [46] Verbeeten, F. H. (2008). Performance management practices in public sector organizations: impact on performance. *Accounting, Auditing & Accountability Journal* 21: 427–454.
- [47] Walsh, W. F. (1986). Performance evaluation in small and medium police departments: a supervisory perspective, *American Journal of Police*, Vol. 5 pp. 91–109.
- [48] Walker, R. M., Boyne, G. A., & Brewer, G. A. (Eds.). (2010). *Public management performance: Research directions*. Cambridge: Cambridge University Press.
- [49] Worldwide Governance Indicators (WGI) Research Project. (2013). *The World Bank*. <http://info.worldbank.org/governance/wgi/index.aspx#home>.
- [50] Wright, P., Gardner, T., Moynihan L. M. (2003). The impact of human resource practices on business unit operating and financial performance. *Human Resource Management Journal* 13: 21–36.