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# **Effect of Performance Appraisal on Employee's Performance of Paints Firms in Anambra State**

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**Abstract:** The study examined the effect of performance appraisal on employee's performance of paints firms in Anambra State. The objectives of the study are to; Examine the effect of performance appraisal planning on employee's performance; Evaluate the effect of performance appraisal feedback on employee's performance: Investigate the effect of performance appraisal implementation on employee's performance. Data analysis was done by descriptive and inferential statistics. The population of the study is two thousand eight twenty-seven (2827). The sample size of 479 was gotten through Borg and Gall formular. The method applied in gathering the data used for the answering the questions raised in this study was through primary and secondary methods, the primary method was questionnaire, the questionnaire items was raised from the objectives of the study while the secondary data were gotten through online materials. Meanwhile percentage table and regression analysis will be used to analyze the collected data from the sample respondents. The study found that Performance appraisal planning has significant effect on employee's performance; Performance appraisal feedback has significant effect on employee's performance. In view of the findings, the study recommended that Managers and supervisors alike should set realistic training standards for their employees so that they will not be discouraged by unrealistic standards. Appropriate rewards should be given to employees whenever feedback is positive. Also, the organizations should provide intensive training programmes for their employees' after appraisal exercise in order to strengthen their employees' skills and further enhance their productivity

Keywords: performance appraisal planning, feedback, implementation, Employee's performance

## 1.1 Introduction

Performance appraisal is one of Human Resource Management Practices (HRMP) that has been well researched in both developed and developing countries and it has equally been identified as a strong motivator (Sajuyigbe, 2017). Performance appraisal is considered as important human resource function because performance appraisal results are used for managerial decision making and for variety of other purposes including administrative decisions, employee development and personnel research (Muhammad & Surayya, 2013). Performance Appraisal (PA) is concerned with identifying, measuring, influencing and developing job performance of employees in the organization in relation to the set norms and standards for a particular period of time in order to achieve various purposes (Ochidi, Suleiman, Olumoyegun, Yusufu, Ojochenemi, 2019).

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Performance appraisals are often linked to incentives such as praises and promotion for a worker whose performance is reviewed as high, and job cuts for a worker whose performance is reviewed as low (Joison, 2001). While it should be a standard policy, not every company endeavours to reward proficient employees for their added efforts. In the same vein, Anso (2014) attests that performance appraisal has emerged as a tool for enhancing organizational growth and professional development. Performance appraisal is a continuous process through which performance of employees is identified, measured and improved in the organization. This process includes various practices like identification of employees' strengths and weaknesses, providing them regular feedback and offering career development (Aguinis, 2007).

It should be noted that most Nigerian organizations do not have an effective performance appraisal system in place. Even when they do have one in place, in evaluating the performance of the employee certain problems may arise, such as; the problem of determining an appropriate and adequate standard to use for the appraisal of the employees, the problem of determining the impact of performance appraisal exercise on the development of the skills and potentials of employees. In view of this, most performance appraisal mechanisms in Nigeria has made it difficult for managers and supervisors of these organizations in focus to identify employees that are effective and those that are not effective in' these organizations and need further training and encouragement. This in turn impacts the output level of these organizations as the inefficient employees of these organizations produce little or nothing and this negatively affects the corporate survival of these organizations under study. The non-existence of an effective performance appraisal mechanism in most Nigerian organizations also makes it difficult for management and supervisors of the organizations of study to identify the training and development needs of their employees. This is because when their performance is not frequently appraised by their superiors it becomes difficult to identify grey areas that need to be improved upon by employees through the acquisition of knowledge ensured by adequate training and development programs.

Consequently, it is pertinent to state that the nature or structure of the organization can be a varying factor in determining the nature and criteria of the performance appraisal system. Thus, the need for managers to create a vivid system that is linked to the organizational strategy and appropriate in measuring acceptable and non-acceptable behaviour for improved employee performance. The performance appraisal system should systemically evolve starting from the level of employee, and ultimately to the level of the organization. The organizations objective should be clearly stated for easy implementation and ensure the performance appraisal system is tailored directly to it. Inability of the organization to design or develop distinct objectives, stated in quantitative and qualitative terms against which performance can be measured can distort employees' perception of their relevance to the organization. However, the problem lies with inability of managers to manage performance, align individual goals to a common vision and effectively utilize the organization's performance appraisal system to stimulating employee's commitment for enhanced organizational performance. Performance appraisal is a unique tool that impacts the long term growth and survival of an organization. It is against this back drop that the researcher seeks to ascertain its effect of performance appraisal on employee's performance of paints firms in Anambra State.

#### 1.2 Objectives of the Study

The main objective of the study is to ascertain the effect of performance appraisal on employee's performance of paints firms in Anambra State. Specifically, the study seeks to:

- 1. Examine the effect of performance appraisal planning on employee's performance.
- 2. Evaluate the effect of performance appraisal feedback on employee's performance
- 3. Investigate the effect of performance appraisal implementation on employee's performance.

#### 1.3 Hypothesis

H01: Performance appraisal planning has no significant effect on employee's performance.

H01: Performance appraisal feedback has no significant effect on employee's performance

H01: Performance appraisal implementation has no significant effect on employee's performance.

#### REVIEW OF RELATED LITERATURE

### 2.1 Conceptual Review

#### 2.1.1 Performance Appraisal

Performance appraisal is a widely discussed concept in the field of performance management. It is used interchangeably as performance evaluation, job performance, performance assessment, performance evaluation as the case may be according to Amah and Gabriel (2017). Cardy and Leonard (2011) described performance appraisal as an interaction that is formal and structured which exist between an individual and his supervisor, which comes in shape of interviews that are periodic (yearly or less), where output of that individual is assessed and appraised, with the intention of identifying strengths and weaknesses together with chances for likely improvement and subsequent skills development. Eniwoliba (2014) defined performance appraisal as an objective method of judging the relative worth or ability of an individual employee in performing his or her task. If objectively done, the appraisal can help distinguish between a hard worker and a lazy one. A better performance appraisal system therefore should focus on the individual and his or her development as to make him or her achieve the desired performance or output. Authors define concepts according to their perception and therefore tend to lay emphasis on what they deem to be crucial and worth considering.

Performance appraisal can be regarded as a systematic process by which the overall performance of an organization can be improved by improving the performance of individuals within a team framework. It is a means for promoting superior performance by communicating expectations, defining roles within a required competence framework and establishing achievable benchmarks (Mishra and Sahoo, 2015). A performance appraisal system is can also be important tool that the organization can use to improve the quality of workforce performance (Mwema and Gachunga,

2014). Various organizations use appraisal results, directly or indirectly, so as to determine reinforcements. This is to say that the results are used to get employees who seem good and who would be given higher merit remuneration increases, bonuses, and or promotions. Performance reviews of workers are surely among the best practices to boost performance, morale and increase productivity. It is meant to boost the efforts of a worker and his team to gradually see to the success of the overall organizational mission accomplishment (Cardy & Leonard, 2011). It is used in some companies to interpret resultant rewards in the company, that is people that may be given merit allowance increases, bonuses, or cadre movement. Also, it can be employed to get the low performers who may be advised, demoted, dismissed or suffer remuneration decrease.

According to Dessler (2008) performance appraisal involves determining the main objective, establishing goals of a team, developing performance plan, performance analysis (through appraisal system) and identifying developmental needs and rewards for assignment. DeNisi and Kluger (2000) specify that feedback on performance is a determining segment of all management of performance systems. This can be explained to be the data relating to the past behavior of an employee relating to identified standards of the behavior of an employee and results. Its main aim is to improve the performance of an individual and the team, as well as the engagement of the employee, stimulation, and satisfaction in the job (Aguinis, 2009). According to DeNisi and Pritchard (2006) organizations should have components in the performance development reviews that can motivate employees to double their efforts and enhance their contribution to the organizational goals and objectives. Reward is what employees get for services rendered. Therefore, this study will evaluate the effect of performance appraisal, employee feedback and performance based reward on employee productivity.

#### 2.1.2 Employee Performance

Putterill and Rohrer (2015) defines job performance as focusing directly on employee productivity by assessing the number of units of acceptable quality produced by an employee in a banking environment, within a specific time period. The working definition for study purpose is that, achievement of targets of the tasks assigned to employees within particular period of time in view of the quantity and quality of the product. The success of business depends on employees' performance. One of the most effective ways to increase business performance and profit is to increase the performance of employees, from the lowest levels of the organization to senior management (Ivancevich, 2018). Performance improvement is not only a result of well functioning system but also depends on effective human resource strategies that succeed in recruiting and maintaining a committed and motivated workforce (Al-Ahmadi, 2019). The dimensions of performance on which an employee is evaluated are called the criteria of evaluation (Ivancevich, 2018). Opatha (2012) suggests that several criteria become needed in order to evaluate job performance of an employee accurately. In the view of Mathis and Jackson (2013), the data or information that managers receive on how well employees are performing their jobs can be of three different types. Trait-based information, Behavior-based information, Result based information. Opatha (2012) indicates that trait-based information identifies a subjective character of the employee such as attitude, initiative or creativity.

Behavior-based evaluations of job performance focus on what is included in the job itself (Mathis & Jackson, 2013). Results are outcomes produced by the employee. Result based

information consider employee accomplishment. For jobs in which measurement is easy and obvious, a results-based approach works well (Opatha, 2012). There are various evident for relationship between job design and employees' performance. Al-Ahmadi (2019) indicates that the status of job itself was found positively correlated with performance, which indicates that satisfaction with amount of variety and challenge in one's job actually influence performance. The sense of job significance, feeling important in eyes of others, realizing ones' competence, and freedom to make decisions are positively related to performance. Ivancevich (2018) suggests that, approaches to job design place different emphasize on performance and satisfaction as desired outcomes. In other words, certain methods of job design are primarily interested in improving performance; others are more concerned with satisfaction.

According to Borman, employee training and job redesigning, the focus is almost always on improving job performance (Borman, 2004 as cited in Kahya, 2017). Some argue that job design improves workers motivation and dedication to work. However at closer examination job design can only contribute to better efficiency within an organization and eliminate some health problems. It will not impact employees' morals and enthusiasm at work (Ivancevich, 2018). In the view of Garg & Rastogi (2016), well designed jobs can have a positive impact on both employee satisfaction and quality of performance. The perceived work demands, job control and social support through job design leads to high productivity (Love & Edwards, 2005 as cited in Garg & Rastogi, 2016). Likewise Campion et al. (2015) suggests that status of work has a substantial impact on an employee's performance and attitude. Hence there is a strong relationship between Job design and employees' performance. Traditionally, many agencies have measured their organizational performance by focusing on internal or process performance, looking at factors such as the number of full-time equivalents (FTE) allotted, the number of programs controlled by the agency, or the size of the budget for the fiscal year (Barr et al., 2018).

#### 2.2 Theoretical Framework

This study is anchored on Equity Theory. The equity theory, developed by John Stacey Adams, says that satisfaction is based on a person's perception of fairness. Applying this theory when conducting a company's performance appraisals involves balancing the assessment of an employee's contribution to his job with the compensation and other rewards associated with his success. In general, highly-paid and rewarded employees tend to be the most motivated to continue performing well on the job (Luecke, 2006). In the 1960s, John Stacey Adams, a behavioral psychologist, developed the equity theory. This theory describes the relationship between the perception of fairness and worker motivation. People typically value fair treatment. Successful entrepreneurs recognize this and structure their small-business workplace to reward people according to their contributions. They also recognize that people have needs. Other theories help explain how to understand these needs.

Equity theory is based on developing a suitable approach towards supervision of the employees (Adams, 1965 cited in Akuoko, 2012) Equity theory is based on objective and impartial behaviours to all the employees. Employees feel motivated when they learn that they are considered equally and justly for rewards and recognitions and compensations along with unbiased and transparent performance assessment. Just the opposite happens when employees are treated biasedly. Equity theory is one of the major formulations relevant to financial

compensation. Equity theory argues that people are motivated by their beliefs about the reward structure as being fair or unfair, relative to the inputs. People have a tendency to use subjective judgment to balance the outcomes and inputs in the relationship for comparisons between different individuals (Adams, 1963). According to this theory, the level of motivation in an individual is related to his or her perception of equity and fairness practiced by management.

#### 2.3 Empirical Review

Barinua and Ezeogu (2022) examined the relationship between performance appraisal system and organizational effectiveness. The objective of the study was to ascertain how dimensions of performance appraisal system such as management by objective and behaviourally anchored rating scale enhance organizational effectiveness via internal process approach and strategic constituencies approach. The method involved in the study was the use of extant literature on the subject matter and qualitative content analysis. The study established that performance appraisal system enhance the organizational effectiveness. The study concluded that the concept of performance appraisal system as used in this work can help management of organizations better understand how to deal with performance issues among individual and group setting, thus enhancing firm effectiveness while conducting business. The paper recommends that management of organizations should create an enabling environment were opportunities for self-appraisal or self-evaluation. We also recommend that further research conducted to gain more insight on organizational effectiveness approaches, because it is a large concept.

Onwudinjo, (2022) examined performance appraisal and corporate business survival using Nigerian Bottling Company and Seven-Up Bottling Company Plc in Edo State. The main of this study was to examine the effect of performance planning, performance implementation and performance evaluation on corporate business' survival. The study reviewed relevant conceptual, theoretical and empirical literatures. Theoretical framework was anchored on Equity Theory. The study adopted descriptive survey research design. The population of the study1193 comprised of the staff of Bottling Company and Seven-Up Bottling Company Plc in Edo State. Sample size of two hundred and thirty-four (234) respondents was selected for the study using Borg and Gall (1973) formula. Questionnaire was employed as the main instrument of data collection. The study used face and content validity and the researcher established the reliability of the instrument by using of pilot tested Cronbach alpha method. The data generated were analyzed using descriptive statistics, correlation analysis and multiple regression analysis. It was found that there is a significant positive relationship between performance planning and corporate business' survival. There is a significant positive relationship between performance implementation evaluation corporate business' survivals and there is a significant positive relationship between performance evaluation and corporate business' survival. Therefore, the study concludes that performance appraisal has a positive significant relationship with corporate business' survival of Nigerian Bottling Company and Seven Up Bottling Company, Edo State, Nigeria. The study recommends that performance management planning should involve employers as well as employee through a proper plan called development plan. Performance plans are decided between the supervisor and employee working together for the effectiveness of corporate business' survival and management of these firms should pay adequate attention to issues relating to performance implementation system for enhanced corporate business' survival. Performance evaluation should be job-related and Job description should be given to the

employees. Bring them into the line of organization's goals with the job objectives so that every employee's work lead to the corporate business survival.

Nnamani, Abdulmalik and Shuaibu, (2022) evaluate the effect of performance appraisal on employee productivity in Federal civil service Abuja. The study was guided by three objectives and three null hypotheses of no significant relationship. The study adopts survey and descriptive research design. Data was collected from respondents using a structured questionnaire. Ordinary least square regression model was used to assess the nature and degree of relationship between dependent variable and independent variables. Findings from the study indicate that the use of performance appraisal has significant effect on employee productivity and performance. The study therefore recommends that multiple appraisal method should be introduced to further encourage objectivity and eliminate biasedness in the appraisal of employees and employee feedback method of performance appraisal should be a pre-requisite for the directors as this will assist supervisors and employees to discuss weakness, productivity standards and areas of improvement that enhance productivity.

Oghenevwegba, (2022) examined the impact of performance appraisal system (PAS) on employee performance (EMP) in Nigeria telecommunication industry: A study of MTN Nigeria Plc in Asaba, Delta State. This is done in respect of measures of PAS {Established Performance Standards (EPS), Communicating Performance Expectation (CPE), Measuring Actual Performance of Employee Based on Established Standards (MAPEBES), Discussion on Appraisal Result and Giving Feedback (DARGF) and Indicating Corrective Actions (ICA)} (independent variables) on EMP of two MTN Nigeria Plc offices in Asaba, Delta State, Nigeria. The total population of the study is 116 which comprises of staffs of two offices of MTN Nigeria Plc in Asaba, Delta State, Nigeria, and a sample size of 89 was drawn using the Yaro Yamane's formula. It was analyzed with the aid of descriptive statistics and correlation matrix was used to ascertain the kind of relationship that exists between the independent and dependent variables. The hypotheses of the study were tested using the multiple regression analysis with the aid of SPSS version 23 as the basis of testing hypotheses. The findings revealed that EPS, CPE, MAPEBES, DARGF and ICA has a positive significant relationship with EMP. However, the study suggested that there is a need for the continuous improvement of the employee performance appraisal process in Nigeria's telecommunications industry through training, informing stakeholders about the process, providing appropriate feedback, standardizing the instrument, and using various methods of indicating corrective actions (Decision making).

Boru, (2022) accessed the determinants of performance appraisal on employee performance in case of Bule Hora University. Descriptive and exploratory research design was used with mixed research approach. Descriptive statistics like mean, standard deviation and percentage was used. Correlation analysis, regression and ANOVA was used as inferential statistical methods were employed to analyze the data. Probability sampling was used with simple random technique to collect the desired responses. Percentage mean and standard deviation was used to describe the nature of response. Result from correlation analysis using indicates that all four variables like self evaluation; 360 degree feedback, task based evaluation and MBO play a significant role and are significantly affecting employee performance. As per the regression analysis competition is the most dominating factor that influences the performance appraisal in the study side the most.

All four explored determinants played active role in performance appraisal in the study area. The role of each determinant is essential for effective assessment of the employee. Therefore, the university officials were focus on these four determinants according to their importance in study area.

#### 3.1 Methodology

The study adopted survey research design because is a tool by researchers to gain a greater understanding about individual or group perspectives relative to a particular concept or topic of interest. Data for this research was drawn from both primary and secondary sources. He noted that both types of data collection are employed for a thorough analysis and validation of theories. Data analysis was done by descriptive and inferential statistics. Data collection is very important in finding solution to research questions. Nineteen paints firm used were Achorlight paint, Sabvic paint, Bonalux paint, Patrose Alas paint, Tabraat paint, Vilux paint, Gioval paint, Royal majesty paint, Silkcoat paint, Sharon paint, Rainbowlux paint, Sandtex paint, Safreed industry paint, Blessed obuneme paint, Kingsman lux Nigeria, Unity colours paint, A.C Rogers paint, Sam auto colours paint, Saclux Paint. The population of the study is two thousand eight twenty-seven (2827). The sample size of 479 was gotten through Borg and Gall formular. The method applied in gathering the data used for the answering the questions raised in this study was primary and secondary methods, the primary method was questionnaire, the questionnaire items was raised from the objectives of the study. Meanwhile percentage table, correlation and regression analysis will be used to analyze the collected data from the sample respondents.

#### PRESENTATION OF FINDINGS AND DATA ANALYSIS

Four hundred and seventy-nine (479) were administered among the staff of the paint firms in Anambra. However, four hundred and forty-seven (447) copies of questionnaire were retrieved. Therefore, the analysis and interpretation of data were only based on the returned questionnaire.

#### 4.1 Bio-data of the Respondents

			GENDER		
					Cumulative
		Frequency	Percent	Valid Percent	Percent
Valid	MALE	349	78.1	78.1	78.1
	<b>FEMALE</b>	98	21.9	21.9	100.0
	Total	447	100.0	100.0	
			STATUS		
					Cumulative
		Frequency	Percent	Valid Percent	Percent
Valid	MARRIED	230	51.5	51.5	51.5
	SINGLE	154	34.5	34.5	85.9
	DIVORED	63	14.1	14.1	100.0
	Total	447	100.0	100.0	

			AGE		
					Cumulative
		Frequency	Percent	Valid Percent	Percent
Valid	20-30	151	33.8	33.8	33.8
	31-40	140	31.3	31.3	31.3
	41-50	57	12.7	12.7	12.7
	51-abv	99	22.1	22.1	100.0
	Total	447	100.0	100.0	
			LOE		
					Cumulative
		Frequency	Percent	Valid Percent	Percent
Valid	WAEC	47	10.5	10.5	10.5
	OND	49	11.0	11.0	21.5
	HND	64	14.3	14.3	35.8
	BSC	213	47.7	47.7	83.4
	MSC	74	16.6	16.6	100.0
	Total	447	100.0	100.0	

The above table reveals that the three hundred and forty-nine (349) of the respondents which represents (78.1) persons were male respondents, while ninety-eight (98) respondents which represent 21.9% were female respondents. By implication, male respondents were more than female respondents by 56.2% in our selected population sample for this study. The implication of this is to enable us to know the number of male and female that successfully returned their questionnaire.

In the table above, out of the two hundred and thirty (230) respondents, one hundred and fifty-four (154) of the respondents were married. While sixty-three (63) respondents which represent 14.1 percent are single. More so, sixty-three (63) respondents which represent 14.1 are divorced. It is therefore glaring that the majority of the respondents are married as at the time of this study. Thus, marital status table help us to know the number of single and married respondents that answered the distributed questionnaire.

Table 4.3 above depicted the age bracket of the respondents. The distribution shows that 33.8% of the respondents are between the age brackets of 20 to 30 years while 61.7% respondents are within the age bracket of 31-40 years. On the same note, 4.5% of the respondents are within the age bracket of 41 - 50 years. On the same note, 22.1% of the respondents are within the age bracket of 51 - 50 above,

The table above indicates that forty-seven (47) respondents which representing 10.5% percent maintain to acquired OND while 14.3% percent of the respondents which represents sixty-four 64) have HND. However two hundred and thirteen (213) respondents which represent 47.7 percent either have Bsc. Lastly seventy-four (74) respondents which represent 16.6% have msc. This as the one of demographic item helps us to identify the education qualification of the respondents.

#### 4.2 Hypotheses Testing

Four different null hypotheses were stated which guided this study. In the subsequent sections, all the hypotheses were tested as thus;

**4.2.1 Hypothesis One:** i. Performance appraisal planning has no significant effect on employee's performance..

Variables	N	coff	a level	DF	t-test	P	decision
EP	446	0.377	0.05	445	27.778	0.000	significant
PAP	446	0.097	0.05		3.607	0.000	

F=13.009,  $r^2=.445$ , adjusted  $r^2=.426$ , dw=2.271

## **Sources: SPSS Output**

Table above shows the outcome of simple regression analysis on relationship among level of Performance appraisal planning and employee's performance in paint firm in Anambra state. Result indicates that level of implicit education significantly drives work placement in family Business in Anambra state, critical t = 3.607, p = 0.00. F-test of 13.009, shows that overall statistical significant of the model, which implies that dependent variables had significant impact on independent variables in the model.  $r^2$  (.44) measures the goodness of fit of the models, from the d results; it shows a high goodness of fit in the above model. Durbin Watson test of (2.2) shows no problem of autocorrelation, which further posit that our model can be used for future prediction. T-test =3.607 (0.00), measures the individual statistical significant of the variables, Therefore, the null hypothesis is rejected while the alternative hypothesis is accepted which stated that, Performance appraisal planning has significant effect on employee's performance.

**4.2.2 Hypothesis Two:** Ho<sub>2</sub>: Performance appraisal feedback has no significant effect on employee's performance

Variables	N	coff	a level	DF	t-test	P	decision
EP	446	0.062	0.05	445	13.738	0.000	significant
PAF	446	0.035	0.05		6.275	0.000	

F=37.378,  $r^2=.581$ , adjusted  $r^2=.579$ , dw=1.793

#### **Sources: SPSS Output**

Table above shows the simple regression analysis. Result revealed that the t-value of Performance appraisal feedback is 6.275 and probability value of 0.000 which is less than the 0.05% alpha level of significant. This shows that Performance appraisal feedback significantly predicts employee's performance paint firms in Anambra state. F-test 6.275 (0.000) which check the overall statistical significant is statistically significant in predicting the relationship between the dependent and independent variables in the model. The r² of (.58%) show the overall goodness of fit of the model, this further implies that dependent variables predicts changes in independent variables at the tune of 58%, leaving the remaining 42% for the variables outside the model. The Durbin Watson statistic shows that our model can be use for future prediction because it is 1.7. However the null hypothesis is rejected while the alternative is accepted which stated that, Performance appraisal feedback has significant effect on employee's performance.

**4.2.3 Hypothesis Three:** Ho<sub>3</sub>: Performance appraisal implementation has no significant effect on employee's performance.

Variables	N	coff	a level	DF	t-test	P	decision
EP	446	.627	0.05	445	28.599	0.000	significant
PAI	446	.117	0.05		7.578	0.000	

F=53.425,  $r^2=.514$ , adjusted  $r^2=.512$ , dw=1.99

**Sources: SPSS Output** 

Table above shows the result of simple regression analysis on relationship among level of Performance appraisal implementation, and employee's performance of paint firms in Anambra state. Result indicates that Performance appraisal implementation; significantly predict employee's performance of paint firm in Anambra state. critical t = 7.578, p = 0.000. F-test of 53.425 shows that the overall statistical significant of the model, which implies that the dependent variables predict independent variables in the model.  $r^2$  of (.514) measures the goodness of fit of the models, from the d results, it shows a high goodness of fit in the above model. Durbin Watson test (1.9) shows no problem of autocorrelation, which further posit that our model can be use for future prediction. T-test =7.578 (0.000), measures the individual statistical significant of the variables, Therefore, the null hypothesis is rejected while the alternative hypotheses is accepted which stated that, Performance appraisal implementation has significant effect on employee's performance.

#### **Conclusion and Recommendation**

The process of performance appraisal involves establishing performance feedback, training. Implementation, carrying out actual performance, comparing actual performance results with established standards, discussing result with employees and taking corrective action which prompt employees' identification and involvement with the organization by believing in the organization's value systems and goals, exerting efforts on behalf of the organization, and desire to remain with the organization. The study concluded that performance appraisal significantly affect employee performance in pain firms in Nigeria. The management of the organization must ensure that positive appraisal results must be communicated to the employees' on time; it must be specific and actionable in nature. The negative appraisal feedback must be mitigated by way of training the employees' in order to enhance employees' job productivity in an organisation. Managers and supervisors alike should set realistic training standards for their employees so that they will not be discouraged by unrealistic standards. Appropriate rewards should be given to employees whenever feedback is positive. Also, the organizations should provide intensive training programmes for their employees' after appraisal exercise in order to strengthen their employees' skills and further enhance their productivity. Organizations should develop and implement performance appraisal methods that would facilitate effective appraisal of the employees and hence providing opportunities to the organization for effective growth and development

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