Performance appraisal system in Housing and Urban Development Corporation: An evaluative study.

Christopher Y. Ichado

Follow this and additional works at: https://scholarworks.umt.edu/etd

Let us know how access to this document benefits you.

COPYRIGHT ACT OF 1976

This is an unpublished manuscript in which copyright subsists. Any further reprinting of its contents must be approved by the author.

Mansfield Library
University of Montana
Date: 1984
PERFORMANCE APPRAISAL SYSTEM IN HOUSING AND URBAN DEVELOPMENT CORPORATION: AN EVALUATIVE STUDY

By
Christopher Y. Ichado, MBIM, AIM,A.

Presented in partial fulfilment of the requirements for the degree of Master of Public Administration UNIVERSITY OF MONTANA May/June, 1984

Approved by:

Peter Koch
Chairman, Board of Examiners

C. Hamm
Dean, Graduate School

Date June 1, 1984
# TABLE OF CONTENTS

<table>
<thead>
<tr>
<th>APPROVAL PAGE</th>
<th>i</th>
</tr>
</thead>
<tbody>
<tr>
<td>TABLE OF CONTENTS</td>
<td>ii</td>
</tr>
<tr>
<td>DEDICATION</td>
<td>iii</td>
</tr>
<tr>
<td>ACKNOWLEDGEMENT</td>
<td>iv</td>
</tr>
<tr>
<td>LIST OF TABLES</td>
<td>v-vi</td>
</tr>
<tr>
<td>ORGANIZATION OF PAPER</td>
<td>vii</td>
</tr>
</tbody>
</table>

## Chapter

| I.  | INTRODUCTION ........................................ | 1    |
| II. | RELATIONSHIP BETWEEN PERFORMANCE APPRAISAL AND PROMOTIONAL DECISIONS IN HUDCO | 21   |
| III.| RESPONDENTS' PERCEPTION ON THE EXISTING SYSTEM OF PERFORMANCE APPRAISAL IN HUDCO | 33   |
| IV. | RESPONDENTS' ATTITUDES TOWARD MANAGEMENT BY OBJECTIVES | 47   |
| V.  | CONCLUSIONS AND RECOMMENDATIONS                  | 55   |

| FOOTNOTES                                | 60   |
| APPENDICES                               | 62   |
| SELECTED BIBLIOGRAPHY                    | 92   |

Reproduced with permission of the copyright owner. Further reproduction prohibited without permission.
DEDICATED TO MY PARENTS, MY DEAR WIFE AND CHILDREN, WITHOUT WHOSE LOVE AND STEADFAST SUPPORT MY DETERMINATION TO OBTAIN A MASTERS DEGREE WOULD HAVE REMAINED A MERE DREAM
ACKNOWLEDGEMENT

I owe the Governing Board and Management of the Housing and Urban Development Corporation, (HUDCO), Makurdi, Benue State, Nigeria, an immense debt for awarding me in-service sponsorship to undergo the Masters Degree in Public Administration at the University of Montana, Missoula, U.S.A. It is necessary to acknowledge the effort and foresight of the management body for designing a comprehensive training program for employees in the various professional and administrative disciplines in the corporation.

Acknowledgement is due to Professor Peter H. Koehn, who served as chairman of my professional paper committee. I am greatly indebted to him for this time consuming role and also for the general guidance throughout my graduate career. I also wish to acknowledge the academic support received from Professor Thomas Payne, who served as my curriculum adviser and member of the committee, and Professor Fred Reed of the Sociology Department, an external member of the committee. This acknowledgement is incomplete without the expression of gratitude to Professor Jonathan Tompkins whose advice made positive contribution towards the final completion of this paper.

In conclusion, I am grateful to Dr. James Lopach, the Chairer of the Department of Political Science, for his kind support and cooperation in several ways.
<table>
<thead>
<tr>
<th>TABLE</th>
<th>LIST OF TABLES</th>
<th>PAGE</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>PERFORMANCE RATINGS ON SENIOR OFFICERS, 1981-83 (N = 50)</td>
<td>24</td>
</tr>
<tr>
<td>2</td>
<td>NUMBER AND PER CENT OF THOSE PROMOTED IN EACH RATING CATEGORY; SENIOR OFFICERS, 1981-83; (N = 50)</td>
<td>25</td>
</tr>
<tr>
<td>3</td>
<td>ANALYSIS OF DOCUMENTS PERTAINING TO JUNIOR AND INTERMEDIATE OFFICERS, 1981-82; (N = 50)</td>
<td>28</td>
</tr>
<tr>
<td>4</td>
<td>NUMBER AND PER CENT OF THOSE PROMOTED IN EACH RATING CATEGORY; JUNIOR AND INTERMEDIATE OFFICERS, 1981-82; (N = 50)</td>
<td>30</td>
</tr>
<tr>
<td>5</td>
<td>LENGTH OF SERVICE OF RESPONDENTS (N = 56)</td>
<td>34</td>
</tr>
<tr>
<td>6</td>
<td>RESPONDENTS' YEARS OF SERVICE, BY STAFF LEVEL (N = 56)</td>
<td>34</td>
</tr>
<tr>
<td>7</td>
<td>RESPONDENT TYPE (PROFESSIONAL/TECHNICAL OR ADMINISTRATIVE, BY STAFF LEVEL</td>
<td>35</td>
</tr>
<tr>
<td>8</td>
<td>VIEW OF EXISTING PERFORMANCE APPRAISAL, BY STAFF LEVEL</td>
<td>36</td>
</tr>
<tr>
<td>9</td>
<td>VIEW OF EXISTING PERFORMANCE APPRAISAL, BY PROFESSIONAL AND ADMINISTRATIVE STAFF</td>
<td>37</td>
</tr>
<tr>
<td>10</td>
<td>CORRELATION BETWEEN SATISFACTION IN APPOINTMENT WITH RESPONDENTS' ATTITUDES ON THE EXISTING SYSTEM OF PERFORMANCE APPRAISAL; JUNIOR AND INTERMEDIATE OFFICERS/SENIOR OFFICERS (N = 54)</td>
<td>39</td>
</tr>
<tr>
<td>11</td>
<td>RELATION OF PASS OVER FOR PROMOTIONS TO RESPONDENTS VIEW OF EXISTING PERFORMANCE APPRAISAL; JUNIOR AND INTERMEDIATE OFFICERS (N = 18)</td>
<td>40</td>
</tr>
<tr>
<td>12</td>
<td>CORRELATING VIEW OF SENIOR OFFICERS ON SATISFACTION WITH APPOINTMENT BY ATTITUDES ON MORALE PROBLEMS IN THE APPRAISAL SYSTEM (N = 31)</td>
<td>41</td>
</tr>
<tr>
<td>13</td>
<td>BREAKDOWN OF STAFF STRENGTH BY DEPARTMENTS</td>
<td>43</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>---</td>
<td>---</td>
<td></td>
</tr>
<tr>
<td>14</td>
<td>PREFERENCE FOR MBO BY STAFF LEVEL</td>
<td></td>
</tr>
<tr>
<td>15</td>
<td>PREFERENCE FOR MBO BY PROFESSIONAL AND ADMINISTRATIVE STAFF</td>
<td></td>
</tr>
<tr>
<td>16</td>
<td>THE RELATION OF PREFERENCE FOR MBO TO RESPONDENTS' VIEW OF EXISTING PERFORMANCE APPRAISAL: JUNIOR AND INTERMEDIATE/SENIOR OFFICERS (N = 54)</td>
<td></td>
</tr>
<tr>
<td>17</td>
<td>PREFERENCE FOR MBO BY NUMBER OF YEARS SERVED IN HUDCO</td>
<td></td>
</tr>
<tr>
<td>18</td>
<td>PREFERENCE FOR MBO BY SATISFACTION WITH APPOINTMENT</td>
<td></td>
</tr>
<tr>
<td>19</td>
<td>PREFERENCE FOR MBO BY PASS OVER FOR PROMOTION: JUNIOR AND INTERMEDIATE OFFICERS</td>
<td></td>
</tr>
</tbody>
</table>

Reproduced with permission of the copyright owner. Further reproduction prohibited without permission.
This evaluative study into the performance appraisal system in the Housing and Urban Development Corporation (HUDCO), Makurdi, Benue State, Nigeria is organized into five chapters. The introductory chapter reviews the background and reasons for the creation of parastatal organizations in Nigeria. The chapter also addresses the system of management in parastatals, the creation and organizational structure of HUDCO, the research hypotheses and methodologies, the response rate and the method of data tabulation. This chapter includes an extensive review of the literature on the subject of performance appraisal.

The second chapter is concerned with finding a relationship between performance appraisal and promotional decisions in HUDCO. Document analysis of two sample groups of 50 senior and junior and intermediate officers facilitated this comparison. Chapter three examines the attitudes held by respondents regarding the existing system of performance appraisal in HUDCO. The objective is to discover whether or not the appraisal process under the present system causes dissatisfaction among employees. The fourth chapter describes the system of management by objectives, and reports respondent attitudes regarding the degree of preference expressed for this concept of evaluation.

The final and concluding chapter contain a synthesis of key findings of the study and a recommendation for the installation of the MBO concept of evaluation to replace the existing conventional system in HUDCO.
CHAPTER I
INTRODUCTION

Following colonization and the subsequent attainment of independence in 1960, Nigeria experienced several administrative and political changes. From 1960 until the mid 1970s, the Nigerian government vested its affairs in the main civil service bureaucracy comprised of Ministries and Departments. In the 1970's, the Federal Military Government established autonomous institutions outside the influence of the civil service bureaucracy which are known as "parastatals". They include government corporations, boards, authorities or councils. They are charged with such responsibilities as water provision, electricity, housing and city sanitation, agricultural development, transport service, etc. In Nigeria, these organizations at the federal level are referred to as "federal parastatals," while in the states they are known as "state parastatals". As autonomous organizations, the enabling edict vested them with responsibility for the recruitment, motivation, retention, and discipline of their personnel. They are also allowed freedom to apply any personnel management style that can be adapted to their organizational structure consistent with the needs for which they were created.

The interest of the writer of this paper is to examine the performance appraisal system in one of the Benue State parastatals - the Benue State Housing and Urban Development Corporation, established by Edict No. 2 of 1979. This corporation is assigned a host of activities ranging from
housing estate development and public housing loans to city sanitation and urban development. These activities are complex in nature. Their realization depends to a large extent on the calibre of personnel, the management style and motivation techniques in operation, and how these features relate to the objectives of the organization. The performance appraisal system used by such organizations clearly plays an important role in motivating and developing personnel.

For this study, the writer is guided by the hypothesis that a lack of positive correlation between performance appraisal results and personnel decisions such as those involving promotions produces dissatisfaction with the existing appraisal process among the rank and file in the organization. This hypothesis is tested through the use of document analysis and survey analysis.

The remainder of this chapter addresses the system of management in parastatals, the creation and organizational structure of HUDCO, the research hypothesis and methodologies, and the existing literature on the subject of performance appraisal.

System of Management in Parastatals

A parastatal organization may be defined as a quasi-government body created by the government to achieve specific purposes. The word "parastatal" is a peculiar term adopted by the former Military Government in Nigeria to refer to
such autonomous organizations created and given initial funding by government to enhance socio-economic growth. The underlying reason for the creation of a "parastatal organization" is the belief that an organization which is made autonomous, self-accounting, and staffed with expert officials will achieve faster results than the government bureaucracy which is bedevilled with red-tape. For this purpose, therefore, parastatals are to be removed from the government bureaucracy. This insulation from the civil service is to prevent the entrenchment of civil service norms and procedures and the interference of government bodies in the activities of the parastatals. In actual practice, however, government parastatals have encountered numerous problems that affect their performance and effectiveness. Limited autonomy, insufficient funds for operational services, inefficiency, and incessant government interference are known to be factors responsible for deflection of goals in many parastatals. It should also be pointed out that the duplication of responsibilities between ministries and parastatal bodies may weaken the mainline ministries and thus produce a negative impact on motivation and productivity in the civil service bureaucracy. Such internal and external problems have led to the restructuring of some of the parastatals and the dissolution of others.

The system of management in "parastatal organizations" differs significantly from that in the conventional civil
service. At the apex in parastatals is the governing board or council which is composed of a Chairman and members and representatives of management and certain relevant ministerial bodies. The Board is the sole policy making authority for the organization. While policy making is the exclusive responsibility of the board, the execution of these policies rests with management. At this level, the chief executive officer of the organization, who is responsible to the governing board, has the sole responsibility for assigning tasks to the various parts of the organization. He provides leadership and motivates the personnel to be more productive. Below the chief executive are the various departmental heads who are responsible for the execution of the tasks assigned to their departments. The hierarchy provides that these heads of departments are accountable to the chief executive. The same pattern of hierarchical authority relationship is followed at the operational level, and is fully explained in the organizational chart of HUDCO annexed to this paper.¹

Creation and Organizational Structure of HUDCO

This study focuses on the Housing and Urban Development Corporation, one of the parastatal organizations created by the Benue State Government. The corporation is an amalgam of two defunct bodies, i.e., the Makurdi Capital Development Board and the Benue State Housing Authority. It came into legal existence on the 19th June, 1978 through Edict No.2

Reproduced with permission of the copyright owner. Further reproduction prohibited without permission.
issued retroactively on 15th March, 1979.²

The tasks assigned to this corporation include the development of housing estates to alleviate gross housing shortages, administration of public housing loans, city sanitation, and new lay-out development to open up plots for allocation to potential home-owners. These complex activities are carried out by hired professional officials who are experts in their various fields, notably the General Manager as both engineer and chief executive, a secretary for administration, and other professionals such as civil, electrical, mechanical/building engineers and architects. These professionals are assisted by subordinate technical, accounting, and administrative officers.

Since HUDCO employs personnel in diverse fields, the monitoring of individual output is essential. Output determination is the function of performance appraisal which is carried out periodically to assess individual efforts. These periodic ratings, if carried out in an effective manner, should uncover each officer's strengths and weaknesses and help in assessing the extent to which an officer has consistently observed or departed from job requirements. Any marked departure from objective performance assessment and ultimate rewards and punishments could create morale problems and disenchantment among workers and thus lower productivity and level of commitment. This argument is elaborated in the literature review in this paper.

As a construction organization responsible to the government for its operations, the issue of productivity,
effectiveness, and performance in the Housing and Urban Development Corporation are vital considerations in assessing overall progress toward planned objectives. Since organizations do not operate in a vacuum, organizational performance cannot be evaluated without first of all evaluating the performance of individual officers within it. This paper will examine the degree of correlation between appraisal and promotional decisions, and how these influence the employees' perception of the appraisal process.

Research Hypotheses

For purposes of examining the performance appraisal system and the utilization of appraisal results in HUDCO, the following guiding hypotheses were made:

\[ H^1 \] - There is a lack of correlation between performance appraisal results and personnel decisions in HUDCO

\[ H^2 \] - This lack of correlation produces dissatisfaction with the existing performance appraisal process

The review of the literature that follows suggests that employee morale is important to employee productivity. A basic assumption of this study is that employee morale may be damaged if above average performance appraisals are not rewarded. The two hypotheses chosen for study will determine, when tested, whether employees are being rewarded in accordance with their performance appraisals, and if they
are not, whether this is having a negative effect on their perception of the existing appraisal process. For purposes of this study, analysis will focus only on promotional decisions as the basis for determining whether or not above average performance appraisals are being rewarded.

Methodology

In order to test the hypotheses stated above, the researcher found it necessary to employ two methodologies. The research design required analysis of documents (an unobtrusive method) to test hypothesis #1. The documents analyzed relate to performance appraisal records obtained from the personnel files of a sample of 50 junior and intermediate officers (grade levels 1 - 7) and 50 senior officers (grade levels 8 - 16) in HUDCO. All the departments in the corporation are represented in this sample. The central location of documents in the administration department facilitated access to them. The researcher employed survey analysis to test hypothesis #2 regarding employee dissatisfaction with the appraisal process. The survey method utilized the same sample as utilized to test hypothesis #1. In addition to this sample, however, all 10 of the department heads in HUDCO received questionnaires.

HUDCO is staffed with 500 personnel, 50 of whom belong to the senior staff while 450 are classified as junior and intermediate officers. A 10 per cent sampling requirement determined the sample size for junior and intermediate officers. Considering the low response rate often experienced.
with written questionnaires, we believed that the chances of obtaining a reasonable response would be enhanced by requesting returns from all senior officers and all heads of departments. Consequently, all 50 senior officers, as well as all 10 departmental heads received questionnaires. These questionnaires are differentiated as "A" for heads of departments, "B" for senior officers, and "C" for junior and intermediate staff.

Response Rate

Six out of ten (60 per cent) of heads of departments returned completed questionnaires. Sixty-two per cent of senior officers, an aggregate of 50 returned questionnaire "B" and fifty per cent of the junior and intermediate officers returned questionnaire "C".

Tabulation of Data

The tabulation of all results presented in this paper is facilitated by the computer to minimize time and errors in calculations.

Review of Existing Literature on Performance Appraisal

Performance appraisal in public or private organizations is one of the most important and operationally difficult areas in the management of personnel. In Nigeria, the system of performance appraisal and the aftermath of these appraisals have often been criticised by personnel in both the Federal and State Government Civil Services, including the staff of
parastatal bodies created by these governments. Similarly, staff of private organizations and researchers have questioned the adequacy of existing appraisal systems. These criticisms are based on assertions that performance appraisal is not fairly conducted and the results of these appraisals are not always used for personnel decisions. Thus, both objectivity and utility are questioned. Also questioned is what the appraisal itself sets out to measure - is it personality traits or work-related behavior? A section of the report produced by the Udoji Public Service Review Commission in Nigeria states:

The apparent lack of objectivity in Performance Appraisal in the Civil Services, i.e. Federal and States, derives from the emphasis on behavior and personal traits rather than on job performance, on faults rather than on evidences of strength. This report argued that even though behavior and personality factors may in some cases be important to assess, there is no guidance on how to assess these factors and what yardsticks to use. These queries have necessitated review of the traditional method of appraisal which is said to lend itself to subjective evaluations. In view of these inadequacies in the appraisal system, there has been a continued search for a system that could lead to objective assessments and positive rewards.

In reviewing the work of writers on the subject, it is first necessary to discuss the purposes of and necessity for performance appraisals in public and private organizations. John E. Newman and John R. Hinrichs in their book *Performance*
Evaluation for Professional Personnel provide useful highlights. They define performance and performance evaluation as follows:

Performance, in the context of professional job may refer to two things:

1. The results that employees achieve on the job - the outcomes, consequences, and outputs.
2. Whatever they do that affects those results - their behavior and actions.

Having defined performance, they go on to define "evaluation", as follows:

Evaluation implies the determination of, or fixing the value of, that being evaluated. It involves the examination or judgment of something with respect to a standard or criterion. Performance Evaluation, then refers to the determination of, or fixing the value of performance in relation to a standard of performance.⁵

A brief discussion of the evaluation process itself also is useful. Typically, the performance evaluation process involves a formal discussion between a superior and a subordinate to discover how the subordinate is presently performing on the job and how the subordinate can perform more effectively in the future so that the subordinate, the superior, and the organization all benefit. Lefton, Buzzota, Sherberg and Karraker, co-authors of the book Effective Motivation Through Performance Appraisal, separate the definition of performance appraisal into four parts:

1. Performance appraisal is a formal discussion between a superior and a subordinate,
2. for the purpose of discovering how and why the subordinate is presently performing on the job and,
3. how the subordinate can perform more effectively in the future

4. so that the subordinate, the superior, and the organization all benefit.

These writers contend that the final purpose of performance appraisal is to develop people who are steadily growing, enlarging their skills, and learning new and better ways of doing things. They posit, therefore, that an organization in which effective performance appraisal is the rule rarely stands still or moves backward, because effective appraisal develops people who move forward, and forward-moving people make forward-moving organizations.

The essence of performance appraisal is to be able to relate individual worker performance with a pre-determined objective. This comparison of where the employee is in relation to where he or she ought to be with respect to job performance accounts for individual output assessment. This comparison is absolutely necessary in assessing current as well as predicting future levels of performance. Through this system, work-related behavior is encouraged, while unrelated work behavior is discouraged.

It is apparent, then, that performance evaluation is indispensable for two principal reasons:

1) Performance appraisal provides information for deciding how to allocate individuals to positions in the organization, and

2) Provides information to individuals which will aid them in becoming more effective performers.
After considering the views of different writers and several public service review commissions reports from Nigeria, there emerges a general agreement on performance appraisal. There is agreement, for example, that no satisfactory mechanistic ways of appraising performance exist which would avoid the use of one man's judgment about the performance of a subordinate. Douglas McGregor, a behavioral scientist, argued that the traditional techniques of appraisal places the superior in the position of "playing God" in judging his subordinates.® Under this traditional method, the supervisors can make or unmake their subordinates since there is no clear conception of objectives to be met, nor are there defined yardsticks upon which assessments can be based. Thus, the practices of supervisory personnel are often resented by the work-force. McGregor believes that this traditional approach to performance appraisal explains the failure of most management appraisal schemes.

What I find interesting is that none of the authors whose work I have read make any case for uniform or universal appraisal system across organizations. This is because organizations differ from each other in the purpose for which they are established. A sophisticated system calls for an equally sophisticated method of appraisal. Here the thesis of Whisler and Harper, editors in a collection of professional writings on performance evaluation, becomes relevant.® They posit that if an organization is to
function moderately well in the bureaucratic tradition with formally defined roles and replaceable personnel, necessary information (that is reliable and objective information) must be available about the performance and capacities of its members. Since performance results are to be retrieved periodically for personnel decisions, what is required to enhance productivity and mutual confidence among employees and management is an accurate record of each officer's output which is not influenced by biased personal considerations such as personality traits, ethnic background, sex, or age. These are some of the problems addressed by the Public Service Review Commission in Nigeria in 1974.10

Storage and Retrieval of Appraisal Results

A method of appraising individual performance is essential in any large organization in order that one can ensure that the objectives of the organization are being achieved and the duties properly performed. By identifying potential skills or less than satisfactory performance, the performance appraisal becomes a basic source document for training and staff development. As performance evaluations form a permanent part of an employee's record with a particular organization, Whisler and Harper argue that whenever personnel decisions are contemplated, the appraisal records should be retrieved and applied. Dale S. Beach in his book Personnel: The Management of People at Work11 and
Pigors and Myers in their *Personnel Administration: A Point of View and a Method*\(^{12}\) are in full agreement with Whisler and Harper. These authors believe that the accurate storage of personnel records which are retrieved and applied in personnel decisions is a positive and fair approach in comparison to the practice in some organization where appraisals are made, recorded, filed, and forgotten. When personnel decisions which involve discriminating among individuals are made without reference to these previous recorded evaluations, Beach contends that the purpose of performance appraisal (which is to improve employee performance and to reward such improved performance by promotions, merit and salary increases) is negated. In light of the importance of this factor, this research on the Housing and Urban Development Corporation, Makurdi, Benue State, Nigeria focuses on testing the correlation between appraisal results and personnel decisions.

**Management by Objectives**

In 1954, Peter Drucker propounded and developed the MBO system, a new approach in employee performance appraisal.\(^{13}\) This approach is designed to overcome some of the inherent problems of conventional appraisal system which place the rater in the position of "playing God". In order to change this situation, Drucker suggested the shifting of responsibility for target setting and appraisal to subordinates. The major goals of MBO are to enhance the
superior-subordinate relationships, strengthen the motivational climate, and improve performance. It is Drucker's idea that when subordinates set their own goals, the boss ceases to "play God" and assumes the position of a counselor.

The major process involved under the MBO system of management is that the broad policies and programs are set by the top management. The "top management" in this case may be a Governing Board as is the case with HUDCO, or a Manager with his branch executives in a smaller organization. This top decision on what to achieve within a particular period lays the foundation for other departmental arrangements regarding strategies which are necessary to realise set objectives. After policies are formulated at the top and branches are assigned specific tasks, the Manager or branch executives organise their departmental functions by meeting formally with their subordinate officers. Such meetings are utilized for mutual goal setting between Managers and their subordinates. A time period for completion is also agreed upon and a milestone chart is drawn for each subordinate to enable the branch executive to keep track of developments. While subordinates are allowed freedom to set their own goals and strategies for achieving results, they are guided by superiors who ensures that the goals relate to the objectives of the organization. When this is done, the criteria for measuring and evaluating performance are also agreed upon. During the time set for realising the
objectives, the Manager and subordinates get together at periodic intervals to evaluate progress made toward the agreed upon goals. At such meetings, new or modified goals are made for the ensuing period. Here, the superior plays a supportive role by advising and encouraging subordinates when they run into difficulties. In the process of evaluating the subordinates performance under MBO, the superior plays less the "role of a judge" as in the conventional appraisal and more the role of one who assists subordinates in attaining their goals or targets.

In terms of its applicability to various disciplines, the concept of management by objectives is known to succeed more in the technical, professional, supervisory, and executive fields. The limitation in the application of MBO concerns administration and accounts. This limitation is related to the problem of defining objectives, measuring benefits, and the operating cycle. In addition, it is difficult to apply MBO to hourly employees regardless of their profession. When the duties and responsibilities of workers are imposed upon them by higher management, they have no leeway for participating in a mutual goal-setting arrangement under management by objectives.

Under MBO, rewards and punishments are linked with individual performance relative to organizational goals. This is where Peter Drucker posited that organizational members performing under MBO are not rewarded for being
good dressers, good guys or good talkers, but because they achieve the objectives of the organization. It is pertinent to state here that under MBO, goals and objectives are set to reflect the organizational mission. This focus ignores the setting and realization of personal goals and objectives by employees. The practice suggests that employees always have to adapt themselves to satisfy the requirements of the organization. A question addressed in a later chapter is whether management by objectives is a system that should be adopted for use by HUDCO.

Performance Appraisal As An Aid in Decision-Making

Performance appraisal is a necessity in all organizations. Given the fact that decisions have to be made on employees regarding merit pay increases, promotions, training, transfers, demotions, suspension from duty, and eventual discharge of erring officers, it is not advisable to base such decisions on the inaccurate recollections of busy supervisors. Given that such decisions may be taken by top management officials who do not know individual employees, a system is required that provides accurate records of performance to serve as a guide to decision-makers. Newman and Hinrichs, in their assessment of Feeney's thesis (1972), maintain that communication about the specifics of performance, both positive and negative, should be done at the time behavior occurs and not withheld until a later date. Feeney adds:
It is important to stay in touch with performance throughout the year, so that there will be no surprises, no drastic effort to catch up on the recording of incidents of performance, and little, if any, new information that has to be communicated during a year-end appraisal. Rather, the emphasis should be placed on integrating and evaluating the specific aspects of performance previously observed and discussed during the course of the year.\(^{15}\)

The major problem that may arise in performance appraisal is lack of objectivity while writing reports on the performance of subordinate employees. This problem is more wide-spread in the traditional appraisal system. This system creates loop-holes for managers and raters since it lacks any feedback mechanism for relating to employees how they have performed during the reporting period. Consequently, the supervisors and top management officials who act as judges are free to write damaging remarks on otherwise effective employees, while the apparent low or substandard performers may earn excellent ratings. Their evaluation may be based on individual traits which are not related to performance and work standards.

Arbitrary, subjective evaluation is what the various Public Service Review Commissions in Nigeria, notably the Elwood Report, Adebo Report, the Williams and Williams Report, and the most widely cited Udoji Public Service Review Report, sought to eliminate. The latter is more comprehensive in its consideration of productivity and the manner in which performance of workers are evaluated. This Review Commission discovered flaws with the traditional
confidential report system in Nigeria and encouraged the adoption of an open reporting system patterned on MBO guidelines. While the conventional system of performance evaluation is done in secret and does not provide for drawing the attention of subordinates to their shortcomings, the open reporting system provides that performance ratings should be done in the open to enable the subordinates to know where they stand regarding their performance. When this principle of openness is upheld, performance reports become much more objective. The open reporting system ensures that effective performers be further encouraged while remedial actions are taken to encourage substandard performers to avoid further degeneration in performance. These are the main virtues identified in the open system of performance evaluation.

**SUMMARY**

The conclusion drawn here is that performance appraisal is not only necessary in organizations, but its administration and use must be objective to provide a favorable climate for an organization and its employees. The reviewed works of Whisler and Harper, Newman and Hinrichs, Lefton, Buzzota, Sherberg, and Karraker, Dale S. Beach, Pigors and Myers, and Peter Drucker are reflective of the effort to introduce objectivity in the method of staff appraisal in organizations. The goals of performance evaluation as presented in the literature reviewed indicate that adequate
and accurate records of staff performance should be kept by organizations and retrieved for personnel decisions. When the principle of accurate and objective system of performance appraisal is upheld, confidence and trust will be built between workers and their organizations and both will share the benefits that accrue from this mutual trust.

Since the government and people of Benue State stand to benefit from the activities of HUDCO, productivity and performance measurements should be of great concern to the management of this corporation. One would expect this corporation to embrace an evaluation system that recognizes actual output vis-a-vis the set objectives of the corporation. It is to achieve positive results through the utilization of an effective management system that the corporation has been insulated from the main civil service bureaucracy.
CHAPTER II
RELATIONSHIP BETWEEN PERFORMANCE APPRAISAL AND
PROMOTIONAL DECISIONS IN HUDCO

This chapter describes the performance appraisal presently utilized by HUDCO, and reports on the results of document analysis designed to test the first hypothesis that there is a lack of correlation between performance appraisal results and personnel decisions in HUDCO.

HUDCO's Performance Appraisal System

The Housing and Urban Development Corporation (HUDCO) uses the confidential annual performance evaluation system for appraising the performance of its employees. Under this system, the heads of the various departments are charged with assuring that performance reports are written on their subordinate employees annually. Performance report writing begins with the distribution of evaluation forms from central administration to all heads of departments for circulation among their subordinate officers. These forms are to be completed in part one by employees on salary grade levels 03 and above. This section of the evaluation form contains personal details of the employee such as name, date of birth, department in which posted, and the employee's qualifications (including those obtained before and those acquired during the report period). Other details include the date of the
employee's first appointment with the corporation, current substantive grade, when appointed to such grades, acting appointment/s held during period of report, course/s of instruction undertaken during period of report, and total number of sick leave days taken during period of report. Finally the employee is to indicate, in order of importance, the main duties performed during the reporting period as well as any ad-hoc (non-continuous) duties performed within this period.

Once these details are provided by the ratee, the form is forwarded to the reporting officer who completes part two of the form. This second part contains several evaluation parameters to be assessed on a five point scale from A to E. A and E are two extremes in the rating scale. A represents outstanding performance and E represents unsatisfactory performance. The three intermediate ratings of B, C, D represent very good, good, and fair, respectively.

After the overall rating is determined and assigned by the reporting officer, the subordinate whose performance is being appraised is expected to sign in testimony of having seen the evaluations. As soon as this is satisfied, the reporting officer further assesses the potential of the subordinate regarding suitability for promotion. This is indicated by checking one of the three boxes of 1) well fitted, 2) fitted or 3) not fitted for promotion. The reporting officers' are required to justify such
recommendations by concrete reasons. Where necessary, additional information not contained in the body of the form is provided to support the reporting officer's assessments. At this stage, the officer whose performance is being evaluated has no further access to the report form. Once these formalities are completed, the evaluation forms are returned to the central administration for storage and eventual retrieval.

**DOCUMENT INVESTIGATION (SENIOR OFFICERS)**

The sample of 50 senior officers whose records we examined cuts across all departments and various professions, i.e. Architects, Engineers (building and civil), and Administration and Accounts. The records investigation covered a three year period, that is, from 1981-83. The main reason for this investigation is to assess whether any relationship exists between performance appraisals and promotional decisions.

Table 1 presents the overall ratings for the sample group of senior officers by level of performance rating for each of three years. Across the three year period, an average of 4 per cent are rated "outstanding", 6 per cent "fair" and less than 1 per cent "unsatisfactory". The greatest number, an average of 35 per cent across three years, are rated "very good". The second greatest number in the entire sample, an average of 26 per cent, are rated "good". Under the system of performance evaluation in HUDCO,
ratings in the "fair" and unsatisfactory" categories are considered low and are also evidences of below average performance in job duties/responsibilities. Employees rated in any of these two categories have less chances for promotion in comparison with their counterparts with above average scores.

Table 1 indicate that supervisors did not appraise performance on one-quarter(1/4) to one third(1/3) of all individuals in the sample. The absence of performance records on these respondents indicates that supervisors simply abdicated their responsibilities in evaluating

---

**TABLE 1**

PERFORMANCE RATINGS ON SENIOR OFFICERS, 1981-83 (N = 50)

<table>
<thead>
<tr>
<th>Performance rating level</th>
<th>1981</th>
<th>1982</th>
<th>1983</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>N</td>
<td>%</td>
<td>N</td>
</tr>
<tr>
<td>Outstanding</td>
<td>2</td>
<td>4%</td>
<td>3</td>
</tr>
<tr>
<td>Very Good</td>
<td>22</td>
<td>44%</td>
<td>14</td>
</tr>
<tr>
<td>Good</td>
<td>14</td>
<td>28%</td>
<td>12</td>
</tr>
<tr>
<td>Fair</td>
<td>-</td>
<td>0%</td>
<td>4</td>
</tr>
<tr>
<td>Unsatisfactory</td>
<td>-</td>
<td>0%</td>
<td>1</td>
</tr>
<tr>
<td>No trace of appraisal records</td>
<td>12</td>
<td>24%</td>
<td>16</td>
</tr>
<tr>
<td>TOTALS</td>
<td>50</td>
<td>100%</td>
<td>50</td>
</tr>
</tbody>
</table>
subordinate performance within the three year period.

In Table 2 below, we display the number of promotions across the various rating scales within the period under investigation. Realising that performance appraisal is a strong instrument for isolating candidates for promotions, raters tend to be secretive in the manner in which overall ratings are assigned to ratees. Based upon the researcher's experience as a practising administrator in Nigeria, subordinates with consistent A scores and fewer B's are assigned "outstanding"; fewer A's, more B's and fewer C's "very good"; more B's, fewer C's and D's "good"; more C's, D's and fewer E's "fair" while ratings in the D and E's are assigned "unsatisfactory." Theoretically, in

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Outstanding</td>
<td>1</td>
<td>50%</td>
<td>-</td>
<td>0%</td>
<td>-</td>
<td>0%</td>
</tr>
<tr>
<td>Very Good</td>
<td>10</td>
<td>45%</td>
<td>-</td>
<td>0%</td>
<td>8</td>
<td>47%</td>
</tr>
<tr>
<td>Good</td>
<td>9</td>
<td>64%</td>
<td>-</td>
<td>0%</td>
<td>6</td>
<td>46%</td>
</tr>
<tr>
<td>Fair</td>
<td>-</td>
<td>0%</td>
<td>1</td>
<td>25%</td>
<td>-</td>
<td>0%</td>
</tr>
<tr>
<td>Unsatisfactory</td>
<td>-</td>
<td>0%</td>
<td>-</td>
<td>0%</td>
<td>-</td>
<td>0%</td>
</tr>
<tr>
<td>No trace of appraisal records</td>
<td>-</td>
<td>0%</td>
<td>-</td>
<td>0%</td>
<td>-</td>
<td>0%</td>
</tr>
<tr>
<td><strong>TOTALS</strong></td>
<td><strong>20</strong></td>
<td><strong>1</strong></td>
<td><strong>1</strong></td>
<td><strong>14</strong></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Reproduced with permission of the copyright owner. Further reproduction prohibited without permission.
selecting employees for promotions, great emphasis is to be placed on level of performance rating of individual candidates over a period of time, usually three years. Distinctions are then to be made between standard performers and below average performers to guide decision-makers on who should and who should not be promoted. In practice, this ideal is not strictly pursued. An example of this is a situation in 1982 (Table 2) where the corporation approved promotion for one candidate rated only in the "fair" category.

As indicated in Table 2, 45 to 64 per cent of those rated in "outstanding", "very good" and "good" categories earned promotions in 1981 and 1983. It is surprising, however, that the corporation promoted a higher proportion of those rated "good" in comparison to those found in "outstanding" and "very good" categories. Reasons for this remain unexplained by HUDCO management. Since performance appraisal is one important instrument guiding selection for promotions, one would have thought that those rated "outstanding" and "very good" ought to have earned a higher rate of promotion than their counterparts in the "good" category. Such promotion practices suggest that more weight is being given to hidden variables which we cannot isolate and test in this paper. However, the point should be made that when promotion awards fail to take cognizance of "better" performance ratings, such practices
could serve as a disincentive for employees to strive to attain "outstanding" ratings.

The year 1982 witnessed a sharp decline in promotion awards. As reported earlier, only one candidate in the "fair" category benefitted. As specified by the Nigerian government, a two year interval is imposed between one promotion and the other in the public services, although in exceptional cases, more innovative employees could be encouraged by further promotions in less than two years. Given this requirement, most of those who earned promotions in 1981 could not have become eligible for further promotions in 1982. However, since only 20 employees (40 per cent of aggregate sample) earned promotion in 1981, many of the remaining 60 per cent who did not enjoy promotion in 1981 qualified for consideration in 1982. These candidates were not successful.

In 1983, the corporation promoted 47 per cent among those rated "very good" and 46 per cent of those rated "good". The percentages from both categories are almost proportional, further evidence that less weight is being given to "better" performance rating. Overall, the records examined provide strong evidence of lack of correlation between rating and promotions during the time frame under consideration.

**DOCUMENT ANALYSIS (JUNIOR AND INTERMEDIATE OFFICERS)**

This section presents our document study findings for the sample of 50 junior and intermediate staff in HUDCO.
The data in Table 3 present a record of evaluation for this sample of the junior and intermediate officers for two reporting years, 1981-82. Details about evaluations for 1983 were unavailable as processes for evaluation for that reporting year had not commenced at the time of research in the summer of 1983. Of those rated, none fell in the extreme categories of outstanding or unsatisfactory.

<table>
<thead>
<tr>
<th>Performance rating level</th>
<th>1981</th>
<th>1982</th>
</tr>
</thead>
<tbody>
<tr>
<td>N</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Outstanding</td>
<td>-</td>
<td>0%</td>
</tr>
<tr>
<td>Very Good</td>
<td>3</td>
<td>6%</td>
</tr>
<tr>
<td>Good</td>
<td>12</td>
<td>24%</td>
</tr>
<tr>
<td>Fair</td>
<td>2</td>
<td>4%</td>
</tr>
<tr>
<td>Unsatisfactory</td>
<td>-</td>
<td>0%</td>
</tr>
<tr>
<td>No trace of appraisal records</td>
<td>33</td>
<td>66%</td>
</tr>
<tr>
<td>TOTALS</td>
<td>50</td>
<td>100%</td>
</tr>
<tr>
<td></td>
<td>50</td>
<td>100%</td>
</tr>
</tbody>
</table>

The greatest number of ratees fell within the "good" category, but the data is unreliable as a representation of the whole sample group since the records of those examined shows that supervisors did not evaluate the performance of 33 (66 per cent) of the aggregate sample in

Earlier in the chapter, we observed that performance evaluation in HUDCO is restricted to employees on salary grade levels 03 and above. There is no indication of how the performance of those below 03 is to be evaluated. It is possible, therefore, that some of those earning below level 03 are included in our sample. This would account for the high number of those not evaluated across the two years. Since our investigation did not include isolating respondents by grade levels, we are unable to confirm this assumption. Nevertheless, the above results show that performance evaluation of junior and intermediate officers in HUDCO is handled carelessly. This situation is unhealthy for management as well as junior employees who constitute the majority in the corporation. As a developmental tool, performance evaluation on all staff is necessary to identify areas of weaknesses to be remedied and strengths to be encouraged. When such vital activity is neglected, the management and staff are likely to work at cross purposes that are disruptive to staff-management relations and smooth work processes.

Table 4 shows the promotional decisions for junior and intermediate officers during a two year period. In 1981, the corporation approved promotions for 67 per cent of those rated "very good", 50 per cent of those rated "good" and 50 per cent of those rated "fair". Comparing the percentages
of those promoted across the three rating scales, those rated "very good" earned more promotions, but it is significant that the per cent of those promoted among those rated only "fair" is nearly as high. This shows that promotion rates are only somewhat related to performance ratings. Also in 1981, the corporation approved promotions

TABLE 4

NUMBER AND PER CENT OF THOSE PROMOTED IN EACH RATING CATEGORY: JUNIOR & INTERMEDIATE OFFICERS, 1981-82 (N = 50)

<table>
<thead>
<tr>
<th>Performance rating level</th>
<th>Promoted 1981 N</th>
<th>%</th>
<th>Promoted 1982 N</th>
<th>%</th>
</tr>
</thead>
<tbody>
<tr>
<td>Outstanding</td>
<td>0</td>
<td>0%</td>
<td>0</td>
<td>0%</td>
</tr>
<tr>
<td>Very Good</td>
<td>2</td>
<td>67%</td>
<td>0</td>
<td>0%</td>
</tr>
<tr>
<td>Good</td>
<td>6</td>
<td>50%</td>
<td>4</td>
<td>50%</td>
</tr>
<tr>
<td>Fair</td>
<td>1</td>
<td>50%</td>
<td>0</td>
<td>0%</td>
</tr>
<tr>
<td>Unsatisfactory</td>
<td>0</td>
<td>0%</td>
<td>0</td>
<td>0%</td>
</tr>
<tr>
<td>No trace of appraisal records</td>
<td>4</td>
<td>12%</td>
<td>0</td>
<td>0%</td>
</tr>
<tr>
<td>TOTALS</td>
<td>13</td>
<td></td>
<td>4</td>
<td></td>
</tr>
</tbody>
</table>

for four candidates from the group of those whose performance supervisors did not evaluate. From records which we examined, the corporation gave no reasons. Neither did it state the criteria used to promote candidates whose performance appraisals are unknown.

Within the 1982 reporting period, the corporation promoted only four officers (50 per cent) of those rated
"good", and promoted none among the three who had been rated "very good". The reason for this shortfall in 1982 is not likely to be tied to the two year interval between promotions in the public service in Nigeria. The results in this sample of junior and intermediate officers provide more evidence showing lack of relationship between performance appraisal results and promotional decisions in HUDCO.

SUMMARY

This record examination study has attempted to relate promotions in HUDCO with performance evaluation results. Critically reviewing the findings presented on the two sampled groups, one discovers a lack of adequate attention to this important tool of management. In 1981, the records of senior officers indicate that 24 per cent did not receive supervisors ratings about their performance. In 1982-83, the percentage rose to 32 and 28 respectively. Among the junior and intermediate officers, the percentage of those who did not receive supervisors rating is extremely high. In 1981, 66 per cent fell within this category, while in 1982 the percentage rose to 78 per cent.

In comparing the ratings with the promotion decisions, it is apparent that a lack of consistency exists. As a result, employees cannot be sure of the factors which determine promotion awards. The findings presented suggest that other possible intervening variables are being considered.
Such factors could be seniority, length of service, overall conduct (subjective), qualifications, and the existence of a vacancy or non-job related considerations. Since the focus of analysis in the study has been on the relation of promotions to the various performance rating scales, we lack sufficient data to test the impact of possible intervening variables.

From the analysis in this chapter, performance evaluation and promotional decisions are not systematically carried out in HUDCO. For example, in 1981, four employees whose performance supervisors did not evaluate also earned promotions. The criteria employed in reaching such decisions to promote are not stated. No wonder, then, that promotions in HUDCO are often followed by petitions. Such petitions, which we encountered during our records examination, emanate from those who feel they have been unjustly denied merit consideration. The analysis in this chapter is indicative of the fact that employees are not promoted consistent with their performance appraisals. In conclusion, there is considerable evidence to support the hypothesis that performance appraisal results are not closely related to personnel decisions in HUDCO.
CHAPTER III

RESPONDENTS PERCEPTION ON THE EXISTING SYSTEM
OF PERFORMANCE APPRAISAL IN HUDCO

The second hypothesis for this project states that the lack of correlation between performance appraisal results and personnel decisions in HUDCO produces dissatisfaction with the existing performance appraisal process. In this chapter, we attempt to relate selected employee background attributes and attitudes toward the existing system of performance evaluation in HUDCO. This is to test the validity of the second hypothesis.

Respondents' Background

Our sample for the survey analysis reported in this chapter includes the same 50 senior officers and 50 junior and intermediate staff whose records we analyzed in Chapter two. In addition, the survey sample include 10 heads of departments in HUDCO. Responses to questionnaires show a 62 per cent return rate for senior officers, 50 per cent for junior and intermediate staff, and 60 per cent for the heads of departments. Before discussing the results of our survey of attitudes toward the appraisal system, we present below the background of respondents to provide readers with a view of the composition and type of personnel surveyed.

Table 5 shows the distribution of respondents by length of service. The length of period served is shown with the exact number of respondents in each category. For
example, under the first item in the table, four employees

TABLE 5
LENGTH OF SERVICE OF RESPONDENTS
(N = 56)

<table>
<thead>
<tr>
<th>Years of Service</th>
<th>Number of Respondents</th>
<th>Per cent</th>
<th>Cumulative per cent</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>4</td>
<td>7.1</td>
<td>7.1</td>
</tr>
<tr>
<td>2</td>
<td>12</td>
<td>23.2</td>
<td>30.3</td>
</tr>
<tr>
<td>5</td>
<td>11</td>
<td>19.6</td>
<td>50.4</td>
</tr>
<tr>
<td>6</td>
<td>15</td>
<td>26.8</td>
<td>82.1</td>
</tr>
<tr>
<td>7</td>
<td>4</td>
<td>7.1</td>
<td>89.3</td>
</tr>
<tr>
<td>9</td>
<td>6</td>
<td>10.7</td>
<td>100.0</td>
</tr>
</tbody>
</table>

are listed as having served the corporation for one year while the last item reflect six employees who have served for a much longer period of nine years. A full 47 per cent of respondents fall within the 5 - 6 year range.

Table 6 breaks down length of service for respondents by staff level in order to determine whether senior staff members had served HUDCO for more or less time than had junior and intermediate staff. For purposes of this analysis,

TABLE 6
RESPONDENTS' YEARS OF SERVICE, BY STAFF LEVEL (N = 56)

<table>
<thead>
<tr>
<th>Staff Level</th>
<th>Length of Service</th>
<th>Total Staff</th>
<th>Agg.%</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>1-4 yrs (2nd Rep.)</td>
<td>5-9 yrs (Military rule)</td>
<td>%</td>
</tr>
<tr>
<td>N</td>
<td>%</td>
<td>N</td>
<td>%</td>
</tr>
<tr>
<td>Junior &amp; Intermediate</td>
<td>8 32.0%</td>
<td>17 68.0%</td>
<td>25</td>
</tr>
<tr>
<td>Senior</td>
<td>12 38.7%</td>
<td>19 61.3%</td>
<td>31</td>
</tr>
</tbody>
</table>

Reproduced with permission of the copyright owner. Further reproduction prohibited without permission.
we grouped respondents into two categories; i.e., those who have served between one to four years and those between five to nine years. Respondents whose service periods range between one to four years have been identified as having entered the service of the corporation at the inauguration of the second republic in 1979, while those with longer service periods of five to nine years have experienced work service under the first military regime through the last civilian government. Table 6 reveals that similar percentages at both levels have served for 5-9 years; 68 per cent among junior and intermediate staff and 61 per cent among senior officers.

Table 7 classifies respondents into professional/technical and administrative groups. Of all the junior and intermediate respondents, 71.4 per cent belong to the professional/technical cadres. This compares with 96.7 per cent of senior staff respondents. In most public organizations, the above percentages would be surprising. However,
HUDCO is a building industry responsible for developing structures and building roads within the capital city of Makurdi, Benue State, Nigeria as well as in the urban centres within the State. This is why the technical staff outnumber the administrative personnel who only provide support services. Nevertheless, the picture could have been slightly different if all of the administrative personnel given questionnaires had returned them. A hundred per cent return from the administrative group would not have altered the majority in the professional/technical category, but it would have increased the percentage in the administrative category.

We shall now examine respondents' attitudes to the existing system of performance evaluation in HUDCO. Table 8 reports responses to a survey question asking whether or not respondents felt the existing appraisal system is implemented in an objective fashion. Statistics from this table shows that among the junior and intermediate staff,

<table>
<thead>
<tr>
<th>Staff Level</th>
<th>View of Existing Performance Evaluation</th>
<th>Total Staff</th>
<th>Agg. %</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Objective N %</td>
<td>Not Objective N %</td>
<td></td>
</tr>
<tr>
<td>Junior and Intermediate</td>
<td>14 60.9 %</td>
<td>9 39.1 %</td>
<td>23</td>
</tr>
<tr>
<td>Senior</td>
<td>12 38.7 %</td>
<td>19 61.3 %</td>
<td>31</td>
</tr>
</tbody>
</table>
60.9 per cent indicate that the current system of performance appraisal is objective. On the contrary, 61.3 per cent of the senior officers contend it is not. In the Housing and Urban Development Corporation, like most other public organizations, the evaluation of subordinate performance is vested on senior officers. Given this responsibility, one expects that this level of officers would be more familiar with the appraisal process and able to make valid and fairly reliable assessments. On a different plane, the members of the junior and intermediate staff are not directly involved in operating the appraisal system. This lack of direct involvement might limit, to a certain degree, their full knowledge of the technicalities in the system. Given the findings documented in Chapter two, we are tempted to uphold the views of senior officers as operators of the evaluation system.

In Table 9 below we assess the attitudes of the professional and administrative groups. From data in this

<table>
<thead>
<tr>
<th>Staff Type</th>
<th>View of Existing Performance Evaluation</th>
<th>Total Staff</th>
<th>Agg. %</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Objective</td>
<td>Not Objective</td>
<td></td>
</tr>
<tr>
<td>Professionals</td>
<td>19</td>
<td>24</td>
<td>43</td>
</tr>
<tr>
<td>Administrative</td>
<td>4</td>
<td>3</td>
<td>7</td>
</tr>
</tbody>
</table>

Reproduced with permission of the copyright owner. Further reproduction prohibited without permission.
table, the majority in the professional/technical cadre (55.8 per cent) feel the system is not objective. In the explanation part of the questionnaire, more than 65 per cent of respondents from this group assert that the evaluation emphasizes administrative rather than technical parameters. Among respondents from the administrative group, a different picture is presented. In this group, the majority of 57.1 per cent believe that the existing system is objective. Since the evaluation forms are designed and largely administered by administrative personnel, their attitudes on this variable are not totally unexpected.

The accusation levelled by the professional respondents in this sample brings to the fore one of the problems associated with the design and implementation of the existing system of performance appraisal in HUDCO. As noted in the literature review section of this paper, an appraisal system is to be designed consistent with the needs and peculiarities of the organization. The system in operation in HUDCO does not seem to reflect this need. As a technical organization with majority of its employees in the technical professions, it is necessary to revise the existing system of performance appraisal to one that can adequately evaluate performance of personnel in all the disciplines represented in the corporation. We observe from this finding that while the majority of the administrative respondents demonstrate satisfaction on this variable, the technical personnel appear
to be much more critical of the evaluation system.

It may be the case that one's attitude towards the appraisal process reflects satisfaction/dissatisfaction with one's present appointment. Table 10 gives the results of correlating these two attitudes. Of all those who say the existing system of performance appraisal is objective, 69.2 per cent are satisfied with their appointments. Among the second group of respondents who hold the view that the appraisal system is not objective, exactly 50 per cent are satisfied with their appointments. The attitudinal findings

TABLE 10

CORRELATION BETWEEN SATISFACTION IN APPOINTMENT WITH RESPONDENTS' ATTITUDES ON THE EXISTING SYSTEM OF PERFORMANCE APPRAISAL: JUNIOR AND INTERMEDIATE OFFICERS/SENIOR OFFICERS (N = 54)

<table>
<thead>
<tr>
<th>View of Existing Performance Appraisal</th>
<th>Satisfaction with present appointment</th>
<th>Total Staff</th>
<th>Agg. %</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Satisfied N %</td>
<td>Not Satisfied N %</td>
<td></td>
</tr>
<tr>
<td>Objective</td>
<td>18 69.2%</td>
<td>8 30.8%</td>
<td>26</td>
</tr>
<tr>
<td>Not Objective</td>
<td>14 50.0%</td>
<td>14 50.0%</td>
<td>28</td>
</tr>
</tbody>
</table>

set forth in this table suggest that the more objective respondents perceive the existing system to be, the more they are likely to be satisfied with their appointments.

What percentage of the junior and intermediate officers have been passed over for promotions? In an attempt to test the frequency at which people are passed over for promotions and the effect of this on staff morale and productivity, we

Reproduced with permission of the copyright owner. Further reproduction prohibited without permission.
deliberately asked our sample group of junior and intermediate officers the number of times they have not been promoted in HUDCO. This question provided two choices: once, if a particular respondent has been passed over once, and two or more times. Out of the 25 members of the junior and intermediate group who were specifically asked this question, we received 18 valid responses. In correlating promotional supercessions among this group of employees with respondents attitudes on the existing performance appraisal, we obtained the results presented in Table 11. Among those passed over for promotions once, 75 per cent held the view that the appraisal system is objective. Among the second group of respondents, those passed over on two or more occasions, we obtained balanced perceptions. This result suggests that the more often one is passed over for promotion, the less objective they are likely to find the performance appraisal process.

<table>
<thead>
<tr>
<th>Frequency of Supercessions</th>
<th>View of Existing Performance Appraisal</th>
<th>Total Staff</th>
<th>Agg. %</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Objective %</td>
<td>Not Objective %</td>
<td></td>
</tr>
<tr>
<td>Once</td>
<td>6 75.0 %</td>
<td>2 25.0 %</td>
<td>8</td>
</tr>
<tr>
<td>Two or more times</td>
<td>5 50.0 %</td>
<td>5 50.0 %</td>
<td>10</td>
</tr>
</tbody>
</table>

TABLE 11
RELATION OF PASS OVER FOR PROMOTIONS TO RESPONDENTS' VIEW OF EXISTING PERFORMANCE APPRAISAL: JUNIOR & INTERMEDIATE OFFICERS (N = 18)
One of the key questions addressed in our survey is the question of morale as a by-product of the implementation of the existing performance evaluation system in HUDCO. Our sample group on this variable are the senior members of staff who were specifically isolated and asked whether they felt that "HUDCO's performance appraisal system" caused morale problems. From the aggregate sample of thirty-one, twenty-two (representing 71.0 per cent) agreed that it did cause morale problems. Table 12 shows the responses to this question broken down according to whether or not the officer felt satisfied with his job. Of those senior officers who indicate satisfaction with their appointments, 60 per cent

<table>
<thead>
<tr>
<th>TABLE 12</th>
</tr>
</thead>
<tbody>
<tr>
<td>CORRELATING VIEW OF SENIOR OFFICERS ON SATISFACTION WITH APPOINTMENT BY ATTITUDES ON MORALE PROBLEMS IN THE APPRAISAL SYSTEM (N = 31)</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Satisfaction with appointment</th>
<th>Existing Performance appraisal causes morale problems</th>
<th>Total Staff</th>
<th>Agg. %</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Agree</td>
<td>N</td>
<td>%</td>
</tr>
<tr>
<td>Satisfied</td>
<td>9</td>
<td>60.0%</td>
<td>6</td>
</tr>
<tr>
<td>Not Satisfied</td>
<td>13</td>
<td>81.3%</td>
<td>3</td>
</tr>
</tbody>
</table>

of them agree with the assertion that HUDCO's system of performance evaluation causes morale problems. Among those who are apparently dissatisfied with their appointments, 81.3 per cent agree with the statement. This indicates that those who are dissatisfied with their appointments are more
likely to see performance appraisal as a source of morale problems. This finding is reflective of the fact that the system of appraisal, the manner in which it is carried out, and the use to which it is put results in morale problems among the employees. Where performance evaluation lacks comprehensiveness in its administration, those whose performances are not evaluated are likely to lose faith in the system. Also, where results of evaluation are not applied strictly in personnel decision-making, as revealed in our document analysis in chapter two, the morale of those not given merit consideration are likely to be affected.

Attitudes of Departmental Heads to the Evaluation System in HUDCO

Finally, in this section we shall report the attitudes of heads of the ten departments in HUDCO concerning the performance evaluation system. It is important to reiterate the need for interviewing these employees separately. This need stems from the fact that departmental heads assume administrative responsibility for their units. Consequently, they supervise, evaluate, and submit written performance records of individual staff to the administrative unit which is responsible for the storage and eventual retrieval of such records.

The questionnaire to these officers has two main sections: the demographic and the "core". The latter seeks responses to important questions regarding the performance
evaluation system. From the answers to the demographic section, we discover that all respondents in this category are males who had served the corporation as either substantive or acting heads of their various units for periods ranging from one to four years. Table 13 provides the number of senior and junior officers in the six departments for which departmental heads returned questionnaires.

Responding to the first question asked about the performance evaluation system in HUDCO, 66.6 per cent of

TABLE 13
BREAKDOWN OF STAFF STRENGTH BY DEPARTMENTS

<table>
<thead>
<tr>
<th>Departments</th>
<th>Senior Officers</th>
<th>Junior Officers</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>01</td>
<td>50</td>
<td>450</td>
<td>500*</td>
</tr>
<tr>
<td>02</td>
<td>2</td>
<td>28</td>
<td>30</td>
</tr>
<tr>
<td>03</td>
<td>6</td>
<td>21</td>
<td>27</td>
</tr>
<tr>
<td>04</td>
<td>6</td>
<td>*</td>
<td>6*</td>
</tr>
<tr>
<td>05</td>
<td>10</td>
<td>181</td>
<td>191</td>
</tr>
<tr>
<td>06</td>
<td>4</td>
<td>146</td>
<td>150</td>
</tr>
</tbody>
</table>

*01 - Considering the fact that the entire staff strength is 500, the first respondent is likely to be the chief executive who coordinates the entire activities of the corporation.

*04 - Under this column, there is no indication of the number of junior officers. This is an inadvertent oversight on the part of the respondent.

The respondents indicate that the system is overly subjective, while 33.3 per cent believe that it is objective. Some of the respondents attributed subjectivity to the fact that the jobs upon which the assessments are made are ill-defined for any objective measurement of performance. They also insinuate that during reporting periods, supervisors tend to be swayed.
by halo effect instead of utilizing the evaluation process to assess ratees' actual performance as the basis for determining how employees' have performed relative to job requirements. Applying a subjective approach, ratees are arbitrarily assigned ratings not reflective of actual effort ostensibly to favor or to punish.

In the literature review in chapter one, the issue of subjectivity in appraisal is addressed and found to be more prevalent in the traditional approach to evaluation. Various authors on this subject have addressed this issue and prescribed new ways for measuring performance. McGregor recommended the MBO concept, while the Udoji Public Service Review Commission in Nigeria stressed the open reporting system. Viewing the approach to performance evaluation in HUDCO as perceived by respondents in this sample, one finds a marked departure from the ideal hypothesis of McGregor and the emphasis on openness in reporting as presented by Udoji. It is clear that such subjective appraisals which are employed in selection for promotions can easily result in employees' dissatisfaction with the appraisal process.

**SUMMARY**

The discussion in this chapter shows that the senior officers and the heads of the various departments who responded to questionnaires are more critical of the existing system of performance evaluation in HUDCO than
their junior staff counterparts. In comparing attitudes on the existing system of performance appraisal in HUDCO, 60.9 per cent of the junior and intermediate staff feel that the system is objective, while 61.3 per cent of the senior officers say it is not. Also comparing attitudes of the professionals and administrative personnel, a majority of the former believe that the existing system is not objective. On the other hand, the majority from the latter group of administrative personnel thinks otherwise. When asked of their opinion regarding the impact on morale of the appraisal system in HUDCO, 60 per cent of the senior officers who are satisfied with their present appointments and 81.3 per cent who are dissatisfied agree that morale problems results from the system. Among the heads of departments who responded to our questionnaire, 66.6 per cent indicate that the system of appraisal in HUDCO is overly subjective.

This study cannot assess completely the extent to which the performance appraisal system has damaged morale in HUDCO. Seventy-one per cent of senior officers (Table 12) felt the performance appraisal system caused morale problems, but this question was not asked of the junior and intermediate officers. What can be determined is that 39 per cent of junior and intermediate officers felt that the existing system is not objective (Table 8), and that how objective
they feel the system to be is related to their satisfaction with their present appointments and how often they have been passed over for promotion.
CHAPTER IV
RESPONDENTS' ATTITUDES TOWARD MANAGEMENT BY OBJECTIVES

Management by objectives is a system of management which is designed to relate employee efforts to organizational goals. This system of management incorporates many of the tools and techniques of productivity measurement and program evaluation. As against the system in traditional evaluation where goals are seldom defined, MBO operates on the premise that goals and objectives must be defined to allow an objective measurement of performance to take place. As such, organizations must attempt to answer a basic question: "for what purpose does our organization exist?". Once an organization has defined its mission and designed one or more long-range goals, including the general means to achieve that mission, the organization proceeds to hammer out its objectives. These objectives which are the results to be accomplished within a certain period of time, should exhibit four essential features - concreteness, attainability, desirability and measurability. Drucker has insisted that all one can measure is performance and that all one should measure is performance relative to a pre-determined goal or objective. 17

In the second chapter of this paper, we examined the system of performance evaluation in HUDCO, the manner in which it is conducted, and how the results of the appraisals are utilized. The third chapter report respondents' attitudes toward this system of evaluation.
In our survey, one of the questions addressed is whether or not respondents would support a move to change from the existing system of evaluation to management by objectives. In this chapter, we present the results of our survey regarding this issue. Table 14 presents the number of our sample who preferred changing to MBO as broken down by staff level. The table reveals that among the junior and intermediate respondents, 75.0 per cent prefer the concept of managing by objectives as a possible replacement to the existing system of performance appraisal in HUDCO. Sixty-one per cent of this same group found the existing system to be objective (Table 8). Whether or not this represents a contradiction cannot be determined here because it is possible to prefer the MBO system regardless of whether one finds the existing system objective or not. Perhaps in comparing the two evaluation systems, for example, the advantages of MBO outweighed those in the existing evaluation system. Such perceived 'relative advantage' could account for the preference for management by objectives.

<table>
<thead>
<tr>
<th>Staff Level</th>
<th>Preference for MBO</th>
<th>Total Staff</th>
<th>Agg. %</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>YES</td>
<td>NO</td>
<td></td>
</tr>
<tr>
<td></td>
<td>N (N%)</td>
<td>N (N%)</td>
<td></td>
</tr>
<tr>
<td>Junior and Intermediate</td>
<td>18 (75.0%)</td>
<td>6 (25.0%)</td>
<td>24</td>
</tr>
<tr>
<td>Senior</td>
<td>24 (77.4%)</td>
<td>7 (22.6%)</td>
<td>31</td>
</tr>
</tbody>
</table>

TABLE 14
PREFERENCE FOR MBO BY STAFF LEVEL
In any event, Table 14 shows high levels of support from both groups for MBO. It is significant that only about one quarter of those sampled in both sets of respondents are opposed to the idea of changing from the status quo.

In Table 15, we correlate attitudes on preference for MBO broken down according to respondent type. Statistics in this table shows that high percentages from both professional and administrative groups express support for management by objectives. The significance of this result is that if the MBO as a concept of evaluation is to be installed into HUDCO to replace the existing appraisal system, the majority in these cadres are likely to embrace the idea.

In Table 16, we correlate the attitudes of the entire sample of senior as well as junior and intermediate officers regarding preference for MBO and their perception of the existing system of appraisal. Data in table shows that of all those who find the existing system to be objective, 61.5 per cent prefer the MBO concept of evaluation. Among those

<table>
<thead>
<tr>
<th>Respondents Type</th>
<th>Preference for MBO</th>
<th>Total Staff</th>
<th>Agg. %</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>YES N %</td>
<td>NO N %</td>
<td></td>
</tr>
<tr>
<td>Professional</td>
<td>33 75.0%</td>
<td>11 25.0%</td>
<td>44</td>
</tr>
<tr>
<td>Administrative</td>
<td>6 85.7%</td>
<td>1 14.3%</td>
<td>7</td>
</tr>
</tbody>
</table>
TABLE 16

THE RELATION OF PREFERENCE FOR MBO TO RESPONDENTS' VIEW OF EXISTING PERFORMANCE APPRAISAL: JUNIOR AND INTERMEDIATE/SENIOR OFFICERS; (N = 54)

<table>
<thead>
<tr>
<th>View of Existing Performance Appraisal</th>
<th>Preference for MBO</th>
<th>Total Staff</th>
<th>Agg. %</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>YES</td>
<td>TOTAL</td>
<td></td>
</tr>
<tr>
<td></td>
<td>N</td>
<td>%</td>
<td></td>
</tr>
<tr>
<td>Objective</td>
<td>16</td>
<td>61.5%</td>
<td>26</td>
</tr>
<tr>
<td></td>
<td>10</td>
<td>38.5%</td>
<td></td>
</tr>
<tr>
<td>Not Objective</td>
<td>25</td>
<td>89.3%</td>
<td>28</td>
</tr>
<tr>
<td></td>
<td>3</td>
<td>10.7%</td>
<td></td>
</tr>
</tbody>
</table>

finding the system not entirely objective, a greater percentage, (89.3%) favor MBO. Even though MBO receives support from both groups, those who see the existing system as not objective are likely to prefer the MBO concept more. One can infer from results in above table that if MBO is to be introduced in HUDCO, there will be least resistance from members of the senior officers as well as from junior and intermediate officers, who feel the existing system is not objective.

IMPACT OF OTHER VARIABLES ON PREFERENCE FOR MBO

In this section of the chapter, we examine other factors that influence respondents choice for management by objectives. Such factors are length of service, satisfaction/dissatisfaction with appointment, and whether one has been passed over for promotions in HUDCO. The tables and discussions which we set out below explain the impact of each of these factors.
Table 17 records support for MBO among respondents according to years of service. Across the two categories of respondents, support for MBO is greatest among those with lesser service. These are employees who entered the service of the corporation at the inauguration of the Second Republic in 1979. Even though the majority of those who have served for five to nine years in the corporation (72.2 per cent) express preference for MBO, the data indicate that employees with lesser service are more likely to prefer MBO than those with longer service.

How do respondents who are satisfied or not satisfied with their appointments feel towards the introduction of MBO at HUDCO? Our first group of respondents in Table 18 are those who are satisfied with their appointments. From the tabulation, 72.7 per cent of these show preference for MBO. The second group of respondents are those who are dissatisfied with their appointments. In this category, we record a higher percentage (81.8 per cent) who support the concept of management by objectives in preference to the
TABLE 18
PREFERENCE FOR MBO BY SATISFACTION WITH APPOINTMENT

<table>
<thead>
<tr>
<th>Satisfaction with appointment</th>
<th>Preference for MBO</th>
<th>Total Staff</th>
<th>Agg. %</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Yes N %</td>
<td>No N %</td>
<td></td>
</tr>
<tr>
<td>Satisfied</td>
<td>24 72.7%</td>
<td>9 27.3%</td>
<td>33 100%</td>
</tr>
<tr>
<td>Not Satisfied</td>
<td>18 81.8%</td>
<td>4 18.2%</td>
<td>22 100%</td>
</tr>
</tbody>
</table>

existing system of performance evaluation in HUDCO.

Overall, preference for MBO is not highly correlated with satisfaction with appointment. We observe from the above table that those who are dissatisfied with their appointments show only a slightly greater preference for MBO than their counterparts in the satisfied group.

Since satisfaction with appointment or lack of it could be caused by appraisal practices and appraisal outcomes especially as they relate to promotions, how do respondents in the junior and intermediate category who have been passed over for promotions feel regarding choice of MBO as an alternative to the prevailing system? The results in Table 19 show that of all those who have been passed over for promotions once, 66.7 per cent favor MBO as an alternative to the existing system. Among those who have been passed over for two or more times, 90 per cent opted for the MBO as a replacement for the present evaluation system. From the above results, being passed over in promotion is related to respondents choice of management
TABLE 19

PREFERENCE FOR MBO BY PASS OVER FOR
PROMOTION: JUNIOR AND INTERMEDIATE
OFFICERS

<table>
<thead>
<tr>
<th>Frequency of Supercessions</th>
<th>Preference for MBO</th>
<th>Total Staff</th>
<th>Agg. %</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>YES</td>
<td>NO</td>
<td></td>
</tr>
<tr>
<td></td>
<td>N</td>
<td>N</td>
<td></td>
</tr>
<tr>
<td>Once</td>
<td>6 66.7%</td>
<td>3 33.3%</td>
<td>9 100%</td>
</tr>
<tr>
<td>Two or more times</td>
<td>9 90.0%</td>
<td>1 10.0%</td>
<td>10 100%</td>
</tr>
</tbody>
</table>

by objectives. Comparing attitudes of the two groups of respondents on this variable, one discovers that those who have been passed over two or more times are far more likely to prefer MBO than their counterparts who have been passed over only once. Given the higher level support for MBO recorded among the latter group of respondents, one can speculate that the perceived subjective nature of the existing system of appraisal leads one to prefer management by objectives.

Attitudes of Heads of Departments Toward Management by objectives (MBO)

A section of the questionnaire circulated among heads of departments in HUDCO also sought their views regarding whether or not the present appraisal system should be retained or replaced by the MBO concept of evaluation. Of those who responded, 83.33 per cent supported the replacement of the current traditional evaluation system.
with MBO. In the explanation part of the questionnaire, these supervisors expressed the belief that the MBO concept provides avenues for greater utilization of personal initiative and self-appraisal. Dissenters (16.6 per cent) argue that the untrained majority of staff in the corporation cannot be relied upon to set their own goals and self-appraisals as required under management by objectives. This minority believes that such experimentation can only lead to confusion. Overall, support for MBO is overwhelming among this sample.

SUMMARY

In this chapter, the attitudes displayed by respondents regarding the retention of the existing system of performance evaluation or its replacement by the MBO concept of evaluation are clear and convincing. A majority of those sampled favor the MBO concept of evaluation. Comparing the support level for MBO in this chapter and respondents perception on the existing system of evaluation in Chapter three, ample evidence exist in support of the introduction of MBO into HUDCO. Given the fact that the successful introduction of MBO into any organization requires the good will of top management, it is encouraging in terms of future adoption and implementation that this system of appraisal receives the highest level of support from heads of departments.
CHAPTER V

CONCLUSIONS AND RECOMMENDATIONS

This study exhaustively discussed the performance appraisal system in HUDCO, the manner in which appraisals are carried out, and the utility of such appraisals. The study also assessed the perceptions of respondents regarding the retention or the replacement of the existing appraisal system with management by objectives. On the basis of the data presented and analyzed in this study, the following conclusions are drawn:

1. The performance evaluation system in HUDCO is patterned alongside the traditional annual evaluation system. Since the inception of the corporation in 1978, it has been utilizing this system for appraising the performance of its employees. Results of the document analysis in chapter two shows that the method of appraisal is archaic, consequently it has failed to serve any objective purpose.

2. By design and practice, the system of evaluation is discriminatory. The evaluation form in use (Appendix II) provides for the evaluation of performance of employees on salary grade levels 03 and above. The corporation did not specify how the evaluation of performance of those graded below levels 03 are to be conducted. This restriction to specified grade levels has adverse implication on motivation and productivity.

3. Promotional decisions in HUDCO are handled arbitrarily. Most of the promotions awarded as reflected in chapter two are not tied to performance ratings. This practice negates the principle of linking rewards to performance.

4. The majority of the professional/technical respondents have charged that the evaluation parameters in HUDCO stresses administrative to the detriment of the technical profession. This points to a flaw in the design and implementation of the current appraisal system.
5. Appendix III in this paper provides a descriptive analysis of the system of performance evaluation being utilized at the Nigerian National Petroleum Corporation, Lagos, Nigeria. The system in use at HUDCO suffers by comparison with the NNPC model. Elements of the NNPC system may be incorporated into an improved performance appraisal scheme at HUDCO.

6. The attitudes expressed by our sample in Chapter three provide clear evidence of respondent disenchantment with the appraisal process in HUDCO and the desirability to change from the status quo.

The above conclusions point to the flaws and limitations of the existing appraisal system in HUDCO. Given the implication of these findings for motivation and overall productivity in this corporation, it is necessary to unfreeze the existing system and to adopt an alternative which can overcome the major problems encountered. The author recommends the introduction of MBO into HUDCO based upon the following considerations:

1. The attitudes of respondents documented in chapter four reflect wide support for management by objectives. Specifically, the support from various groups are: senior officers (77.4 per cent); junior and intermediate officers (75 per cent); professional/technical (75 per cent); administrative (85.7 per cent); heads of departments (83.33 per cent). Overall, more than three-quarters of the entire sample favor the introduction of MBO at HUDCO.

2. The successful implementation of any change require the willingness of organizational members to give up accustomed habits to adapt to an innovation. In the case of installing an MBO concept of evaluation, the support of top executives is first and foremost. This is premised on the understanding that MBO per se is a top-down management system. This requirement is satisfied with 83.33 per cent of heads of departments expressing preference for this system of evaluation.
The selected sample in this study is representative of all ranks and professions in HUDCO and with the overall support among all types of respondents, there is not likely to be strong opposition to the introduction of the MBO system of evaluation.

3. Unlike the conventional system of appraisal in HUDCO, staff appraisals under the MBO are tied to actual efforts relative to the job tasks of individuals. The provision for the mutual setting of goals and objectives provide for accurate measurement of actual performance and eliminates the confusion over measuring traits which is inherent in the traditional annual evaluation system. Thus, MBO enhances objectivity in appraisals and rewards while at the same time harmonising management-staff relations as against the traditional concept where raters often have a tendency to "play God".

4. The majority of the staff in the technical profession in HUDCO feel the present system of evaluation is designed to evaluate administrative and not technical skills. This assertion remains valid because establishing performance standards for professional and technical employees, such as engineers and architects, is particularly difficult under the traditional system. Evaluating performance of technical officers through the application of informal judgments is inappropriate for an organization like HUDCO. The remedy to this situation is the development of an operationally sound system of evaluation. Under MBO, the goals and objectives that are mutually set are concrete, attainable, and, above all, measurable. An added advantage in this concept of evaluation is the involvement of personnel in goal-setting. Such involvement can promote more concrete (technical) goal setting and thereby enhance trust and confidence between management and professional employees.

The hard part of implementing MBO, however, is the notion sometimes held by potential MBO adopters that this system of evaluation is automatic and self-executing. In practice, such expectations have led to the frustration, failure, and consequently the abandonment of MBO programs.
It should be stressed that MBO, with all its advantages, is not an automatic process. This system of evaluation works well in proportion with the amount of effort put into it.

Like all innovations, the advantages of MBO are apparent to those who would like to see MBO introduced in HUDCO while others not favorably disposed to the idea may remain skeptical and indifferent. For the benefit of such dissenters, it is recommended that, at the preliminary stage, conscious efforts should be geared toward the education of the organizational members regarding the 'relative advantage' of MBO over the existing system. This educational program should be designed to change negative attitudes. It should focus on detailed explanation of the concepts, philosophy, and procedures involved. The literature review section of this paper is enriched with such details, including the obvious advantages of strengthening superior-subordinate relationships, the relative ease with which goals and objectives are set, the objective measurement criteria, and the manner in which rewards or reprimands are administered. In view of the technicalities involved in installing a successful MBO system, it is strongly recommended that a work study team comprised of MBO experts be commissioned to install this concept of evaluation at HUDCO.

This study examined the possible causes of dissatisfaction with the appraisal process in HUDCO. Connections are made
with the design of the appraisal system itself, the manner in which appraisals are conducted, and indiscriminate promotion practices. Such dissatisfiers suggest the reason for the high level of support for management by objectives. It is expected that, when installed, MBO will rectify such anomalies and bring about greater commitment, loyalty, dedication, and increased productivity.
FOOTNOTES

1 The organizational chart of Housing and Urban Development Corporation annexed to this paper as Appendix I provides a graphical view of authority relationships in the corporation.

2 Edict #2 of 1979 titled "Benue State Housing and Urban Development Corporation Edict 1979" lays the legal basis for the establishment of HUDCO.

3 Public Service Review Commissions Main Report of September 1974. This report is popularly known as the "Udoji Report" - Jerome Udoji being the Commission's chairman.

4 Ibid., p. 45

5 Ibid., p. 45


14 Ibid, p. 9

15 Ibid, p. 9

16 Ibid, p. 46

APPENDIX II

HUDCO's CONFIDENTIAL

ANNUAL PERFORMANCE EVALUATION REPORT

PERIOD OF REPORT: From——— To———

PART ONE

PERSONAL RECORDS OF EMPLOYEE
(To be completed by Officers in Grade Levels 03 and above)

1. Name of Officer: *Mr/Mrs/Miss— Surname Forename

2. Date of Birth

3. Department (indicate Section)

4. Qualifications held (Degree, Diploma, Certificate, etc.)(underline those acquired during period of report)

5. Date of first appointment into the Service

6. Present Substantive Grade

7. Date appointed to Substantive Grade

8. Acting appointment held during period of report, indicate the position (to the nearest month) of the period spent in grade

9. Courses undertaken during period of report

10. Total number of days absent on sick leave during period of report

11. Present Job/Description
   a) State below in order of importance the main duties performed during period of report.

   b) State any ad hoc duties performed which are not of a continuous nature.

*Delete whichever is not applicable.
PART 250

12. Aspects of performance

In assessing performance you have already considered some or all of the following aspects; would you now comment on and assess the aspects separately. Each aspect is described in terms of Outstanding (A) and Unsatisfactory performance (E). The three intermediate ratings (B, C, D) represent behaviour between extremes.

Rating 'A' or 'E' should be given if you believe it is a generally true statement that could be supported, if necessary, by specific occurrences.

If you feel an aspect of performance not in the list calls for special comment, mention it at the end.

<table>
<thead>
<tr>
<th>Aspect</th>
<th>A</th>
<th>B</th>
<th>C</th>
<th>D</th>
<th>E</th>
</tr>
</thead>
<tbody>
<tr>
<td>Foresight</td>
<td>Anticipates problems and develops solution in advance</td>
<td>Grapples with problems after they arise</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>(b) Penetration</td>
<td>Gets straight to the roots of a problem</td>
<td>Seldom sees below the surface of a problem</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>(c) Judgment</td>
<td>His decisions or proposals are consistently sound</td>
<td>Poor perception of relative merits or feasibility in most situations</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>(d) Expression</td>
<td>Always cogent, clear and well set out</td>
<td>Ambiguous, clumsy and obscure</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>(e) Oral expression</td>
<td>Puts his points across convincingly and sensibly</td>
<td>Finds difficulty in expressing himself</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>(f) Numerical ability (if applicable)</td>
<td>Accurate in the use and interpretation of figures</td>
<td>Gets confused with figures</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>(g) Relations with colleagues</td>
<td>Sensitive to other people's feelings; tactful and understanding of personal problems; earns great respect</td>
<td>Ignores or belittles other people's feelings; intolerant; does not earn respect</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>(h) Relations with the public</td>
<td>Exceptionally effective in dealing with people of all types</td>
<td>Thotless and cannot deal with the public</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>(i) Acceptance of responsibility</td>
<td>Seeks and accepts responsibility at all times</td>
<td>Avoids responsibility; will pass it on when possible</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>A</td>
<td>B</td>
<td>C</td>
<td>D</td>
<td>E</td>
<td></td>
</tr>
<tr>
<td>---</td>
<td>---</td>
<td>---</td>
<td>---</td>
<td>---</td>
<td></td>
</tr>
<tr>
<td>(j) Reliability under pressure</td>
<td>Performs competently under pressure</td>
<td>Easily thrown off balance; not reliable even under normal circumstances</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>(k) Drive and Determination</td>
<td>Wholehearted application to tasks; determined to carry task through to the end</td>
<td>Lacks determination; easily buckled by minor setbacks</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>(l) Application of professional/technical knowledge (if applicable)</td>
<td>Highly proficient in the practical application of professional/technical knowledge</td>
<td>Deficient in applying professional technical knowledge to practical issues</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>(m) Management of staff (if applicable)</td>
<td>Organises and inspires staff to give of their best</td>
<td>Inefficient in the use of staff; engenders low morale</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>(n) Output of work</td>
<td>Gets a great deal done within a set of time frames</td>
<td>Sloppy in output</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>(o) Quality of work</td>
<td>Maintains very high standards; work is virtually error proof</td>
<td>Maintains consistently low standards of work, source of constant complaint</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>(p) Punctuality</td>
<td>Regularly punctual at work</td>
<td>No regard for punctuality</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Indicate overall performance of duties by ticking the appropriate box below. (This assessment should reflect the performance actually achieved in the circumstances which prevailed).

<table>
<thead>
<tr>
<th>Outstanding</th>
<th>Exceptionally effective</th>
<th>1</th>
</tr>
</thead>
<tbody>
<tr>
<td>Very Good</td>
<td>More than generally effective but not positively outstanding</td>
<td>2</td>
</tr>
<tr>
<td>Good</td>
<td>Generally effective</td>
<td>3</td>
</tr>
<tr>
<td>Fair</td>
<td>Performs duties moderately well and without serious shortcomings</td>
<td>4</td>
</tr>
<tr>
<td>Unsatisfactory</td>
<td>Definitely ineffective and not up to the duties</td>
<td>5</td>
</tr>
</tbody>
</table>

Signature of Officer reported on__________________________ Grade Level______________

Job Title__________________________ Date______________
13. Promotability

(a) Normal promotion
   well fitted for promotion to ________
   or fitted (Grade) ________
   or not fitted ________

(b) Special Promotion (i.e. selection for training grades, grade skipping or promotion into another occupational group or cadre, accelerated)

He should be specially considered for promotion to-------------------------
(Grade)

Give the reasons for your recommendation:

14. General Remarks

Please provide any additional relevant information here, drawing attention to any particular strengths or weaknesses.

He has served under me for the past------------------------years

Signature------------------ Grade------------------ Date------------------

Name in block letters---------------------------------------------
APPENDIX III

DESCRIPTIVE ANALYSIS OF PERFORMANCE APPRAISAL SYSTEM AT
THE NIGERIAN NATIONAL PETROLEUM CORPORATION, LAGOS, NIGERIA

As a backup to the document and survey findings analyzed in the body of this paper, we also examined the performance appraisal system currently utilized at the Nigerian National Petroleum Corporation, Lagos, Nigeria. This study enables us to isolate similarities and differences both in the design and implementation of the systems at HUDCO and the NNPC. This was with a view toward suggesting possible changes. In view of the narrow objective of this aspect of the study, the researcher utilized document analysis (an unobtrusive method) to study the appraisal system at the NNPC. The Personnel Services Division served as the main base for research.

The Nigerian National Petroleum Corporation is an autonomous federal parastatal charged in the main with the responsibility for exploring and the exploitation of crude oil, its refinement and sales. The nation's greatest revenue is derived from this source. The NNPC grew out of the Nigerian National Oil Corporation (NNOC) under the aegis of the then Federal Ministry of Petroleum Resources. The defunct corporation came into existence through a military decree in 1971. By structural re-organization, the new
corporation (NNPC) which merged with the former Ministry of Petroleum Resources came into existence on 1st April, 1977 with the enactment of decree No.33.

The management of this corporation is vested with the responsibility for recruiting its own personnel, their motivation, retention, and discipline. At the apex in the hierarchy, is the governing board as the policy making body. Next in the hierarchy is the managing director as the chief executive in the corporation. Below this official are general managers of the various operational and service segments.

Once policy decisions are taken by the Governing Board, objectives are defined and job tasks assigned to the various sections. At the divisional levels, the general managers hold meeting sessions with their subordinate officers for goal-setting. At such meetings, individual operators are given specific assignments. The timing for completion of job tasks are determined and consequently milestone charts are drawn for individual staff. This is to enable the supervisor to keep track of developments as staff progress in their various assignments. At the Projects and Engineering and Exploration and Exploitations divisions which we examined, project leaders who are directly below General Managers are responsible for coordinating the activities of subordinate employees. The project leader monitors progress by relating level of performance with
the target that had been mutually set earlier. While the operational staff enjoy greater autonomy in carrying out their job tasks, the performance measurement criteria require that subordinate officers engaged on a particular project must provide progress report of their activities. These include daily returns on progress made, bi-weekly reports, and a monthly comprehensive report which must cover all details of activities performed within the whole month. These reports are submitted to designated supervisory personnel at the headquarters offices. For those engaged in field activities, communication is made easier since project vehicles are equipped with mobile radio sets for instant communication between the field and headquarters.

The NNPC maintains two separate evaluation forms for the appraisal of the performance of its employees. These forms are differentiated by colors and numbering. The green form marked FORM PER 2 is utilized for the members of the senior staff (salary levels 13 to 2) while those in white marked FORM PER 1 are used for evaluating junior employees (salary levels 14 to 17). These are attached as appendices IV and V.

The process of performance evaluation at the NNPC differs in some detail with what exists in HUDCO. The periodic evaluation process begins with the distribution of evaluation forms from the central administration to the
various operational and services segments. **Part one** of these forms, which contains personal details about the officer, is to be completed by the ratees' themselves. The central personnel division, which handles information storage and retrieval on all employees in the corporation, is responsible for completing **part two**. This form is turned back to the ratee/s to complete **part three**. This section contains details of the duties and responsibilities handled during the reporting period, the significant improvements employees have made, and what facilitated or impeded their performance over the reporting period. **Parts four and five** are completed by the reporting officer who testifies to the correctness or otherwise of performance details of the subordinate. In assessing actual details of performance against set standards, the supervisor provides an overall rating with 18 points as excellent and 1-5 as very poor. Intermediate scores are represented as follows: 16-17 points (very good), 14-15 points (good), 10-13 points (fair) and 6-9 points (poor). In the event of a poor performance rating, the reporting officer suggests possible development or remedial programs for the attention of management.

In **part six** of the form, the officer whose performance is being appraised countersigns in testimony of having seen the performance ratings and his acceptance or rejection of such ratings. In the event of a rejection, the subordinate
is free to offer reasons to buttress his argument. After
the ratees assent to the evaluation, the form goes back to
the reporting officer to complete part seven. In this
section, the reporting officer makes further assessments
regarding the subordinates potentiality for advancement,
further training proposals/recommendations, suitability
for promotion and the superiors justification for all the
recommendations made in respect of the subordinate/s. To
further validate the evaluation, a Countersigning Officer
who is superior to both the ratee and rater completes
part eight of the evaluation form. The role of the
countersigning officer is vital as he/she serves as the
arbiter in case of disagreement between the reporting
officer and the subordinate officers' whose performance
is being appraised.

Once the evaluation formalities are completed, in the
case of junior officers, the reports are sent from the
divisions where the officers are primarily assigned to the
Appointments, Promotions and Staff Development Committee
(APSD). The APSD is responsible for deciding on promotions,
proper placements, training and discipline of a particular
staff or group of employees. The performance reports on
middle management employees are forwarded from their
respective divisions to the management which decides on
appropriate personnel decisions based on the recommendations.
In a similar fashion, the performance reports on top management employees who are themselves members of the "management group" are assembled by the chief executive of the corporation for presentation to the Governing Board. The Board screens such appraisal records of top officials, assess their levels of performance against set standards, and decides on the appropriate personnel action/s for the implementation of management.

The process of evaluation at the NNPC differs from the system in HUDCO. The performance evaluation form in use in HUDCO, as outlined in chapter two, provides for personal records of employees in part one which is to be completed by the ratee himself. Part two contains aspects of performance and the ranking column which is done on a five point scale. At the end of the ratings, the officer whose performance is being appraised is required to countersign the ratings. There is no provision for the ratee to contest such evaluation as in the case with the NNPC. Finally, the reporting officer at HUDCO assesses the subordinate officer's eligibility for promotion.

Comparing this evaluation form with that in use at the NNPC, we uncover differences in design and implementation. NNPC's evaluation form contains provisions for subordinates to indicate what facilitated or impeded their performance; these provisions are lacking in the evaluation form used in...
HUDCO. Similarly, while the former contains provisions for staff development/remedial programs for substandard performers, such a provision is non-existent in the latter. Other important objective sections included in the former but lacking in the latter include the right of a subordinate to contest his ratings in the appropriate column of the evaluation form, sections for identifying a subordinate's potential for advancement and recommending training, and a provision for a countersigning officer who should be superior to both the reporting officer and the officer whose performance is being appraised.
APPENDIX IV

NIGERIAN NATIONAL PETROLEUM CORPORATION
PERFORMANCE EVALUATION REPORT
FOR SENIOR STAFF (SALARY LEVELS 13 TO 2)

FOR THE PERIOD ............................................. TO .............................................

DIVISION .................................................... DEPARTMENT ............................................. ID.NO: .............................................

PART I: (TO BE FILLED BY THE OFFICER WHOSE PERFORMANCE IS BEING APPRAISED)

1. PERSONAL:
   (i) Name in Full ................................................................. (Surname First)
   (ii) Age ............................................................... (iii) Marital Status .............................................................
   (iv) Qualifications held (e.g. Degrees, Diplomas, Certificates — (Specify the fields of study)

   (v) (a) Date of First Appointment in NNPC .............................................................
        (b) If on transfer or secondment, state date of first appointment in former employment in
        Public Service .............................................................
        (c) Post to which appointed in NNPC .............................................................
   (vi) (a) Present substantive Post .............................................................
        (b) Effective Date .............................................................
        (c) Salary Grade and step .............................................................
   (vii) (a) Acting Appointment (If applicable) .............................................................
        (b) Effective Date .............................................................

2. COURSES AND SEMINARS ATTENDED
   (i) State Attachments and Training Courses attended during period of report (with dates)

   (ii) State Conferences, Symposia, Seminars attended since last report (with dates)

   (iii) State any additional Academic, Professional, Technical Qualifications obtained since last
        report

Reproduced with permission of the copyright owner. Further reproduction prohibited without permission.
PART II (TO BE FILLED BY PERSONNEL DIVISION)

3. (i) No. of days absent from work and the reason(s) (possible reasons include: sick leave, casual leave, unapproved absence, examination leave, study leave, maternity leave and over-spent vacation leave)

(ii) Summary of queries and warnings received (with dates)

(iii) Summary of Commendations received (with dates)

4. I certify that the information under Parts I & II above are correct.

Signature: ___________________________ Name: ___________________________
Designation: _______________________ Date: ____________________________

PART III (To be completed by the Officer whose performance is being appraised)

5. State below in order of importance the duties performed during report period

6. State any special duties or assignments performed during the period which are not of a continuous nature
7. State any special contributions you have made within the year to the activities of your Department/Division/Organisation. (Such contributions that could earn you special commendation, reward, certificate, special mention or honours)

8. What improvement do you think you have made on any unfavourable report made on your work in the last appraisal exercise?

9. State what conditions or circumstances facilitated your performance.

10. State, if any, the conditions and circumstances that impeded your achieving better performance.

PART IV (To be completed by the Reporting Officer)

Name of Reporting Officer:

Designation:

Department/Division:

11. For how long has the officer you are reporting upon worked with you?
12. Do you agree with the job description and its order of importance under paragraph 5 above? Yes/No. ............................................................................................................................

If 'No', please comment

..........................................................................................................................................................................................

..........................................................................................................................................................................................

..........................................................................................................................................................................................

..........................................................................................................................................................................................

13. What did you indicate to the person reported upon as basis for further improvement?

..........................................................................................................................................................................................

..........................................................................................................................................................................................

..........................................................................................................................................................................................

..........................................................................................................................................................................................

14. **JOB PRIORITY LISTING**

   Overall Assessment of Performance of duties in order of priority: For each of the duties in paragraph 5, please give marks to indicate how far the required results have been achieved. Each duty is described in terms of outstanding (18) and very poor performance (1). There are intermediate scores representing ratings between extremes. Rating '18' or '1' should be given if you believe it is a generally true statement that could be supported if necessary, by specific evidence. Award specific marks.

<table>
<thead>
<tr>
<th>JOB NO</th>
<th>1-5 Very Poor</th>
<th>6-9 Poor</th>
<th>10-13 Fair</th>
<th>14-15 Good</th>
<th>16-17 Very Good</th>
<th>18 Excellent</th>
<th>NOTES</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Reproduced with permission of the copyright owner. Further reproduction prohibited without permission.
15. Aspects of Performance

In assessing performance you have already considered some or all of the following aspects, would you now comment on and assess the aspects separately. If you feel an aspect of performance not in the list calls for special comment, please mention it at the end.

<table>
<thead>
<tr>
<th></th>
<th>1—5 Very Poor</th>
<th>6—9 Poor</th>
<th>10—13 Fair</th>
<th>14—15 Good</th>
<th>16—17 Very Good</th>
<th>18 Excellent</th>
</tr>
</thead>
<tbody>
<tr>
<td>(a) Foresight</td>
<td>Grapples with problems after they arise</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>Anticipates problems and solutions in advance</td>
</tr>
<tr>
<td>(b) Penetration</td>
<td>Seldom sees below the surface of a problem</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>Gets straight to the roots of a problem</td>
</tr>
<tr>
<td>(c) Judgement</td>
<td>Poor perception of relative merits or feasibility in most situations</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>His judgement or proposals are consistently sound</td>
</tr>
<tr>
<td>(d) Expression on paper</td>
<td>Ambiguous, clumsy and obscure</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>Always cogent, clear and well set out</td>
</tr>
<tr>
<td>(e) Oral Expression</td>
<td>Has difficulty in expressing himself</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>Puts his points across convincingly and concisely</td>
</tr>
<tr>
<td>(f) Accuracy (if applicable)</td>
<td>Gets confused with figures</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>Accurate in the use and interpretation of figures</td>
</tr>
<tr>
<td>(g) Acceptance of responsibility</td>
<td>Reluctant to accept responsibility</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>Willingly accepts responsibility at all times</td>
</tr>
<tr>
<td>(h) Relations with the public (where applicable)</td>
<td>Very poor</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>Exceptionally effective in dealing with people of all types</td>
</tr>
<tr>
<td>(i) Relations with colleagues</td>
<td>Poor and indifferent</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>Very understanding and highly respected</td>
</tr>
<tr>
<td></td>
<td>1-5 Very Poor</td>
<td>6-9 Poor</td>
<td>10-13 Fair</td>
<td>14-15 Good</td>
<td>16-17 Very Good</td>
<td>18 Excellent</td>
</tr>
<tr>
<td>---</td>
<td>--------------</td>
<td>----------</td>
<td>-----------</td>
<td>-----------</td>
<td>----------------</td>
<td>-------------</td>
</tr>
<tr>
<td>(j) Reliability</td>
<td>Not reliable even under routine circumstances</td>
<td></td>
<td></td>
<td></td>
<td>Performs competently even under pressure</td>
<td></td>
</tr>
<tr>
<td>(k) Drive and Determination</td>
<td>Easily discouraged</td>
<td></td>
<td></td>
<td></td>
<td>Courageously tackles all challenges</td>
<td></td>
</tr>
<tr>
<td>(l) Application of professional knowledge (if applicable)</td>
<td>Deficient in application</td>
<td></td>
<td></td>
<td></td>
<td>Highly proficient in application</td>
<td></td>
</tr>
<tr>
<td>(m) Management of staff (if applicable)</td>
<td>Frustrates Staff</td>
<td></td>
<td></td>
<td></td>
<td>Highly motivates staff</td>
<td></td>
</tr>
<tr>
<td>(n) Work output</td>
<td>Very low output</td>
<td></td>
<td></td>
<td></td>
<td>Gets a great deal done within a set time frame</td>
<td></td>
</tr>
<tr>
<td>(o) Quality of work</td>
<td>Produces very poor standard of work</td>
<td></td>
<td></td>
<td></td>
<td>Maintains consistently very high standards</td>
<td></td>
</tr>
<tr>
<td>(p) Punctuality</td>
<td>Always late to work</td>
<td></td>
<td></td>
<td></td>
<td>Consistently punctual at work</td>
<td></td>
</tr>
<tr>
<td>(q) Dedication</td>
<td>Nonchalant</td>
<td></td>
<td></td>
<td></td>
<td>Dutifully works through normal and extra hours as required</td>
<td></td>
</tr>
<tr>
<td>(r) Attendance</td>
<td>Very irregular</td>
<td></td>
<td></td>
<td></td>
<td>Never absent from duty</td>
<td></td>
</tr>
</tbody>
</table>
16. **PART V** *(to be completed by the Reporting Officer)*

**Overall Assessment of Employee**

**Accomplishments**

<table>
<thead>
<tr>
<th></th>
<th>1-5 Very Poor</th>
<th>6-9 Poor</th>
<th>10-13 Fair</th>
<th>14-15 Good</th>
<th>16-17 Very Good</th>
<th>18 Excellent</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>(a) Leadership</strong></td>
<td>poor and ineffective</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>Very effective and respected as a leader</td>
</tr>
<tr>
<td>Indicate employee's effectiveness as a leader and his success in inspiring team spirit in those under him</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>(b) Organisation</strong></td>
<td>Indifferent and allows things to drift</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>His priorities are well ordered and profitably beats deadlines</td>
</tr>
<tr>
<td>Consider the employee's effectiveness in ordering and completing tasks according to priority</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>(c) Proficiency</strong></td>
<td>Incompetent and invariably fumbles</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>Highly proficient</td>
</tr>
<tr>
<td>Consider the employee's skills and indicate effectiveness in applying his job knowledge</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>(d) Initiative</strong></td>
<td>Will not take any independent action</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>Very resourceful and innovative</td>
</tr>
<tr>
<td>Consider the employee's ability to work with little or no supervision and indicate the level of effectiveness in taking independent action</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

17. **Employee's Development Assessment**

(i) **Employee's strength**

\[\text{________________________} \]

\[\text{________________________} \]

\[\text{________________________} \]
(ii) In which areas does the employee need improvement?


PART VI (To be completed by the Officer being appraised)

18. I confirm that I have seen the contents of this report up to and including PART V of it and that the reporting officer has discussed them with me. I have the following comments: (Use extra sheet of paper if necessary).


*Signature of Officer. Designation. Date.

*Note that refusal to sign this report is a gross act of indiscipline.

PART VII (To be completed by the Reporting Officer)

19. (i) Employee's potential for advancement in his job as seen at the present time is:

(Tick as appropriate):

(a) Very high [ ]
(b) Above Average [ ]
(c) Average [ ]
(d) Limited [ ]
(e) None [ ]

If you score (e) here, what are your recommendations?


(ii) RECOMMENDATION

Training

Do you recommend further training?

(Tick as appropriate)

Yes [ ]
No [ ]

If "Yes", please state broadly the type of training:


(iii) Confirmation of Appointment (if applicable)
(iv) Promotion Assessment

How suitable is the employee for promotion?

(Tick as appropriate)

Not yet [ ] Ready Now [ ] Over-due [ ]

Comments: 

(vi) Is there any budgetary provision for the post?

(vii) If none, will you submit justification for the post?

(viii) Any further recommendation, or additional information, (e.g. commendation, merit award or reprimand)?

20. Name: .................................................. Signature: ..................................................

Designation: ............................................. Date: ..................................................

PART VIII

21. Countersigning Officer's report

Are you in a position to confirm the assessment above by the reporting officer? Yes/No

If No, state reason: .................................................................

22. Do you agree unreservedly with the assessment above? Yes/No. If 'No', comment. (If there is disagreement, let the Reporting Officer and the Officer reported upon know of the amendments made where necessary)

23. He has served under me for the past ................................ years

Signature: .................................................. Designation: ..................................................

Name in Block letters: ..................................................

Date: ..................................................
APPENDIX V

NIGERIAN NATIONAL PETROLEUM CORPORATION
PERFORMANCE EVALUATION REPORT
For Junior Staff (Salary Levels 14–17)
FOR THE PERIOD.................TO..........

DIVISION........................................DEPARTMENT........................................ID NO:.............

PART I:  (To be filled by the Officer whose performance is being appraised)

1. PERSONAL

   (i) Name in Full ........................................ (Surname First)

   (ii) Age........................................ (iii) Marital Status.

   (iv) Qualifications held (e.g. Degrees, Diplomas, Certificates — (Specify the fields of study)

   (v) (a) Date of First Appointment in NNPC.

   (b) If on transfer or secondment, state date of first appointment in former employment in Public Service.

   (c) Post to which appointed in NNPC.

   (vi) (a) Present substantive Post

   (b) Effective Date

   (c) Salary Grade and Step

   (vii) (a) Acting Appointment (if applicable)

   (b) Effective Date

2. COURSES AND SEMINARS ATTENDED

   (i) State Attachments and Training Courses attended during period of report (with dates)

   (ii) State Conferences, Symposia, Seminars attended since last report (with dates)

   (iii) State any additional Academic, Professional, Technical Qualifications obtained since last report.
PART II  
(To be filled by Personnel Division)

3. (i) No. of days absent from work and the reason(s). (Possible reasons include — sick leave, casual leave, unapproved absence, examination leave, study leave, maternity leave and over-spent vacation leave).

(ii) Summary of queries and warnings received (with dates)

(iii) Summary of Commendations received (with dates)

4. I certify that the information under Parts 1 & II above are correct.

Signature: ............................................................. Name: ..............................................
Designation: ................................................................................................................
Date: ...............................................................................................................................

PART III:  
(To be completed by the Officer whose performance is being appraised)

5. State below in order of importance the duties performed during report period:

........................................................................................................................................
........................................................................................................................................
........................................................................................................................................
........................................................................................................................................
........................................................................................................................................
........................................................................................................................................
........................................................................................................................................
........................................................................................................................................
........................................................................................................................................
6. What improvement do you think you have made on any unfavourable report made on your work in the last appraisal exercise?

7. State what conditions or circumstances facilitated or impeded your performance.

---

PART IV: (To be completed by the Reporting Officer)

Name of Reporting Officer: .................................................................

Designation: .......................................................................................

Department/Division: ...........................................................................

8. For how long has the Officer you are reporting upon worked with you?

9. What did you indicate to the person reported upon as basis for further improvement?
10. ASPECTS OF PERFORMANCE

Overall Assessment of performance of Duties: For each aspect of performance, please give marks to indicate how far the required results have been achieved. Each aspect is described in terms of outstanding (18) and very poor performance (1). There are intermediate scores representing ratings between extremes. Rating '18' or '1' should be given if you believe it is a generally true statement that could be supported; if necessary, by specific evidences. If you feel an aspect of performance not in the list calls for special comment, please mention it at the end.

<table>
<thead>
<tr>
<th>(a) Foresight</th>
<th>Grapples with problems after they arise</th>
<th>Anticipates problems and solutions in advance</th>
</tr>
</thead>
<tbody>
<tr>
<td>(b) Penetration</td>
<td>Seldom sees below the surface of a problem</td>
<td>Gets straight to the roots of a problem</td>
</tr>
<tr>
<td>(c) Judgement</td>
<td>Poor perception of relative merits or feasibility in most situations</td>
<td>His judgement or proposals are consistently sound</td>
</tr>
<tr>
<td>(d) Expression on paper</td>
<td>Ambiguous, clumsy and obscure</td>
<td>Always cogent, clear and well set out</td>
</tr>
<tr>
<td>(e) Oral Expression</td>
<td>Has difficulty in expressing himself/herself</td>
<td>Puts his points across convincingly and concisely</td>
</tr>
<tr>
<td>(f) Accuracy (if applicable)</td>
<td>Gets confused with figures</td>
<td>Accurate in the use and interpretation of figures</td>
</tr>
<tr>
<td>(g) Acceptance (of responsibility)</td>
<td>Reluctant to accept responsibility</td>
<td>Willingly accepts responsibility at all times</td>
</tr>
<tr>
<td>(h) Relations with the public (where applicable)</td>
<td>Very Poor</td>
<td>Exceptionally effective in dealing with people of all types</td>
</tr>
<tr>
<td>(i) Relations with colleagues</td>
<td>Poor and indifferent</td>
<td>1-5 Very Poor</td>
</tr>
<tr>
<td>-----------------------------</td>
<td>---------------------</td>
<td>---------------</td>
</tr>
<tr>
<td>(j) Reliability</td>
<td>Not reliable even under routine circumstances</td>
<td></td>
</tr>
<tr>
<td>(k) Drive and determination</td>
<td>Easily discouraged</td>
<td></td>
</tr>
<tr>
<td>(l) Application of professional/technical knowledge (if applicable)</td>
<td>Deficient in application</td>
<td></td>
</tr>
<tr>
<td>(m) Management of staff (if applicable)</td>
<td>Frustrates Staff</td>
<td></td>
</tr>
<tr>
<td>(n) Work output</td>
<td>Very low output</td>
<td></td>
</tr>
<tr>
<td>(o) Quality of work</td>
<td>Produces very poor standards of work</td>
<td></td>
</tr>
<tr>
<td>(p) Punctuality</td>
<td>Always late to work</td>
<td></td>
</tr>
<tr>
<td>(q) Dedication</td>
<td>Nonchalant</td>
<td></td>
</tr>
<tr>
<td>(r) Attendance</td>
<td>Very irregular attendance</td>
<td></td>
</tr>
</tbody>
</table>
PART V (To be completed by the Officer being appraised)

11. I confirm that I have seen the contents of this Report up to and including Part IV of it and that the reporting Officer has discussed them with me. I have the following comments: (Use extra sheet of paper if necessary).

.................................................................
.................................................................
.................................................................
.................................................................
.................................................................
.................................................................
.................................................................
.................................................................
.................................................................

*Signature of Officer: ........................................
Designation: ...................................................
Date: ..........................................................

*Note that refusal to sign this report is a gross act of indiscipline.

12. Employee's Development Assessment

(i) Employee's major strength
.................................................................
.................................................................
.................................................................
.................................................................
.................................................................
.................................................................
.................................................................
.................................................................
.................................................................

(ii) In which areas does the employee need improvement?
.................................................................
.................................................................
.................................................................
.................................................................
.................................................................
.................................................................
.................................................................
.................................................................
.................................................................
.................................................................
.................................................................
.................................................................
.................................................................
.................................................................
.................................................................
.................................................................
.................................................................
.................................................................
.................................................................
.................................................................
(iii) Employee's potentials for advancement in his job as seen at the present time is:
(Tick as appropriate)

(a) Very high  
(b) Above Average  
(c) Average  
(d) Limited  
(e) None

If you score (e) here, what are your recommendations?

13. RECOMMENDATION

(i) Training

Do you recommend further training?
(Tick as appropriate)

Yes  
No

If 'Yes', please state broadly the type of training:

(ii) Confirmation of Appointment (if applicable)


(iii) PROMOTION

How suitable is the employee for promotion?
(Tick as appropriate)

Not Yet  
Ready Now  
Overdue

If promotion is recommended, please indicate the number of vacancies in the promotion post.
Comments: ....................................................................................................................
...................................................................................................................
...................................................................................................................
...................................................................................................................
...................................................................................................................
(iv) Any further recommendation or commendation, increment, merit award or reprimand etc.
...................................................................................................................
...................................................................................................................
...................................................................................................................
...................................................................................................................
...................................................................................................................
14. General Remarks
(Please provide any additional relevant information here)
...................................................................................................................
...................................................................................................................
...................................................................................................................
...................................................................................................................
...................................................................................................................
Signature: ........................................ Date: ....................................................

PART VI

15. COUNTERSIGNING OFFICER'S REPORT
Are you in a position to confirm the assessment above by the reporting officer? Yes/No
If 'No' state reason, please
...................................................................................................................
...................................................................................................................
...................................................................................................................
...................................................................................................................
...................................................................................................................
...................................................................................................................
...................................................................................................................
...................................................................................................................
16. Do you agree unreservedly with the assessment above? Yes/No. If 'No', comment. (If there is disagreement, let the Reporting Officer and the Officer reported upon know of the amendments made where necessary)

17. Officer being appraised has served under me for the past ............................................. years

Signature: ..................................................
Designation: ..................................................
Name in Block letters: ..........................................
Date: .....................................................
SELECTED BIBLIOGRAPHY

BOOKS


GOVERNMENT DOCUMENTS


PERIODICAL