

**FACTORS INFLUENCING ADOPTION OF PERFORMANCE APPRAISAL
SYSTEMS: A CONTEXTUAL EXAMINATION OF PERFORMANCE
CONTRACTS AMONG THE TEACHING STAFF IN SELECTED
KENYAN PUBLIC UNIVERSITIES**



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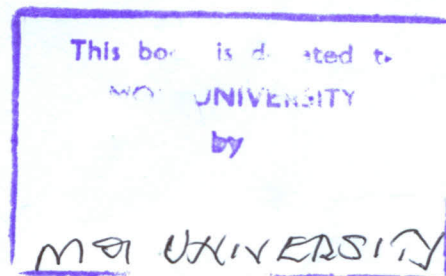
**A THESIS SUBMITTED IN PARTIAL FULFILMENT OF THE
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ABSTRACT

Many employees fear performance appraisals and question their objectivity and potential to motivate workers. This study sought to examine factors influencing adoption of performance appraisal systems in the context of performance contracts (PCs) among the teaching staff in Kenyan public universities and assess whether these factors were considered before implementation of PCs. Nairobi and Kenyatta universities were selected purposively among the seven public universities for the study. The study utilized the mixed methods approach where quantitative and qualitative research paradigms were both employed. The study adopted a survey research design. Semi structured questionnaires, structured oral interviews, and document analysis tools were used to collect data. Simple random, purposive, proportionate stratified and systematic sampling techniques were used to determine the various samples used in the study. Participants included 440 full-time members of teaching staff from both universities with a total target population of 4,167 permanent members of teaching staff, one officer in charge of PCs at the Prime Minister's office, four administrators from both universities, and two officers in charge of PCs from both universities. The study applied Fritz Heiders' Attribution theory and Performance improvement theories to underpin the study. A conceptual framework that showed the relationship between variables in the study was also developed. The Chi-Square goodness of fit test was used to find out whether the responses were significantly different. Chi-square test of independence or association was also used to find out whether there was a significant relationship between the factors influencing adoption and adoption of PCs. Spearman rho correlation coefficient was used to determine whether there was a significant relationship between seniority in grade/rank and adoption of PCs. The study findings revealed that there was a significant relationship between all the three factors i.e. personal, policy/regulatory and institutional factors and adoption of PCs. The three factors therefore positively influenced the adoption of performance contracts. However, seniority in rank at the university did not influence adoption. The study also found out that though policy/regulatory factors had been considered before PC implementation in universities, personal and institutional factors had however not been fully considered. The study found the following to have negatively influenced the adoption of PCs: lack of adequate orientation and continuous training on PCs, inadequate and untimely resource provision, non involvement of all members of teaching staff in target setting, including the setting of unrealistic targets by HODs, and lack of a clear reward and sanction mechanism. The study found out that in order to enhance adoption of PCs, the following should be considered: providing adequate sensitization/orientation and continuous training on PCs, including the induction of new members of teaching staff, adequate and timely resource allocation, involvement of all members of teaching staff in target setting, and setting realistic targets and the development of a clear reward and sanction mechanism. Other findings from the study that could strengthen the process of performance contracting included: the introduction of pay- for- performance type of PCs, legislative amendments to entrench the process in Kenyan laws, incorporating peer reviews in the evaluation process, getting unwavering support from the top leadership in Kenya and automating the process to make it faster.