

# Relationship between Performance Management Practices and Organisational Effectiveness at Stanbic Bank Uganda: A Case Study of Central Region

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**Abstract:** *The purpose of this study was to find out the relationship between performance management practices and organizational effectiveness at Stanbic Bank Uganda (SBU). The objectives of the study were to examine the relationship between performance planning and organizational effectiveness, to investigate the relationship between performance monitoring and organizational effectiveness, to examine the relationship between performance evaluation and organizational effectiveness at Stanbic Bank Uganda. Across sectional case study design was adopted and both quantitative and qualitative approaches were used in the study; data were collected using structured questionnaires and interview guides. The target population was 95 employees of Stanbic central region. The study revealed that there is a statistically significant positive relationship between performance planning and organizational effectiveness, a strong positive relationship between performance monitoring and organizational effectiveness, positive relationship between performance evaluation and organizational effectiveness. The study advised that Stanbic should improve on performance management practices by ensuring specific goals and objectives are set and measures of performance strengthened to improve organizational effectiveness. A strategic plan should be put in place and keenly monitored to improve employee work output and to improve employee performance evaluation mechanism by removing barriers to top performance since optimum organizational effectiveness has been found to be dependent upon the performance of individual that makeup the organization. The recommendations proposed here are not just aimed at increasing individual employee productivity, but most importantly, the overall organizational effectiveness of the entire SBU. Another recommendation is the training to the users of the Employee performance management (EPM) to empower them with more skills /knowledge and attitude to evaluate performance effectively.*

**Keywords :** Performance Management Practices ; Organisational Effectiveness ; Stanbic Bank ; Uganda; Central Region; Performance ; Management Practices

## 1.1 Introduction

This study examined the relationship between performance management practices and organisational effectiveness. Performance management practices was represented in the performance management cycle, which includes planning, monitoring and evaluation, while organisational effectiveness was measured by profitability, growth of data and results of customer satisfaction surveys.

## 1.2. Background to the study

### 1.2.1 Historical background

Performance management is traced way back in the 1960s as way of paying for employee's work efforts. This was used by almost all organisations to instil behaviour of employees, though this didn't work for those employees who were more of the learning and development. McCann (2004) looked at it as a betterment to fulfil the targets as their core values through core strategies. Vinitwatanakhun's (1998) study showed that organisations should put in more resources for employees to try to develop their skills and confidence. The issue of pay and development became a challenge in performance management as evidenced in the 1980s; it led to a realisation that another approach was needed to guide performance. As Gigliotti (1987) suggested, a unit which has weak individuals who are incompetent in terms of teamwork is obliged to fail. Cameron (1978) observed that it is the work of the organisation to ensure that resources are in place for its people. The way of managing people has been specialised and Stanbic Bank

is not an exception to this, according to the human resources annual report of 2015. Many of the ancient ways of performance have been absorbed into all this term management, which looks at being a wider and broader process Gigliotti (1987). In the 1980s, success of the organisations was viewed as being vibrant and moved from a definition to a construct (Henry, 2011). It is connected to the ideas, such as the way a company can use the available ideas to meet goals. In the actual world, there is no model of organisational effectiveness. This ideal is connected to the need of an organisation to requisition and absorb resources to observe its goals and, consequently, achieve its aims (Federman, 2006). According to Balduck and Buelens (2008), the idea of organisational success is based around 4 models: the system resource approach, the goal approach, the strategic constituency approach and internal process approach while organisational effectiveness can be viewed in the way that The history of organizational effectiveness is traced way back from the previous authors who discussed about organizational effectiveness as a way to produce high results from workers. effectiveness was attached to efficiency until the 20<sup>th</sup> century until the founders were convinced to find other means to increase efficiency. The determination of effectiveness of an organization on the basis of whether or not its functioning efficiently is based on the assumption that it has no other objectives besides producing goods and services

The limited nature of classical view led to researcher to define effectiveness in terms of systems-level criteria. when the researchers could overcome the pressure of the traditional theory which forces one to dwell upon intra organizational variables turned their attention to variables which relate an organization on its environment. it also acquired a meaning which is different from efficiency but also subsumes it.

After the world war models trying to explain effectiveness also increased rapidly it was interpreted in a contradictory way because it was approached from a different point of view. The lack of consensus on the meaning of effectiveness in turn makes it difficult to ascertain the strategies to achieve it.

The main reason behind the argument on organizational effectiveness is the conception of effectiveness as a one-dimensional limited concept. 'effective' indicates that something has an effect there is no clear way of organizational effectiveness it consists of many parts which at times seemingly meaningless.

### **1.2.2 The Theoretical background**

There are many theories that apply to the performance management practices and for this research; the goal setting theory of 1968 by Edwin Locke was used. The goal setting theory means impacts of goals on performance. He witnessed that employees who set difficult goals performed better compared to their friends who set simple goals. He found 5 principles - clarity, challenge, commitment, task complexity and feedback. If you want to be energised, set personal goals as stated by Edwin Locke. However, goals influence the work done. He further acknowledged that setting goals enables success and motivation as the set goals squeeze us to do our best. In the 1970s, Locke published an article and, together with Dr. Gary, they witnessed the impacts of tasks at the work place. After their observation, the two summarised that there is a connection between task setting and workplace performance. They emphasised on the issue of being specific, as well as setting difficult goals, coupled with the 5 principles to be the effects of setting goals on subsequent performance. Researcher Edwin Locke witnessed that specific and difficult goals made by individuals make them perform to their best, compared to simple goals. They observed that employees who had easy goals to set performed better compared to those who had general. He also backed the five principles as a way of remaining energised as stated by Edwin Locke. Whereas using goals is a great way of enabling effectiveness and staying track, Edwin and Dr. Gary Latham, came out with a conclusion that there is an interdependence between goal setting and work place performance. The goal setting theory will awaken the employees to check whether they are on progress by monitoring their goals through continuous feedback. The goal setting theory will also help to foresee and analyse whether the set goals have been acquired or not. This was observed on indicators like the quality of work, timeliness and service quality to achieve organisational effectiveness as shown in the conceptual frame work.

The determination of the nature and composition of organizational effectiveness cannot be isolated from the problems related to the definition, conceptualization and methodology of organizational analysis. it organizational effectiveness can be seen into 2 general models the goal and system models.

#### **The goal model**

According to this model, an organizational is coordinated and rationally -functioning instrument which has been created to achieve a certain goal. This defines the effectiveness of an organization as the extent to which it realizes its goals. The goal is desired state of affairs which the organization attempts to realize. though this has been put on judgement from different points of view like the difficulties in the delineation of the organizational goal have been emphasized, if an organization does not know where it wants to go it cannot be demonstrated to what extent it reached that point. organization can be with different goals which can at times can disagree with each other. it is difficult to measure organizational effectiveness when a goal model is used. This model uses a single ultimate criterion of evaluation. a criterion suitable for organization under study selected and the influence of various variables which may be related to organizational effectiveness.

#### **The system Model**

The theoretical view which is the basis for the goal model neglects the relations between organization and its environment. However, it is difficult to explain an organization and its environment without taking into account its external relations, the system model removed this deficiency. This model delineates the conditions necessary for effective functioning of an organization in constantly changing environment thus ,the possibility arises for comparing an organization with other similar organization instead of evaluating

it with respect to the ideological situation, it is trying to reach. In other words, organizational effectiveness acquires relativistic meaning. The system model is based upon two schools of thought, one of which is called structural functionalism and the other called the functionalists approach. An organization as a natural whole and the system theory studies its characteristics arising from its being an open system. However, it's difficult to make differentiations from this point of view among different models which is called the system model. In literature, almost all organizations are composite in nature and this is not an exception of Stanbic Bank.

### 1.2.3 Conceptual background

This section considered explanation of concepts - Performance management practices, monitoring, evaluation and organisational effectiveness.

**Performance management practices-** means the practices that enable the success of employee and organisational goals with the initiative of employees' departments and performance of an individual employee, departments and the company. It can also mean the application of systems targeted and maximising performance in an organisation. Way back, it was the work of the team leader. (Barnes – Farrell, 2001; Cardy and Dobbins, 1994; Latham and Wexley, 1994).

**Organisational effectiveness -** Richard et al. (2009), looks at effectiveness and routine duties, targets of individuals with a broader view of the company, including the stakeholders.

**Performance planning:-** refers to maximising performance while setting goals (Warren, 1982) where there is focus on the process that somewhat carries a negative-something done to people. Performance planning also can mean setting organisational targets, goals and objectives to achieve organisational effectiveness. According to Richard et al. (2009), this includes setting goals to be attained and a solution of deriving the means required and organising the steps in proper order. It is advisable to always plan before embarking on a new venture, so that one can forecast the success.

**Performance monitoring-** this means checking on the set goals, whether they are moving on well as agreed upon on the start of the planning year whether organisational goals and objectives have been attained. Performance monitoring is supervising activities in progress to observe whether they are achieved as expected on obtaining the objectives and performance targets for organisational effectiveness. It can be formulated in the system or can be viewed daily by the supervisors on the subordinates to check whether they are on point. The ideas might be about goods and other factors which affect organisational development. Organisations consider monitoring for 2 ways: To be conversant with their own goods and feedback to help deliver to the planning and development. To be questionable to their stakeholders, organisations need facts of their efficiency and effectiveness in order to attract more funds, where it is needed. They also need to communicate success to the wider public.

**Performance Evaluation-** A more progressive terminology was given by Weiss and Hartle (1997), a process on how the set goals have been acquired and the way to manage people and how profitability can be maximised. Performance evaluation could be compared to the rigorous evaluation of finished or activities these help in telling the costs incurred, the profitability and savings after the performance cycle. Evaluation of done activities is called summative evaluation. Evaluation of actual activities is called in-term evaluation. Achievement of a high-level performance through productivity and efficiency has always been an organisational target of interest.

### 1.2.4 Contextual background

Uganda has over 26 commercial banks, all focusing on nearly the same clients. Survival for the fittest in the industry has become the norm and the people strategy has become a focal point to enhance survival. Among the banks is Stanbic Bank Uganda, with 95 branches across the country and over 250 automated teller machines. It is the leading commercial bank in Uganda, the challenges in its performance and organizational effectiveness notwithstanding. The trend of performance, according to the Stanbic Bank annual report (2015) has been declining. In 2011, the bank's profit after tax was sh85bn and reduced to sh65bn in 2012, according to surveys and audit reports for both financial years. Organizational effectiveness has continuously declined, despite the availability of relevant and modern methods to improve it. Many challenges have persisted, among them being poor motivation of staff, poor customer service and low productivity of staff. As a result, there is a call for performance management, which is described in process terms (Grote, 1996, Swan 1991), where it starts from goal setting, through evaluation, to the next cycle. Supervisors and employees need to be coached on how to go about the employee performance tool (EPM) of Stanbic Bank Uganda to achieve organisational effectiveness. If no action is made towards addressing the challenges cited above, employee performance will continue to remain poor at Stanbic Bank Uganda and organisational effectiveness will not be achieved.

## 2.0 Literature Review

### 2.1. Introduction

The study examined the relationship between performance management practices and organisational effectiveness at Stanbic Bank. This chapter is a review of theoretical and related literature, objective by objective in literature and the summary of the literature.

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## 2.2 Theoretical reviews

Achievement of a high level of performance through productivity and efficiency has always been the main aim almost all of organisations as cited by Marchington and Wilkinson (2005). Because of its strong considerations on the side of employees in the way it motivates and encourages them to perform the contracted chores in their job descriptions as agreed upon on contracting. The way the goal setting theory is well stated in the management practices, as it stresses the need to incorporate the advantage of SMART goals, which has always been encouraged by Team leaders. It is assumed that specific, measurable, attainable, and relevant and time bound goals are easy to accomplish. In a 1968 article "toward a theory of task motivation and incentives" by Locke, he asserted that workers are moved by SMART and they will be motivated to work and achieve organisational goals, if they base on smart goals when doing their work. There is evidence that the work of Locke showed some interdependence between the way tough and simple goals are set to improve on individual performance. Encouraging someone to "try hard" or do your best" is less effective than "try to get more than 80% correct" or committed on delivering your best time." On the other hand, it has been witnessed in all most all organisations that have goals which are easy to achieve employees do not get morale to be on pressure to perform than difficult tasks which even have time bounds. Years later Locke published his article, another researcher, Dr. Garry Latham(1970), studied the impact of goal setting in the work place. What he found out were in tandem with what Locke had earlier discovered, and the interdependence in the relationship at the work place performance was formed. In 1990, Locke and Latham published their seminar work. in this publication, they reinforced the need to always keep focus on difficult goals because they put people on pressure to perform to their best and they came up with 3 variables to base on to try to make the goals achievable in line with organisational effectiveness. With the following five principles to motivate, goals must be clear, be challenging, have the element of commitment, must include outcome and task complexity.

**Clarity** - Clear goals can be attainable. When there is a definite time to accomplish it and there will be less misconception on behaviour and these results attained can be used as a source of energiser. It has been also observed that a simple goal has no time limit compared to a tough goal which has limited time to be achieved .it is always advisable to set simple goals that use specific and measurable indicators that can be based on by the team members to deliver fairly to their shareholders

**Challenge-** One of the most advantageous variables of a goal is the level of toughness. individuals are often energised by success, and will be forced to work hard and push themselves to do their best in order to read the importance of the forecasted deliverable. When you expect that your deliverable will be well perceived, there is that argue that comes naturally and anxiety which gives us energy to perform to our best to achieve goals so that we can be recognised for getting something from a stressing goal. More so when there is a reward to be got from that energy used in performing that stressing goal it can be good feeling for the employee and gives them even more energy to think outside the box. SMART goals that are interdependent can lead to accomplish a goal closely. This can push an organisation to even wanting to venture into Important projects that can also lead to more avenues in which organisational goals can be achieved .by embarking on different avenues, and such are some of targets that every organisation will be yearning to maximise their goals and reward good performance. When setting goals, make each one of them a challenge. For staff members to struggle to accomplish them, this can be advantageous. Note that it is important to strike a balance between a fair deliverable goal at the same time being real, it is like setting a goal which will be difficult to achieve and this can be de-energising than easy goals Therefore, the need for success and achievement is strong with the difficult goals which are SMART.

**Commitment** - Goals must be clearly learnt and consented upon if they are to be perfectly effective. Employees are more predicted to "buy into" a goal if they were involved in part of formulating it in the initial stages. Here the idea of individuals participating in setting their goals comes in and they are able to be in charge and take decisions on the goals they set in the beginning of the performance cycle. And each goal has to be discussed upon and people give their commitments to the supervisors and discuss about how they are going to achieve the goals, here they give the action plan and the time rag plus the person responsible verse visa the previous expectations and here the idea of more commitment comes in. if the goal is tough the more commitment needed to make it happen for the better of the performance. here efforts are needed for all staff members to help and tell the team on how they are going to achieve these goals and if there are some obstacles they are highlighted immediately to avoid excuses so that they are in line with the organisation vision in all the departments

**Feedback-**in all assignments embarked on feedback is key this is because it gives a sense of direction to employees to get to know whether what contacted for is getting on well in line with the results being presented by employees, here efforts can be suggested whether to put in more efforts before it is too late to regret or other avenues can be embarked on to enable individuals achieve what they promised at the start. whether they are progressing well on the set goals with benefits associated with it like how to clarify progress change, challenges and how to achieve recognition. Here employees can get to know whether they are on track with the continuous feedback given to them by their supervisors. such feedbacks can enable employees to plan on how to achieve the set goals in their own ways by breaking chores in their own easy ways of achieving them. SMART goals are measurable, and because of this feedback is expected to be genuine, so when creating goals ensure there is need to create some space for feedback sessions these can be ones on ones where regular encouragements are expected to be seen in this space and give room for continuous improvement, this can be included as a factor for performance improvement in the long run.

**Task complexity**– this factor advises not to make the work to be monotonous and boring so special needs to be given to this because this can make people to get tired of what they are doing and they lose the track on what they contracted for, yet here the main aim is success. Here time is needed to be given to people to do what is expected of what they contracted for. The aim here is achievement

not any other thing so the environment has to be conducive for people to enable them achieve the set goals This instils the "Attainable" part of SMART.

**Key points-** in conclusion the goal setting theory has to be understood by all employees because it is where success can be achieved if handled well coupled the SMART goals. They are key on the way performance is measured today, use clear, challenging goals, and commit yourself to achieving them. Provide feedback on goal performance.

## 2.3 Related Literature

### 2.3.1. Performance planning and organisational effectiveness

Performance planning means setting organisational targets, goals and objectives to attain organisational effectiveness. According to Richard et al. (2009), this includes setting goals to be attained and looking for the way of deriving the means needed and putting the steps in proper order. It is of the view to plan before a new venture is embarked on, so that you can anticipate what to achieve. Planning your routine duties leads to less time spent in office, provides direction for work efforts, letting you to do the most pressing tasks by prioritising them, coupled with the time factor, leads to organisational effectiveness. This is done through performance planning, means to the way of maximising performance while setting goals (Warren, 1982), where there is focus on the process that somewhat carries a negative something done to people. Performance planning can also mean setting organisational targets, goals and objectives in order to achieve organisational effectiveness. According to Richard et al. (2009), this includes setting of goals to be attained and a solution of deriving the means required and organising the steps in proper order. It is advisable to always plan before embarking on a new venture so that you can forecast the success to achieve organisational effectiveness. Performance planning and reporting the unit ensures that there is alignment between committees. This unit, though is in liaison with institutional change units, facilitates the growth and or identification of institutional core values and their implementation. The monthly reports are normally based on the planning stage and if it is not done well it can lead to presentation of nothing as people will not be committed to what they are doing as it may not be coordinated to the governance auditors and risk manager. It is noted that that work is planned well by employees they can be swift in all what they are doing because of planning they can begin pressing tasks first by learning to prioritise. This reduces on idle time in office and also providing work on time as it is supposed to be done.

**Communicate-** Communication is key in observing updated planning and organisation of projects. This the engine of all organisations, if it breaks the organisation is bound to fail because people may not be in the know of what is expected of them. Communicate, if work is to run smoothly in all parts of the organisation. all parts should be able to communicate the same language. This can be in form of emails, workshops and many more.

**Create a roster** - if your work tasks are similar each day, work out a general routine roster that keeps you on move. A consistent roster enables you to better plan wisely at office. You can also budget for time consumed to manage disturbances and unforeseen additional cores that come their way into your day. When you know what you are supposed to do, then you are able to plan well. Goal setting-is enabling you with the way how targets will be achieved. Priorities- this includes identifying and prioritising the tasks one needs to deliver. Each morning, jot down many tasks for the day. Determine which tasks are urgent and need to be completed right away. Peruse through for cores that must be completed first before you can begin other projects. As your work day progresses, you can create new avenues that did not appear at the beginning of the day. Setting performance objectives -guidelines to help achieve the set goals, which will enable one achieve organisational effectiveness. Setting performance targets-what to base on to analyse whether the set targets have been achieved by Dr. Edwin Locke.

In Stanbic Bank it also not different from the theoretical views, there are different channels how communications are channelled down to staff members through emails and also rosters are there to remind staff on what they are supposed to do.

### 2.3.2. Performance monitoring and organisational effectiveness

Performance monitoring is overseeing activities in course to ensure right and on course in meeting the objectives and performance targets for organisational effectiveness. Monitoring is the routine tandem acquisition of data about a plan that was set. The ideas might be about chores on all issues affecting the organisation and reasons why organisations use monitoring. Organisations use monitoring for 2 reasons: To learn about their own activities and success and to support internal planning and development. To be accountable to their stakeholders' organisations, they need detailed views and effectiveness for funders. They also need to inform positive feedback to the outside world. Charities are now specifically required to report the achievement of a charity over the year. However, the idea of monitoring in creating learning and in improving the organisation is of equal advantage.

The second stage of performance management of the monitoring and evaluation cycle is what and how to monitor. This routine checking becomes monitoring when information is collected routinely, and systematically, against a plan. Strategic aims and objectives and annual operational plans will indicate the wider space, and also the more specific ones for monitoring. Funders and commissioners have always asked data that the organisation feel is not necessary, but there may be room for being dynamics and appreciations. Monitoring should be proportionate to the size of the organisation and the level of funding.

#### **What do you monitor?**

We monitor inputs to see how they are utilised and how productive they are and how effective they are in terms of costs and if not training needs organised to ensure productivity for all the employees of the organisation and the way

Outcomes: here we look at what has been achieved depending on what contracted for in an organisation to check whether there is positive change or negative change.

In Stanbic we monitor sales brought into a branch for example accounts opened, loans disbursed and fixed deposits, number of clients enrolled on internet banking

Impacts – these are equated to the long term and broader changes in an organisation though these are bit challenging in monitoring, you cannot have detected in the near future you need time to see changes for a long period of time.

Setting indicators –after setting the objectives, then some materialistic indicators should be put in place to help monitor whether the set goals are got or not whether on track or not. The most evident indicators relate to outputs and outcomes, and you will need to distinguish between the two.

Output indicators: measure the quantity (and sometimes the quality) of the VET policy and or programme created or provided through the use of input.

Outcome indicators - When setting performance indicators, there are some things that can be viewed. What roles and services do you offer? What are you trying to achieve for each of your stakeholder groups? Your performance indicators should show the range of your duties and the perspective of the stakeholders interested in your work. Remember that when setting performance indicators, 'what has measures gets feedback'. You should have as so many indicators as possible not to base on few things as people may concentrate on only the listed few. Performance monitoring software helps to ensure the high availability and high performance of applications by identifying issues and bottlenecks, and resolving them before the user experience is diminished. As applications become more complex and distributed, performance monitoring tools deliver greater visibility and control, enabling you to manage the evolution of applications more easily and cost-effectively results of the targets for future referrals Monitoring is possible through the following:

*Informal progress Review*-Here, we look at points that are supposed to be worked on in these situations. This involves giving brief feedback on the progress of the work done by the supervisor to the supervisees.

*Continuous feedback*– continuous one-on-ones with the employees to discuss the strengths and weaknesses of the employee and the progress of the team on what was contracted. Remedial action–working on the advised activities to improve on service, products so that it can lead to better results as advised by the line manager.

### 2.3.3. Performance evaluation and organisational effectiveness

Performance evaluation could be equated to the detailed analysis of finished continuous activities that determine or support management feedback, effectiveness and efficiency. Performance Evaluation-A more progressive terminology was given by Weiss and Hartle (1997), a process on how the set goals have been acquired and the way to manage people and how profitability can be maximised. Performance evaluation could be compared to the rigorous evaluation of finished or activities these help in telling the costs inquired, the profitability and savings after the performance cycle. Achievement of a high-level performance through productivity and efficiency has always been an organisational target of interest. Though this is the case, in Stanbic this is still a myth because supervisors do not know what they do they are not properly trained on the employee performance management tool and also when there are issues related to IT they have to refer to south Africa for fixing it would have been better when employees are locally trained. Productivity and efficiency is always the main attainment of all organisations. this is very crucial especially in the appraisal process as it's the major priority. to examine performance according the set goals It is through this that individual weakness and strength is observed and their contributions towards the organisation development for future improvement and to assess whether organisational goals are achieved or not if they serve as a basis for the company's future planning and development. The success of any organisation depends on the quality and characteristics of its employees. The employees are important factors in any organisation as no goals can be achieved without them. However, any employee needs something to influence him/her to the organisation's key aims, goals and objectives became an embedded part of and discuss through the performance appraisal process, it is an indicator and an obvious thing individuals need things that can motivate them in order to work to their best. According to Marchington & Wilkinson (2005). Deblieux (2003) postulates that performance appraisal/evaluation is the step by step and impartial rating of an employee's excellence in matters resulting to his/her present job and his potential for a better job. Performance appraisal is a review and discussion of an employee's performance against their job description. The appraisal is based on feedback obtained by the employee in his/her job, not on the employee's personality traits. The appraisal measures skills and uniformity. It gives a way of helping to identify areas for performance enhancement and to help promote personal growth. The essence of the performance appraisal is to achieve information for promotion, demotion, transfer, increasing pay, training, lay-forfeiting to terminate a contract and development. Armstrong and Baron (2005) explain the performance appraisal as a more limited approach, where power is entrusted to one person the leader to assess the subordinate on his/her performance, it is basically from top to down and the people at down level are not given that opportunity to assess. Armstrong (2006) asserts that it is through evaluation that managers can assess that what was contracted has been achieved in either responsibilities, also helps management to understand whether staff need to be promoted, put on performance improvement plan(PIP) or terminated performance appraisal is a tool for observing what needs to be done by people in the organisation in order to achieve the objective of the job. Normally, a performance appraisal has been based on the employee outcome as agreed upon by their supervisor. Where emphasis has concentrated more on team work customer service and it is termed as full circle which is termed as 360-degree assessment (McLean, 1997). Organisations usually take these reviews to

assess the employees whether promotions are put in place, performance improvement plans advised, rewards and promotions given according to the supervisor’s comments on a specific individual’s performance for example a Leading Indian companies are adopting a very progressive approach for performance management by adopting a 360-degree approach or management by objectives (MBO). Wise (2005) also asserted that a performance also this on side of employees they can judge themselves and weigh themselves to know their career path and get know where more effort is needed to be put in order to perform better and here organisation gets know which individuals are assets to the organisation to be handled with care as they are important assets compared to others which can easily be replaced like technology. Company targets can easily be achieved by high performers of the organisation they have to be handled with care (Michitsch, 2000). It is because of people that appraisals are in place so the system for appraisal should be set in a way that it is fair to its employees in order to improve and grow them in a way that it encourages fair competition amongst them for the future talent need (Mohamed Ahmed, 2007). It is through evaluation that policies are put in place and also training needs identified and also ways to achieve the training needs. (Mohamed, 2009). It has been observed in almost all organisations use appraisal a way to develop its workers and grow the in what they need them to be and those who fail are put aside and are advised to look for other opportunities elsewhere though this is not instant they are first given opportunities for trials, they advised to leave when all these things fail. It is also used to measure the employee’s level of conduct to check whether they are on maximum standard as contracted in the initial stages of performance. Employee’s initiative, adaptability, job knowledge, reliability of the process and quality. In analysing activities for accountability and effectiveness, the set goals are measured to determine whether they have been achieved or not, and what contributions individuals have made to achieve a common goal rating on the set targets basing on the signed job description. Many institutions have taken advantage of the appraisal system to measure performance. This can be reviewed basing on the following:

*Formal review*- this can give you an idea on whether the organisation can thrive in the local market for organisational effectiveness, if it can find new customers and new business opportunities. Updating performance objectives-measuring course of action, whether the set objectives have been achieved or not. Updating performance measurement- following on the progress of the set goals and targets, promotions and rewards are made. Here, the best performers are rewarded in terms of incentives or promotions.

In Stanbic Bank though evaluations are there, they are not appropriate people do not know what they are doing, they are not conserved with the system, evaluations are not done on time, staff members tend to think they are biased this creates a gap with evaluation. if all these are not dealt with, employee performance will continue to be poor, poor quality will be observed and this will impact Stanbic ‘s effectiveness

### 3.0 Methodology

#### 3.1. Research design

A cross-sectional study design was followed for this research. Here, data was collected to give answers to the questions of research. (Sekaran, 2003:135). The cross-sectional survey generated both quantitative and qualitative data. As suggested by Borg, Gall&Gall (1996), the above research design allows collection of both qualitative and quantitative data at the same time. Quantitative data enable the researcher to adequately describe the distribution of variables using statistical procedures, like frequencies, percentages and numbers. Qualitative data provided the researcher with detailed information about the phenomenon under study, so as to establish patterns, trends and relationships of the variables in a descriptive manner (Mugenda & Mugenda, 1999). In this case, the quantitative approach allowed the researcher to express information in numerical format using correlation, regression, meanwhile the qualitative approach complemented the quantitative approach by soliciting more detailed information expressed in textual format (Mugenda & Mugenda, 1999). Combining numerical and textual information helps the researcher to enrich the study findings by having a clear view of different options used.

#### 3.3. Study population

The study population included 104 employees of Stanbic Bank in the central region. The population of the research included top management, middle management (branch level), lower managers (team leaders) and those at operational level (banking officers).

#### 3.4. Sample size and selection.

The researcher based on Krejcie and Morgan’s (1970) table to determine the sample size out of a target population of N= 104, where a sample size n=95 were given questionnaires. The researcher selected them from top to down (management level to operational level) in a random manner.

**Table 3. 1: Showing study population and sample size**

Category	Population	Sample size	Selection technique
1. Top management	5	5	Purposive sampling
2. Middle management	18	18	Stratified sampling

3. Lower management	9	9	Stratified sampling
4. Operational level	72	63	Stratified sampling
<b>Total</b>	<b>104</b>	<b>95</b>	

**Source:** Stanbic Bank Human Resource Records, 2015

In the above, the researcher took a sample of 95 respondents from a total of 104. Questionnaires were used, as well as interviews, to get data from key informants.

### 3.5. Sampling technique and procedures

The researcher used both stratified sampling and purposive sampling for the study because the approach was a mixed method approach

#### 3.5.1. Purposive sampling

To collect focused and in-depth data, purposive sampling was used for top management, where choice was to the discretion of the researcher on who to include in the sample, based on characteristics. The discretion is done because some information is very sensitive cannot be disclosed like that and it is the top managers who are given such information

#### 3.5.2. Stratified sampling

This was used on middle managers because they are from different branches. It was done to ensure equitable representation of the population in the sample. This was also used on the staff in the lower tier and every second element of sample frame was selected from random population.

### 3.6. Data collection methods

Primary and secondary data sources were used. Data from the primary sources included interviews and questionnaires while secondary sources included review and analysis of written/published data. For Stanbic bank annual reports were used for example the annual report of 2015 was used and the annual report of 2014 for the secondary data coupled with the interviews and questionnaires.

#### 3.6.1. Interview method

Face to face interview were used to obtain deeper knowledge and exploration of opinion from specific respondents ,mainly top management this was mainly used in the collection of qualitative data, which was intended to gather their perceptions of the performance management practices in place and their opinions about performance management practices and organizational effectiveness this was to enable collection of in depth information about the experience of several respondents the method of interviewing is used to collect information that cannot be directly observed .It also helps the researcher to gain control over the line of questioning (Ghuri and Gronhaug 2002).The interview comprised of open ended questions this was to allow free expression and establish original perception.

#### 3.6.2. Questionnaire method

Questionnaires with a mixture of closed ended and open ended items were distributed to respondents who were given time to fill and hand back to the researcher. These were the most used in the collection of qualitative data. the questionnaire is an efficient data collection, also has advantages of high complete responses in a short period. use of questionnaire s also allowed the respondents time to reflect to answers to avoid hasty responses (Mugenda & Mugenda, 1999) the questionnaire method also helped to reduce on the cost and time implications and yielded greater responses.

#### 3.6.3. Documentary analysis

It was used to analyse previously related studies, which helped enrich the topic.it gave the ideas on performance and organisational effectiveness in Stanbic Bank. Documents on policies, performance management, annual reports and other relevant literature were used.

### 3.7. Data collection instruments.

This included the use of questionnaires, interview guide and a documentary review checklist.

#### 3.7.1. Interview guide

According to Oso and Onen (2009), an interview guide these are pre-test questions used in an interview/conversation with one or more people to answer research questions. The researchers Was able to gain control over the line of questioning. The interview guide is a list of questions given to participants during the interview. There are three standard types of interviews one can choose to conduct: structured, unstructured or semi-structured. With a structured interview, each participant is asked the exact same question in the same order. For my research I used the structured to get views from different staff.

### 3.7.2. Questionnaire

Amin (2005:269) defines a questionnaire as an instrument designed to answer research questions and hypothesis, whereby the questions are answered in writing to collect information in a short of time. This method was relevant for the study because the population was literate.

### 3.7.3. Documentary review checklist

Primary data was collected using a checklist to enable the researcher compare findings with secondary data. This was reviewed to enable the verification of primary data. Secondary data was sought from published books and the Internet, government documents and scholarly journals.

## 3.8 Quality control of data collection

Here, validity and reliability was put into consideration. The instruments used were tested to ensure validity and reliability.

### 3.8.1. Validity

The researcher ensured content validity of the questionnaire, which is the degree to which a test measures what it is supposed to measure. This was determined by expert judgement using to supervisors conversant with the topic. The supervisors reviewed the process being used in developing the instrument as well as the instrument itself and made judgement concerning how well as the items represented the intended content area to establish the content validity index (cvi).

The following formula was used  $CVI = \frac{\text{Number of items declared valid}}{\text{Total number of items}}$

Findings are presented in the following table

**Table 3. 2: Table showing number of people rated**

Raters'	Items rated relevant	Items rated not relevant	Total
Rater 1	22	9	31
Rater 2	25	6	31
<b>Total</b>	<b>47</b>	<b>15</b>	<b>62</b>

Thus applying the formula

$$CVI = \frac{47}{62} = 0.758$$

The cvi was greater than the recommended .70 (Amin,2005) thus the questionnaire was valid for data collection.

### 3.8.2. Reliability

Reliability simply refers to the capacity of the research instrument to generate similar results based on the same understanding across different samples (Amin,2004) .Sekaran (2002) argued that reliability of an instrument indicates the stability and consistency with which the instrument measures the concept and helps to assess the goodness of a measure .In order to ensure the degree to which the questionnaire are produced consistent results ,it was pilot tested on 20 respondents and the results subjected to Cronbach Alpha reliability .

Data collected from the pilot tested was analyzed using (spss) results are presented

**Table 3. 3:Table showing a pilot tested on performance management and organisational effectiveness**

Variable	Alpha	No. of Items
Planning	.761	9
Monitoring	.773	8
Evaluation	.086	7
Organizational effectiveness	.713	7

The Cronbach's Alpha coefficient for the questions in the questionnaire was above 0.6 which is recommended as cited by Kent (2001). The questionnaire was hence considered reliable for collecting data.

## 3.9. Data analysis

The researcher gathered raw data from questionnaires and the data was organised, edited and coded. Errors, omissions and corrections were dealt with at this stage. Both qualitative and quantitative data analysis was conducted. Relevant data was put in the computer system using statistical package for social scientists (SPSS) for analysis. Quantitative data was tabulated and frequencies used. Qualitative data was analysed using content analysis, where the researcher coded and wrote descriptive summaries of what participants suggested and disclosed analysis where the researcher took notes of what people said about a given phenomenon. The researcher was able to present a detailed description of the findings for the readers.

### 3.9.1 Quantitative data analysis

Data was collected, coded, cleaned and then entered into the computer and analysed using the statistical package for the social sciences (SPSS). The data was analysed using descriptive statistics (measures of central tendency) extracted from SPSS. Relational statistics, such as correlations, particularly Pearson’s product moment Correlation coefficient were run using SPSS, to establish the relationship between variables relating to performance management practices and organisational effectiveness at Stanbic Bank Uganda and a report was written.

### 3.9.2 Qualitative data analysis

These were analysed using content analysis, where the researcher coded and wrote descriptive summaries of what participants said and disclose analysis, where the researcher took notes of what people were saying about the variables. The qualitative data were transcribed into themes and categories, to support the hypotheses tested using the content analysis technique. Detailed information was collected, transcribed, analysed and presented in form of paraphrases or quoted upon permission of the respondents. The responses were summarised in a narrative form as a representation of the major findings of the study.

## 4.0 Data Presentation, Analysis and Interpretation

### 4.1 Response rate

The percentage of people who responded to a survey are called the response rate. This rate is important and should not be left to chance. A high survey response rate helps to ensure that the survey results are representative of the target population. A survey must have a good response rate in order to produce accurate useful results. In this study, the sample was 104 Stanbic central region employees, but the study managed to get response from 95 central region staff. The breakdown is shown in the table below:

**Table 4. 1: Showing the response rate**

Category	Sample size	Response rate	Percentage (%)
Top Management	5	5	100
Middle Management	18	18	100
Lower Management	9	9	100
Operational Level	72	63	88
<b>Total</b>	<b>104</b>	<b>95</b>	<b>91</b>

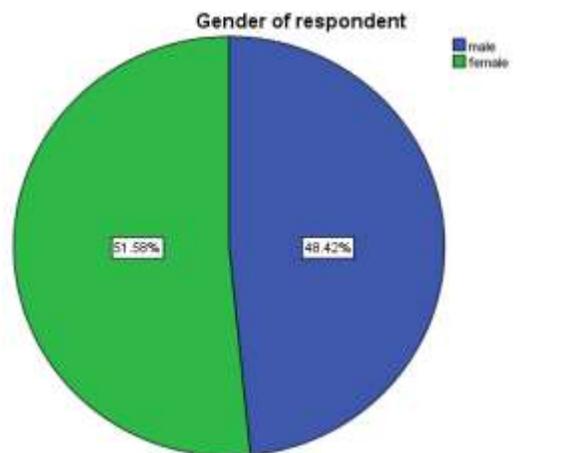
**Source:** Data from the field

Thus, the response rate of 91% was above the recommended 2/3 (67%) response rate (Amin, 2005, Mugenda & Mugenda ,1999). Therefore, the results were considered representative of what would have been obtained from the population. Also, these results could be interpreted to mean high, this were findings from both qualitative and quantitative data.

### 4.3. Background characteristics of the respondents

This section presents information about the demographic characteristics of respondents that was used in the study. Demographic characteristics of the respondents that were studied are the gender of respondents, age group of respondents, and education level of respondents and years of service by the respondents.

#### 4.3.1 Gender of the respondents



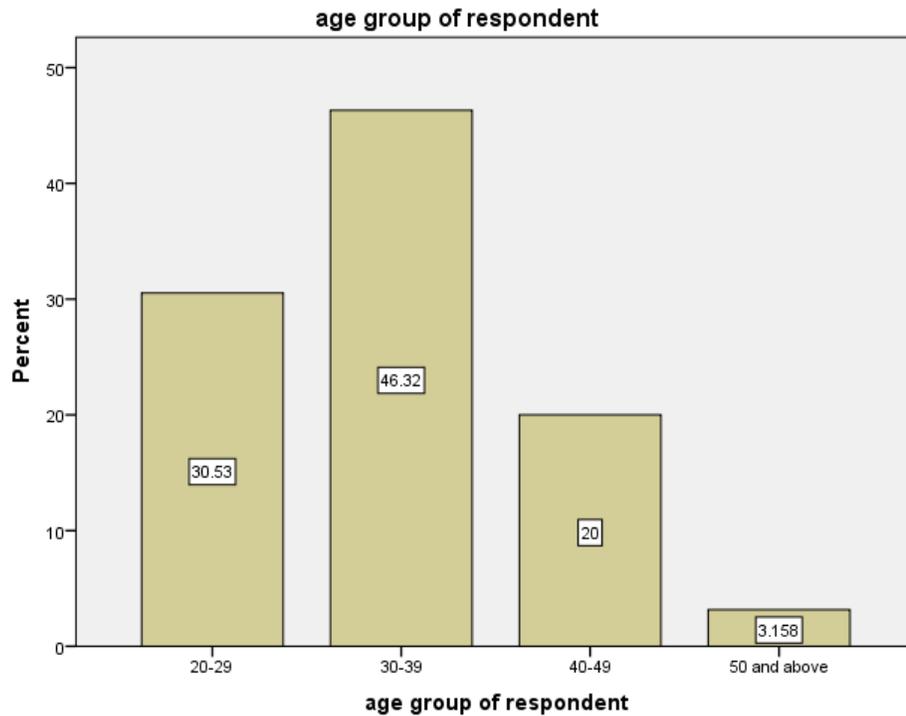
**Figure 4. 1: Gender of Respondents**

Source: Primary source

Sex: close to equal proportions of the respondents were male (49%) and female (51%)

According to the results in the piechart , 48.2% of the respondents were male and 51.8% were female. This shows that there are more female respondents who participated in the study than men. This is because the bank has more female employees than male.the relevance of this is that according to research women tend to perservere in all circumstances than men ,in a way of job rention this also leads to organisational effectiveness.

**4.3.2 Age group of respondents**



**Figure 4. 2: A Bar chart showing age group of respondents**

Source: Primary data

The findings show that close to half of the respondents (46.3%) were 30 to 39 years. 30.5% were 20 to 29 years and 20% were 40 to 49 years. Only3.2% of the respondents were 50 years and above. This is so because according to research this is the working class age in Uganda this is advantageous because Stanbic has the able energetic working class.

**4.3.3 Diagram showing education level of the respondents**

**Table 4. 2: Table showing Education background of employees**

Education level of respondents	Frequency	Percentage (%)
Post graduate diploma	26	27.4
Undergraduate degree	46	48.4
Master's degree	20	21.1
Doctorate	3	3.2

Source: Primary Data

**Education level:** Close to half of the respondents (48.4%) had undergraduate degrees while 27.4% had post graduate diplomas. Close to a quarter of the respondents (21.1%) had master's degrees while only 3.2% had doctorate degrees. Details are shown on table 3. This implies that Stanbic's minimum qualification is a bachelor's degree.

#### 4.4. Organisational effectiveness

This section explores findings on organisational effectiveness, which was investigated using the twelve items. These questions focused on time management, quality of service and the customer satisfaction findings on organisational effectiveness which are presented in table 4.3.

**Table 4. 3: Showing responses from respondents on organisational effectiveness**

Statements to Organizational effectiveness	SA	A	N	D	SD	Mean	Std dev
Stanbic Bank has consistently had timely performance management system	(43) 45%	(41) 43%	(10) 11%	(1) 1%	(0)	4.33	0.706
Stanbic Bank has improved the timeliness on customer feedback.	(39) 41%	(42) 44%	(12) 13%	(2) 2%	(0)	4.24	0.754
Stanbic Bank has consistently improved on timely reporting.	(40) 42%	(42) 44%	(11) 12%	(2) 2%	(0)	4.26	0.747
Stanbic has improved the quality of services it delivers over the years	(43) 45%	(39) 41%	(12) 13%	(1) 1%	(0)	4.31	0.730
I am satisfied with Stanbic's service vice quality	(51) 54%	(30) 32%	(13) 13%	(0)	(1) 1%	4.37	0.800
Stanbic's capacity to deliver mandated services has expanded	(55) 58%	(28) 29%	(10) 11%	(2) 2%	(0)	4.43	0.767
I am satisfied with the quality of work at Stanbic	(55) 58%	(25) 26%	(13) 14%	(2) 2%	(0)	4.40	0.804
The quality of work at Stanbic has greatly improved	(44) 46%	(41) 43%	(8) 9%	(2) 2%	(0)	4.34	0.724
Quality of work has improved on customer satisfaction	(47) 49%	(35) 37%	(10) 11%	(3) 3%	(0)	4.33	0.791
Customers are satisfied with the level of service at Stanbic Bank	(46) 48%	(33) 35%	(12) 13%	(3) 3%	(1) 1%	4.26	0.878
Stanbic's capacity to deliver mandated services has expanded	(60) 64%	(27) 28%	(7) 7%	1 1%	(0)	4.54	0.681
Customer satisfaction increases on the customer base	(57) 60%	(27) 28%	(9) 10%	(2) 2%	(0)	4.46	0.755

Source: primary data

SA=strongly agree A=Agree N= Neutral D=Disagree SD= Strongly Disagree

**Note:** Agree includes combined responses of strongly agree and agree, while disagree includes combined responses of strongly disagree, disagree and Neutral.

The findings as indicated on table 4.3 above indicate that 84 (88%) of the respondents agreed that Stanbic Bank has consistently had timely performance management practices as stipulated by the policy, according to an interview carried on staff on 16/06/2017 while 11% (10) were neutral and 1% (1) disagreed. In an interview, this is what one of the key informants said:

*“from the interview It was reported that majority of staffs have had a consistent performance management practices because of a unique system which updates the users all the time on each stage of performance management stage which comes. However, all this is dependent on staff utilisation of their time to implement bank activities and directly influence the effectiveness.”*

The 1% which disagreed shows that this is not consistent. It indicates that organisational effectiveness can be achieved through a consistent and timely reporting performance management system though there are still gaps in the practice to achieve 100%

It was also established that 81 (85%) of the respondents agreed that Stanbic has improved the timeliness on customer feedback, compared to the 13 (12%) who were neutral and 2 (3%) who disagreed. From an interview with one of the key informants, it was reported that:

*“Working with the organisation for so long, the respondent would rate the organisation’s effectiveness as it registered some improvement because there is emphasis on customer feedback weekly, monthly, quarterly and annually. This feedback is got through contacting the clients. Stanbic has always had a tracking system of the call-backs, where customers are asked whether they were served well, whether they were greeted, thanked, etc. They are also asked how they want the bank to change for better effectiveness so that the organisation can perform better.”*

This shows that a majority of the Stanbic staff have improved on timeliness feedback and this helps on tracking performance and organisational effectiveness. However, the 2% who disagreed shows that there are some employees who have not improved on timeliness feedback, meaning Stanbic needs to work on this to effectively improve on organisational effectiveness.

From this study, it was also found out that 82 (86%) of the respondents accepted that Stanbic has consistently improved on timely reporting, compared to 2% and 12% who disagreed and were neutral, respectively, which shows that there is timely reporting at Stanbic Bank and that they adhered to policy deadlines. For those who disagreed, it shows that something could still be done to improve there is still a problem with effectiveness in terms of timely reporting.

However, 2% of the respondents that disagreed show that there are staff members that do not give timely reports on the assignments given, creating a challenge in meeting the set targets, leading to low organisational effectiveness.

From this study, it was also established that a majority of the respondents agreed that Stanbic has improved on the quality of services (this was measured on the time spent on a transaction probably below 5 minutes was quality time) as 82 (86%) agreed, compared to 1% and 13% who disagreed and were neutral on the subject, respectively. Such a finding means the quality has improved, hence organisational effectiveness.

One respondent had this to say in the interview:

*“Quality has improved as many channels have been introduced through digitalisation. Customers can even transact electronically from their homes. Even the withdrawals at ATMs have increased up to 9million and, also, there is agency banking, which has been established. Agents like MTN and Airtel are doing business with the bank on their behalf. To ease service, money can be transferred from a bank account to a mobile money account. For example, one can also buy airtime from the account, hence quality and improved services, which lead to organisational effectiveness.”*

It was established also that most employees are satisfied with the service at Stanbic, as 87% agreed and 1% disagreed. One respondent had this to say:

*“There are no more queues because of the many different channels through which people can deposit and withdraw money and that has led to improvement in organisational effectiveness. However, the 1% who disagreed with the quality of service means that there are still some challenges. Sometimes, the system breaks down, which affects the organisational effectiveness of the bank.”*

The capacity of Stanbic to deliver has expanded as exemplified by the 87% who agreed to that assertion. A total of 2% disagreed with this. Customers have been registered on different digital channels to ease and expand their access to services to create convenience for them.

The findings also show that 80 (84%) agreed to the statement ‘I am satisfied with the quality of work at Stanbic’ while 14% and 2% were neutral and disagreed, respectively. One respondent had to this to say:

*“With the stiff competition and the quality of services we offer, we are still the leading bank in-service provision, compared to other competitors”.* However, the 14% and 2% as responses for neutral and disagreed, respectively, should not be ignored. It means that there is still need to improve in order to achieve organisational effectiveness.

The findings also show that the quality of work at Stanbic has greatly improved, as 89% agreed to this. A total of 9% and 2% were neutral and disagreed to the assertion, respectively. It implies that work has improved since employees are achieving their targets hence leading to organisation effectiveness. However, there is still need to improve on the quality of work at Stanbic. A respondent had this to say:

*“There is need to pay staff members for overtime. They also need to be given days-off to be relieved from busy bank schedules. They also need not to be subjected to working more than 48hrs per week, as stipulated in the labour law.”*

The findings also show that the quality of work at Stanbic has greatly improved. A total of 86% agreed to this assertion, 11% and 3% were neutral and disagreed, respectively. It means that staff incorporate the feedback from clients, a move which helps to improve on customer satisfaction, hence improving on organisational effectiveness.

According to the report from the field, customers are satisfied with the level of service at Stanbic Bank. 83% agreed to this, while 4% disagreed and 13% were neutral. This implies that though most of the customers are satisfied, some are not happy, and neither are they satisfied with the quality of service that the bank renders. One respondent remarked:

*“With failures in technology and system breakdowns, some clients get frustrated and opt to open accounts in other banks, hoping to receive better service, hence affecting organisational effectiveness.”*

Also, from research, many respondents agreed to the statement that customer satisfaction increases on the customer base, with 86% in agreement, 10% giving neutral responses and 2% disagreeing. It is true that when customers are happy, they will make referrals to their colleagues, hence increasing on the base, hence customer satisfaction.

#### 4.5 To examine the relationship between performance planning and organisational effectiveness

This section explores findings on performance planning, which was investigated using nine items. These questions focused on goal setting, performance objectives, performance targets, performance measures, performance discussions and meetings. Findings on performance planning are presented in table 4.4, followed by an analysis and interpretation.

**Table 4.4: Showing Responses from respondents to statements on performance planning**

Statements to Performance Planning	SA	A	N	D	SD	Mean	Std dev
The Stanbic Bank goals are written down	(86) 91%	(6) 6%	(1) 1%	(1) 1%	(1) 1%	4.84	0.589
I meaningfully understand the Stanbic Bank goals	(56) 59%	(34) 36%	(3) 3%	(2) 2%	(0)	4.52	0.666
I share the Stanbic Bank goals	(40) 42%	(47) 49%	(6) 6%	(1) 1%	(1) 1%	4.31	0.73
My branch has set performance objectives.	(41) 43%	(43) 45%	(10) 11%	(1) 1%	(0)	4.31	0.701
I meaningfully understand the performance objectives of my branch.	(39) 41%	(43) 45%	(11) 12%	(2) 2%	(0)	4.25	0.743
I always participate in the development of Stanbic Bank performance planning.	(65) 68%	(19) 20%	(7) 8%	(2) 2%	(2) 2%	4.51	0.886
I set my performance targets	(52) 55%	(34) 36%	(6) 6%	(3) 3%	(0)	4.42	0.752
My supervisor and I always hold discussions about the expectations on the set targets	(42) 44%	(44) 47%	(7) 7%	(0)	(2) 2%	4.31	0.787
My supervisor and I have always held meetings to meet the targets	(44) 47%	(39) 41%	(9) 9%	(2) 2%	(1) 1%	4.29	0.81

**Source:** Primary Data

SA=strongly agree A=Agree N= Neutral D=Disagree SD= Strongly Disagree

Note: Agree includes combined responses of strongly agree and agree, while disagree includes combined responses of strongly disagree and disagree and Neutral

Findings from the table on the previous page indicate that many of the respondents agreed that Stanbic Bank goals are written down. A total of 92 (97%) agreed, while 2 (2%) disagreed. This was confirmed by one interviewee:

*“Goals are normally divided. There are bank goals, regional goals and branch goals for the staff, which are cascaded down by the respective line manager, up to the lower level staff member. Here, employees work towards a common goal, from up.”*

This shows that goals are in place. However, 2% disagreed. One respondent said:

*“They are not involved in setting goals, which makes them find difficulties in achieving the goals.”*

Findings also indicate that 95% (90) people understand Stanbic goals meaningfully, while only 3% and 2% were neutral and disagreed, respectively. That implies that people understand goals:

*“There are always sessions where people set weekly goals on which to benchmark their activities and also give feedback on whether the previous set goals were achieved or not. People also identify the hindrances to them not achieving the goals and the action plans they have set to achieve the set goals. They also detail the responsible people; thus people will work to achieve a common goal since they are expected to give feedback at the end of the week. Those who disagreed said that connect sessions are monotonous and boring hence people end up setting unachievable goals because they have to discuss the same thing every day.”*

Findings also indicated that Stanbic has stated goals, as 91% agreed to the statement, 21% disagreed and 6% were neutral. It means that Stanbic share goals with employees meaning employees know what they are expected of them and they are working to achieve a common goal however the 2% who disagreed they need to be trained or updated so that they are on the same page with the rest so as planning is effective.

Findings also showed that 88% agreed to the statement that my branch has set performance objectives, while 11% and 1% were neutral and disagreed, respectively. A respondent made the following remarks:

*“Yes, branches set objectives in order to achieve the goals set to them by the organisation so in order to achieve they end up setting objectives in order to achieve the set objectives of the branch as a target given to them by the organisation set to them”*

Also, findings from table 4.4 indicate that most employees understand the performance objectives of the branch. A total of 86% agreed to this, thus is a clear indication that many know what is expected of them. So, achieving the set objectives should not be a big challenge because they understand them quite well. Though, 12% gave neutral as their response. There is a big challenge in planning because some employees are not taken through the process.

*“The objectives are not clear because even the line managers also seem ignorant about them, hence a big problem which needs to be dealt with through training, coaching or mentioning “*

Also, the research found that 88% agreed to the point that they participate in developing Stanbic performance planning, that is done every beginning of the year when employees sign contracts with their line managers and discuss what they are expected to do. A percentage of 11% disagreed, while 1% gave neutral as their response.

*“Every beginning of the year, we sit with the line managers to discuss what to work on in order to achieve the set goals hence delivering on the common goal of the organisation.”*

Findings from the field also indicate that 91% agreed to the statement I share the Stanbic Bank goals 6% and 3% were neutral and disagreed respectively. This means that the bank has goals which are shared each employees as one respondent had this to say

*“Yes, we share goals with the bank which enables us to work to achieve a common goal thought the bank “*

Also, the findings show that 91% agreed to the statement ‘my supervisor and I hold discussions about the expectation on the set targets’. 2% disagreed and 7 gave neutral as their response. One staff member said:

*“Yes, we hold discussions in form of one-on-ones to get ways on how to achieve the set goals and targets so as to plan for the greater goals of the company.”*

In conclusion, the above responses showed that the majority of the employees were satisfied with the planning techniques at Stanbic Bank.

**Table 4. 5: Correlation Results for performance planning and organisation effectiveness**

Variables	Spearman’s rho	Organisation effectiveness	Performance planning
Organisation effectiveness	Correlation Coefficient	1.000	
	Sig. (2-tailed)	.	
	N	95	
Performance planning	Correlation Coefficient	.263**	1.000
	Sig. (2-tailed)	.010	.
	N	95	95

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

The correlation results in table 4.5 reveal that there exists a positive, weak and significant relationship between organisational effectiveness and performance planning. ( $r=0.263$ ,  $p<0.01$ ). These findings show that performance planning had a weak influence on organisational effectiveness. This can be supported by establishing the coefficient of determination, which shows that only 6.9% of variations in organisational effectiveness can be explained keeping other factors constant.

**Table 4. 6: Showing analysis of variance (ANOVAa) results**

Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	3.068	1	3.068	24.771	.000 <sup>b</sup>
	Residual	11.518	93	.124		

Total	14.586	94			
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a. Dependent variable: organisational effectiveness

b. Predictors: (Constant), performance planning

The next table is the F-test. The linear regression's F-test has the null hypothesis that there is no linear relationship between the two variables (in other words  $R^2=0$ ). With  $F = 24.771$  and 94 degrees of freedom, the test is highly significant ( $p < 0.05$ ), thus we can assume that there is a linear relationship between performance planning and organisational effectiveness

**Table 4. 7: showing Regression results on planning**

Model	Unstandardized Coefficients		Standardised Coefficients	t	Sig.
	B	Std. Error	Beta		
1 (Constant)	2.415	.391	.263**	6.170	.000
Performance planning	.439	.088	.459	4.977	.000

a. Dependent Variable: organisational effectiveness

The next table shows the regression coefficients, the intercept and the significance of all coefficients. We find that our linear regression analysis estimates the linear regression function to be  $y = 2.415 + .439 * x$ . The test of significance of the linear regression analysis tests the null hypothesis that the estimated coefficient is 0.00. The t-test finds that both intercept and variable are highly significant ( $p < 0.05$ ) and thus we might say that they are significantly different from zero.

#### 4.6 To investigate the relationship between performance monitoring and organisational effectiveness

The purpose of this objective was to establish a relationship between performance monitoring and organisational effectiveness at Stanbic Bank Uganda. The researcher used questionnaires from the various respondents. Nine items were used to explore the relationships.

**Table 4.8: Showing Responses from respondents to statements on performance monitoring**

Statements on Performance monitoring	SA	A	N	D	SD	Mean	Std dev
I always hold meetings with my supervisor on the progress review	(54) 57%	(18) 19%	(20) 21%	(2) 2%	(1) 1%	4.28	0.942
I am always asked to report about their work progress.	(42) 44%	(37) 39%	(14) 15%	(1) 1%	(1) 1%	4.24	0.821
I always hold discussions with my supervisor on the progress of my set goals	(43) 45%	(34) 36%	(14) 15%	(2) 2%	(2) 2%	4.20	0.918
I always get continuous feedback from my supervisors.	(43) 45%	(33) 35%	(16) 17%	(2) 2%	(1) 1%	4.21	0.874
I am given feedback after monitoring performance	(36) 38%	(41) 43%	(15) 16%	(3) 3%	(0)	4.16	0.803
Continuous feedback helps me achieve my set goals	(35) 37%	(42) 44%	(16) 17%	(1) 1%	(1) 1%	4.15	0.812
Remedial action helps to achieve my targets	(33) 35%	(40) 42%	(21) 22%	(0)	(1) 1%	4.09	0.813

Remedial action is always taken when given feedback	(41) 43%	(33) 35%	(19) 20%	(1) 1%	(1) 1%	4.18	0.863
Corrective action is always taken when problems are identified after monitoring employee performance.	(61) 64%	(24) 25%	(8) 9%	(2) 2%	0	4.52	0.742

**Source:** primary data

SA=strongly agree A=Agree N= Neutral D=Disagree SD= Strongly Disagree

**Note:** Agree includes combined responses of strongly agree and agree, while disagree includes combined responses of strongly disagree, disagree and Neutral

The study findings from table 4.8 show that 72 (76%) agreed to the statement, 'I always hold meetings with my supervisor on progress review' while 21% and 3% were neutral and disagreed, respectively. Much as the majority agreed that meetings are always held, the number of respondents who answered in negative indicates that meetings are held those who might have answered positive may have done so to protect their image.

*"Meetings are always held, though they are not fairly done. Some supervisors are biased. Supervisors have a different understanding of the meetings."*

However, the 21% and the 3% should also not be taken for granted. It shows that some supervisors do not conduct meetings.

It was established that 83% agreed to the statement 'employees are always asked to report about their work progress' while 15% and 2% were neutral and disagreed, respectively. In agreement, one respondent said:

*"Employees are asked to report about their work progress weekly. This takes place, but because of the pressure, employees end up forging figures, which are not recorded on the system. Those that are recorded are left out. This makes them ineffective, hence making monitoring a challenge, as people report wrong information."*

This shows that, a majority of employees end up reporting wrong figures because they say they are given unrealistic targets. However, a portion of the findings shows that some employees are not asked to make reports about their work progress because of the differences in staff members, hence leading to poor performance, which leads to poor organisation effectiveness.

It was also found that most people agreed to the statement, 'I always hold discussions with my supervisor on the progress of the set targets' as the number was 81%. A total of 15% and 4% were neutral and disagreed, respectively. This shows that Stanbic Bank always holds discussions with employees on the progress of the goals with the few numbers who disagreed. It means that monitoring is likely to affect organisational effectiveness positively as people tend to be a lot. They have to prepare well for them, hence organisational effectiveness.

Results show that 80% agreed to the statement that, 'they always get continuous feedback from the supervisors'. 16% and 3% were neutral and disagreed to this. One respondent said:

*"Yes, continuous feedback is there, though hectic and tedious. People are not performing as well as they are sometimes expected to. Some end up quitting their jobs to escape the pressure. Those who persist end up performing well, hence leading to organisational effectiveness."*

The majority of the respondents agreed to the statement that employees are given feedback after monitoring as 81% agreed to this, 16% were neutral and 3% disagreed. This is a clear indication that performance monitoring exists at Stanbic Bank.

'It's true that continuous feedback helps me achieve my set goals' was one of the statements. 81% agreed to it, 17% were neutral and 2% disagreed. The 17% and 2% should not be taken for granted because of their opposition. One respondent said:

*"Management assumes that continuous feedback helps to achieve the set targets. At times, it depends on the performance on some one's work plan but some people may take continuous feedback personal and they may end up not performing as well as the organisation expects them to."*

Remedial action helps to achieve targets 77% agreed to this 22% were neutral while 1% disagreed employees agreed to this by over 75% for both as many stood to testify this in an interview

*"Yes, action is always taken. Those who perform well are rewarded, given incentives or promoted while those who do not perform are put on PIP, their contracts terminated while others are advised to resign. This kind of action demotivates staff and they may end up not performing well, leading to low organisational effectiveness."*

Corrective action is always taken when problems are identified as 89% agreed to this statement during the interview:

*"Ways to perform better are always suggested by different people. Some can be in form of promotional programmes, reducing on the targets in some areas and increasing on others."*

**Table 4. 9: Correlation the relationship between performance monitoring and organisation effectiveness**

Variables	Spearman's rho	Organisation effectiveness	Performance monitoring
Organisation effectiveness	Correlation Coefficient	1.000	
	Sig. (2-tailed)	.	
	N	95	
Performance monitoring	Correlation Coefficient	.299**	1.000
	Sig. (2-tailed)	.003	.
	N	95	95

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

The correlation results in table 4.6.2 reveal that there exists a positive, weak and significant relationship between organisational effectiveness and performance monitoring. ( $r=0.299$ ,  $p<0.01$ ). This finding shows that performance monitoring had a weak influence on organisational effectiveness. This can be supported by establishing the coefficient of determination, which shows that only 9.9% of variations in organisational effectiveness can be explained in performance monitoring keeping other factors constant.

Monitoring is related to organisational effectiveness in a way that, when monitoring is improved performance will also have to improve.

**Table 4. 10: Showing Analysis of Variance (ANOVA) results on monitoring**

Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	6.115	1	6.115	67.141	.000 <sup>b</sup>
	Residual	8.471	93	.091		
	Total	14.586	94			

a. Dependent Variable: organisational effectiveness

b. Predictors: (Constant), performance monitoring

The next table is the F-test. The linear regression's F-test has the null hypothesis that there is no linear relationship between the two variables (in other words  $R^2=0$ ). With  $F = 67.141$  and 94 degrees of freedom the test is highly significant ( $p<0.05$ ), thus we can assume that there is a linear relationship between performance monitoring and organisational effectiveness.

**Table 4. 11: 4 Showing Regression of results on monitoring**

Model		Unstandardized Coefficients		Standardised Coefficients	t	Sig.
		B	Std. Error	Beta		
1	(Constant)	2.123	.274	.299**	7.742	.000
	Performance monitoring	.528	.064	.648	8.194	.000

a. Dependent Variable: organisational effectiveness

The next table shows the regression coefficients, the intercept and the significance of all coefficients. We find that our linear regression analysis estimates the linear regression function to be  $y = 2.123 + .528x$ . The test of significance of the linear regression analysis tests the null hypothesis that the estimated coefficient is 0.00. The t-test finds that both intercept and variable are highly significant ( $p < 0.05$ ) and thus we might say that they are significantly different from zero.

### Summary

We investigated the relationship between organisational effectiveness and performance monitoring. The correlation analysis found a weak positive correlation between the two variables ( $r = 0.299$ ). We then conducted a simple regression analysis to further substantiate the suspected relationship. The estimated regression model is  $\text{organisational effectiveness} = 2.123 + .528 \times \text{performance monitoring}$  with an  $R^2$  of 42%; it is highly significant with  $p < 0.05$  and  $F = 67.141$ . The standard error of the estimate is 0.302. Thus we cannot only show a positive linear relationship, and we can also conclude that for every additional performance monitoring achieved, the organisational effectiveness will increase by approximately .528 units.

### 4.7 To examine the relationship between performance evaluation and organisational effectiveness

The purpose of this objective was to establish the relationship between performance evaluation and organisational effectiveness at Stanbic Bank Uganda. The researcher used questionnaires from the various respondents. Twelve items were used to explore the relationships.

**Table 4. 12: Showing responses from respondents to statements on performance evaluation**

Statements on Performance Evaluation	SA	A	N	D	SD	Mean	Std dev
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Stanbic Bank always conducts formal reviews	(64) 67%	(20) 21%	(10) 11%	(1) 1%	0	4.55	0.726
Formal reviews help me achieve my targets	(54) 57%	(31) 33%	(6) 6%	(4) 4%	0	4.42	0.793
Formal reviews help me become better at what they do.	(39) 41%	(41) 43%	(15) 16%	0	0	4.25	0.714
Stanbic Bank's employee performance evaluation helps the managers to update objectives	(37) 39%	(38) 40%	(15) 16%	(4) 4%	(1) 1%	4.12	0.898
I get to know which objectives to update	(38) 40%	(48) 51%	(8) 8%	(1) 1%	0	4.29	0.666
I improve on performance when they are updated with the objectives	(42) 44%	(38)	(12)	(3)	0	4.25	0.799
Stanbic Bank's employee performance evaluation helps the managers to update targets	(42) 44%	35 37%	15 16%	3 3%	0	4.22	0.827
I get to know which targets to update and improve on	(47) 49%	(32) 34%	(16) 17%	0	0	4.33	0.750
I improve on performance when they are updated with the targets	(80) 84%	(9) 10%	(3) 3%	(2) 2%	(1) 1%	4.74	0.718
Evaluation helps to update performance measures	(58) 61%	(30) 32%	(7) 7%	0	0	4.54	0.633
Updating Performance measures helps to improve my performance	(52) 55%	(37) 39% 5%	(5) 5%	(1) 1%	0	4.47	0.650
Performance measures lead to organisation growth	(45) 47%	(40) 42%	(10) 11%	0	0	4.37	0.669

**Source:** primary data

SA=strongly agree A=Agree N= Neutral D=Disagree SD= Strongly Disagree

**Note:** Agree includes combined responses of strongly agree and agree, while disagree includes combined responses strongly disagree and disagree and Neutral.

The study findings show that 88% of the respondents agreed to the fact that Stanbic Bank conducts formal reviews, though very few disagreed to the statement. This means that reviews are in place. One respondent said:

*"They are in place, though supervision does not know how to handle this. They need some training as it is done differently at different branches, yet it is supposed to be the same. Therefore, there is need for more training on the same so that they can uniformly be done."*

However, the 1% who disagreed show that there are some elements of bias: *“These are not review. People are reviewed on what they didn’t sign on their contracts. They are just doing them as a formality.”*

Formal reviews help me achieve my targets according to the interviews conducted. About 90% agreed to the statement, 6% and 4% were neutral and disagreed respectively. One interviewee had this to say:

*“With continuous evaluation, employees are urged to work on the weak areas identified so that they can improve. Also, evaluation comes with different package. Some people are rewarded, others promoted while those who do not perform well are advised accordingly.”*

Employees get to know which target objectives to improve on as 91% agreed to the statement 8% were neutral while 1% disagreed to the statement almost all the employees agreed to the statement meaning employees get to know which target to improve on as one respondent had this to say in an interview

*“Evaluation is very good. Through it, employees, managers and supervisors get to know whether the target goals and objectives have been achieved or not; and it is through evaluation that planning for the next performance cycle is done.”*

In conclusion, it is evident with the respondents that performance evaluation exists at Stanbic Bank, though there were those that disagreed to this, the average number being 2% who hard their complaints.

From the research, it was observed that, Stanbic’s employee performance evaluation helps the managers to update their targets. This is true, according to the answers of the respondents. A total of 77% agreed to the statement, 16% were neutral while 3% disagreed to the statement. It was also observed that employees get to know which targets to update and improve on when they are updated. 94% of the respondents agreed to the statement, 3% were neutral while 3% disagreed.

Also when interviewed about to the questions - the employees get to know which targets to update and improve on, where 83% agreed to the questions, 7% were neutral and no one disagreed to the statement.

It was noted that 94% of the employees improve on the performance when they are updated with the targets, 3% were neutral while 3% disagreed to the statement. Evaluation helps to update performance measures, 93% agreed to the statement, 7% were neutral and no one disagreed to the statement. Updating performance measures helps to improve my performance. 94% agreed to that statement, 5% were neutral while 1% disagreed to the statement. On the statement performance measures lead to organisational growth, 89% agreed to it, 11% were neutral and no one disagreed.

According to the above analysis, it was observed that performance evaluation persists at Stanbic Bank Uganda as most respondents agreed to statement about evaluation.

**Table 4. 13: Correlation Results for performance evaluation and organisation effectiveness**

Variables	Spearman’s rho	Organisation effectiveness	Performance evaluation
Organisation effectiveness	Correlation Coefficient	1.000	
	Sig. (2-tailed)	.	
	N	95	
Performance evaluation	Correlation Coefficient	.206**	1.000
	Sig. (2-tailed)	.045	.
	N	95	95

\*. Correlation is significant at the 0.05 level (2-tailed).

The correlation results in table 4.13 reveal that there exists a positive, weak and significant relationship between organisational effectiveness and performance evaluation. ( $r=0.206$ ,  $p<0.05$ ). This finding shows that performance planning had a weak influence on organisational effectiveness. This can be supported by establishing the coefficient of determination, which shows that only 4.2% of variations in organisational effectiveness can be explained performance evaluation keeping other factors constant

**Table 4. 14: Showing Analysis of Variance results (ANOVAa) Evaluation**

Model		Sum of Squares	Df	Mean Square	F	Sig.
1	Regression	2.193	1	2.193	16.453	.000 <sup>b</sup>
	Residual	12.394	93	.133		
	Total	14.586	94			

a. Dependent Variable: organisational effectiveness

b. Predictors: (Constant), performance evaluation

The next table is the F-test. The linear regression’s F-test has the null hypothesis that there is no linear relationship between the two variables (in other words  $R^2=0$ ). With  $F = 16.453$  and 94 degrees of freedom, the test is highly significant ( $p<0.05$ ), thus we can assume that there is a linear relationship between performance monitoring and organisational effectiveness.

**Table 4. 15: Showing Regression Coefficients results on Evaluation**

Model	Unstandardized Coefficients		Standardized Coefficients	t	Sig.
	B	Std. Error	Beta		
1 (Constant)	2.417	.479	.206**	5.043	.000
Performance evaluation	.443	.109	.388	4.056	.000

a. Dependent Variable: organisational effectiveness

The next table shows the regression coefficients, the intercept, and the significance of all coefficients. We find that our linear regression analysis estimates the linear regression function to be  $y = 2.417 + .443 * x$ . The test of significance of the linear regression analysis tests the null hypothesis that the estimated coefficient is 0.00. The t-test finds that both intercept and variable are highly significant ( $p < 0.01$ ) and thus we might say that they are significantly different from zero.

### Summary

We investigated the relationship between organisational effectiveness and performance monitoring. The correlation analysis found a weak positive correlation between the two variables ( $r = 0.206$ ). We then conducted a simple regression analysis to further substantiate the suspected relationship. The estimated regression model is organisational effectiveness =  $2.417 + .443 * \text{performance evaluation}$  with an  $R^2$  of 15%; it is highly significant with  $p < 0.01$  and  $F = 16.453$ . The standard error of the estimate is 0.365. Thus, we cannot only show a positive linear relationship, and we can also conclude that for every additional performance monitoring achieved, the organisational effectiveness will increase by approximately .443 units

## 5.0 Discussion, Conclusions and Recommendations

### 5.3 Discussion of the findings

This section produces a discussion of the findings in the context of the theory previous related researches conceptual and contextual situations.

The discussion of findings was presented according to the objectives of the study.

#### 5.1.1 Performance planning and organisational effectiveness at Stanbic Bank.

The positive relationship between performance planning and organisational effectiveness established in this study supports research findings of other studies and assumptions of other authors and academicians.

Findings from chapter 4 are supported by other studies conducted elsewhere, for example the seminal early works on performance planning processes support the findings of this study, including studies by Ansoff (1995) Anthony (1995). In this study, too, it was established that Stanbic endeavoured to foster commitment through establishing a common understanding of the goals and objectives that need to be achieved by the employees. Work is planned and expectations given. Locke and Latham, 2002, Locke and Latham 2006). It was established that employees and, indeed their managers, were not in position to adequately comprehend the metrics of the exercise. The standards were a bit obscure, and even the goals and objectives set in the performance agreement during the planning stage were not as clear enough as it would have been desired. It is not surprising, therefore, that the balance between difficult and clear goals remained elusive.

#### 5.1.2 Performance monitoring and organisational effectiveness at Stanbic Bank

The positive relationship between performance monitoring and organisational effectiveness at SBU established in this study indicates that the gathering of information about work effectiveness and the productivity of individuals, group and organisational units significantly affects the performance of an organisation. Performance monitoring accounted for 62.1% variation in organisational effectiveness. In other words, keenly observing employees' work behaviour by, say, inspecting their work output, asking them to report about their work progress during a specific period or by reading documents and summarising key performance indicators positively affects performance of an organisation. Previous research supports the findings of this study. For example, research by Kumar in 1989 and Suh and Kim in 1989 showed a correlation between monitoring and an organisation's productivity (Baiman, 1990). Performance quality management literature shows some effects of performance monitoring on the way a business operates. Ismail and Trotman's (2000) experimental research shows a positive correlation between monitoring and organisational effectiveness. Their quasi experimental analysis of Singaporean firms shows that when a firm increases the number of performance monitoring, the firm's performance increases. This study established that during implementation of programmes at SBU, data was always collected and analysed to compare how well activities were being implemented against the set key performance indicators. The reason why this study established a positive relationship between performance monitoring and organisational effectiveness at SBU can be based on Larson and Callahan's (2000) argument. It is argued that when there is a lot of monitoring a positive contribution can be achieved compared when there is no monitoring.

The second reason why there was a significant positive effect of performance monitoring on organisational effectiveness of SBU is based on managerial effectiveness derived from performance monitoring. Komaki (2006) noted that performance monitoring enhances managerial effectiveness in a way that managers also assessed according to the results of subordinates, such as meaningful feedback and corrective action. Performance improves when consistent contingent consequences, such as meaningful feedback and corrective actions, are provided. The third reason why there was a significant positive effect of performance monitoring on organisational effectiveness of SBU is based on the view that the frequency of performance monitoring itself affects performance. It may also signal whether the subordinate can expect a reward or a motivation for performing well on that task and it is likely to guide behaviour, which affects work performance and thus organisational performance (Larson & Collahan 2000).

### **5.1.3 Performance evaluation and organisational effectiveness at Stanbic Bank**

The researcher was interested in establishing the influence of evaluation on organisational effectiveness. It was observed that the self-administered questionnaire method bears its inherent weaknesses, such as the failure to clarify questions and dishonesty by some respondents, among others. However, the study mitigated these challenges using interviews, and documentary review. There should be a provision for giving informal feedback by supervisors, performance planning and monitoring supervisors in order to motivate supervisees. This study reveals that an ongoing informed feedback was not uniformly embraced and only few supervisors do give informal feedback to subordinates on a regular basis. On the question of the office lowering performance standards or service, respondents showed that the issue of the quality of service given is still a problem at Stanbic since the service standards are not adequate and there are no bench marks on which to premise their judgments. According to Waal et al (2004), performance evaluation lays the ground for effective feedback, which can help employees understand how to improve their contribution towards achieving organisational effectiveness. It improves employee engagements, creates transparency and enhances confidence for better organisational results. Research by Ashford Cummings (1983) demonstrates that feedback has a strong positive effect on the performance of individuals and groups. It was established in this study that SBU conducted an employee performance evaluation. The evaluation was designed to support everyone's contribution to the organisation and to promote dialogue between the manager and employees. Such an arrangement is in line with Dolan and Schuler (1997) who emphasised that conducting performance evaluation in a timely and thorough manner was one of the most important duties of a supervisor. The challenges were found to be in the practices and hence inadequacy of the process, feedback was not properly delivered, resulting in the employees being left in dark as far as the results of evaluation exercise are concerned. When feedback was finally delivered, it was often late, non-responsive, delivered in a poor and unclear manner. Failure by many employees in getting better at what they do and managers failing to identify barriers to top performance implied that errors were often repeated and opportunities often missed. Findings in table 4.8 show that 90% of the respondents indicate that performance evaluations have helped employees become better at what they do and 7% disagreeing with the statement that performance evaluation were well executed. Furthermore, it is widely believed that management did not care to separate organisational or system failures, thus resulting into finger pointing and victimisation. The apparent disconnect between employee output and management action at SBU could have been responsible for the sense of despondency. A view was also held by many at SBU that top management were neither genuinely interested in the output of the organisation nor in the growth of the employees.

## **5.2 Conclusions**

The purpose of this study was to investigate the relationship between performance management practices and organisational effectiveness at Stanbic Bank Uganda, with the case study being branches located in the central region. The independent variables were performance management practices which include planning, monitoring and evaluation and they have a positive contribution towards organisational effectiveness at SBU. The study conclusions were drawn according to the study objectives as arranged below.

### **5.2.1 Performance planning and organisational effectiveness**

Findings of the study established a strong positive relationship between performance planning and organisational performance, indicating that improvement in performance planning was related to improvement in organisational effectiveness and the reverse was also true. The study shows how performance planning affects organisational effectiveness as it accounted for 50% variation in organisational effectiveness yet results show that during the period under investigation, Stanbic's performance was unsatisfactory in setting personal goals by over 63%, according to the human resource report 2015. Given the level of resources deployed to upscale performance, this was a real challenge. The importance of performance planning in respect to organisational effectiveness should be emphasised to take the advantage of elaborate performance planning approaches. It was also noted that concerned staff were strongly counted with setting goals, targets, measures however management needed to strengthen the weak areas allowed to performance standards for every job. The study concludes that performance standards form an integral part of measuring an individual's performance in an organisation like SBU. Every employee should get prior knowledge of how much time, how many tasks and how his or her performance shall be gauged. With this, the employee is motivated to attain his/her set goals hence contributing to organisational effectiveness.

### **5.2.2 Performance monitoring and organisational effectiveness.**

The study findings revealed that there was a positive significant relationship between monitoring and organisational effectiveness at SBU. Specific revelations were that when performance feedback is given, employees were content that they understood them well. According to the respondents, meetings and discussions with the supervisors were planned, interactive and tension-free thereby enabling a cordial working relationship between supervisors and supervisees hence improving organisational effectiveness. The study concludes that issues pertaining monitoring were inadequately clarified hence impairing the relationship between performance monitoring and organisational effectiveness. Judging from the findings, the study has had a lacklustre performance monitoring partly because of unsatisfactory performance monitoring practices, such as limited one-on-ones between supervisors and subordinates, lack of connective action and absence of a clear link between monitoring and subsequent management action. This state of affairs points to performance management challenges that should be sorted out by adopting better performance management practices. It is noted that performance monitoring has been a challenge in SBU. As a remedy, management should put in place a performance monitoring system where the output of an employee is dutifully inspected and remedial action taken in real time.

### **5.2.3 Performance evaluation and organisational effectiveness**

The study indicates that there is a positive relationship between performance evaluation and organisational effectiveness at Stanbic Bank. The study discovered that Stanbic has an evaluation policy called EPM, but lacked its operationalisation in the human resource manual, which at the time of this study was being used. The study concludes that the absence of guiding policies on HR-related matters is something that can only be sorted out from Stanbic Bank's parent company in South Africa and any challenges have to be sent to South Africa for rectification. This creates low morale, indiscipline, mistrust and disregard for core values, ultimately leading to poor performance. If there are some changes, staff should be taught on how to go about the new changes. Managers should identify barriers that hinder top performance and seek to remove such bottlenecks in order to register improved performance.

## **5.3 Recommendations**

The study recommendations were based on the findings as discussed in accordance with the study objectives.

### **5.3.1 Performance planning and organisational effectiveness**

Basing on the study findings, it can be asserted that performance planning, which includes setting goals, targets and objectives, are necessary for the implementation of success of organisational effectiveness. The study recommends that planning should be implemented by all employees and it should provide for rewards and penalties for employees who excel and those who are non-compliant, respectively. Stanbic used put into use job descriptions for every job and derive performance standards from them. Also, the study recommends continuing quarterly and half-year set targets and goals that shall be used to feed into the annual evaluation. Also, objectives should be explained to all employees who should also participate in reviewing them. Also, staff trainings and development should be prioritised as key components to improving planning and organisational effectiveness. Lastly, supervisors, together with employees, should hold regular and productive meetings to create appropriate individual development plans aimed at establishing team work.

### **5.3.2 Performance monitoring and organisational effectiveness**

The study recommends that feedback on performance reviews should be clearly communicated to staff in using the most accessible channels and so that staff get to know where to change and improve. The researcher also recommends that informal performance feedback, such as "a praise" or "thank you" should be encouraged by all supervisors and team leaders so as to guide and motivate employees. Management should follow subordinates' performance by observing the work output of employees and corrective measures should always be taken when problems are identified during and after the monitoring exercise. It was found in research that there was still a problem in monitoring as 90%

### **5.3.3 Performance evaluation and organisational effectiveness**

The support by management and employees and the responsive attitude should be maintained in office. However, top management should provide the necessary resources in form of rewards and promotions based on an individual's performance since it is an aggregate of both the job behaviours and performance. The performance evaluation instruments should be updated and simplified to match the changes. Also, an independent IT team should be put in place to help sort out any issues of the team in Uganda and not first refer the issues to Stanbic's parent company in South Africa for guidance as noted by 90% referrals to south Africa about the errors. On reward, many of the views of the respondents reflected a pay system which was perceived as unfair and inequitable. Management should, therefore, urgently conduct a review of the current pay structure since most of the employees perceived it as inequitable. Also, there is need for a thorough job analysis so as to ensure that the pay is tagged to an employee's job worth. In addition, Stanbic management should put in place mechanisms for conducting regular organisational surveys so as to get to know the concerns of the employees with an aim of addressing them. SBU management should also consider developing a valid performance and an evaluation process so as to keep track of the commitment levels of staff.

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