HUMAN RESOURCES MANAGEMENT IN MULTINATIONAL ENTERPRISES IN NIGERIA: A CRITICAL ASSESSMENT OF THE PERFORMANCE APPRAISAL FUNCTION

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ABSTRACT

This study is predicated on the need for an effective management of the human resources of any organization hence the need for a critical assessment of the performance appraisal scheme in a multinational setting. This study was conducted via a case study analysis of the performance appraisal function in SPDC. Relevant literatures were reviewed. A total of 100 questionnaires were distributed to various staff from all the departments of the organization the data obtained in this respect were analyzed using various frequency and percentage distribution tables. It was observed that, SPDC adopts several appraisal techniques, and the appraisal scheme is geared towards achieving certain designated goals. In addition, the PAS is quite effective, although it also suffers from some of the factors that are associated with PAS. On the basis of our findings, it was recommended that appraisers should be given proper training, as appeal mechanism should be provided, the appraisal scheme should be regularly updated.

INTRODUCTION

Human resources management is that part of management, which is concerned with, people at work and with their relationships within an enterprise. It applies not only to industry and commerce, but also to all fields of employment. In other words, managers are charged with the responsibility of taking actions that will make it possible for individuals to make their best contributions to group objects. Every organization in spite of its status or structure all over the world, functions to attain the purpose for its existence through the human components of its numerous resources. The building of the largest empire ever in the history of mankind; the construction of the greatest edifice eyes have seen; the collapse of the institution with greatest relevance to society; have all been, not much for availability or otherwise of required financial resources or technological advancement. Whatever happened in history owed its instance to human beings that have been there to make it happen when it happened.

In the same vein, organization thrives or fails not much for its financial viability or physical resources base but for the quality of its personnel resources. Of all the four functions suggested as major task of West African Journal of Business, Vol. 9, No. 2 (July) 201) 2007 management namely: economic performance, management of works, management of managers and management of work process, only the management of workers has been the most critical in the history of organization management. This is however, not surprising if one should take

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cognizance of the fact that only workers-personnel resources out of the endowment of any institution that has life with innate ability to think, act, be motivated or discouraged, formulate policies or implement policy decisions to achieve stated objectives. Even in the age of automation and technological breakthrough with the application of computer to all facets of human endeavour, nothing moves without the involvement of human through human agents in each organization of society at large. Accordingly, other functions of management are only possible through human agents in each organization.

Ubeku (1995) said that the good management of people is vital to the success of any organization and this is done not by a department known as personnel department but by the individual managers under whom the employees work. Every manager who depends on the delegated to other people has a   personnel responsibility, which must not be delegated to other departments. In the same vein, Davar (1988) stated that in a business organization, the personnel constitute a paradoxical one. Whilst the personnel function, if properly performed, can help a wide range of activities, in another sense, every executive in an organization is a personnel man. A manager whether he is in charge of production or marketing function, deals with human being and gets his job done through and with people. Through his own attitude as a manager, he can either encourage or dampen initiative. He can inspire and activate or frustrate those working with him.

Underscoring the critical position of human resources management in any organization, Ubeku (1995) argued that personnel administration is a basic function of management. Unless is effectively carried out by all members of line management, technical efficiency will be inadequate to achieve organizational success. In fact human resources is considered so great that some authors have defined personnel management as synonymous with management. Appleby (1986) described the manager's job as human relation job that functions through several major activities. Human relation is the beginning and the end of people and not the direction of' thing. In his view therefore, management and personnel administration are one and the same. They should never be separated, in the words of Saeer (1977) every organization strives to meet the goals and the objectives as set forth by its top management. These goals and objectives pertain to the organization' survival and growth. Levels of service or production and profit. Corollary to these goals is the expeditions use of an organization's scarce and valued resources known as organization effectiveness. Similarly, the role of personnel management according to Stoner (1982) is to plan, develop administer policies and programmes designed to make expeditious use to an organization's human resources.

THE CONCEPT OF PERFORMANCE APPRAISAL

Performance Appraisal is no new concept to the literature of personnel management. Ordinarily, it is referred to as a systematic method of assessing the performance of employees in their jobs with a view to helping management decisions on promotion, transfers, training or changes in pay. Many writers and leading authorities in personnel management have however defined it in varying terms.

Ubeku (1995) opined that performance appraisal is an essential tool in the management of people. This is because the phenomenon deals with the future of human beings that make up the organization. He also sees the concept as a review of the employee's performance based on the objectives agreed. This definition suggests that each employee have individual objectives agreed upon between him and his manager within the corporate objectives and through performance appraisal, the strengths and weakness of the employee are revealed for appropriate action. On broad terms, Ubeku's idea was that, the success of an organization depends on how good the appraisal is. That is to say that hard working staff will be adequately rewarded and the right types of worker are likely to be promoted to positions of higher responsibilities.

According to McFarland (1972) Performance Appraisal system is a dynamic and continuous process where people working together in an organization judge their associates behaviour and performances. Thus performance evaluation as a systematic description of job's relevant strengths and weaknesses within and between employees (Cascio 1978). The view of Stewart and Stewart (1979) is that Performance Appraisal system at the simplest, enable the people who work in an organization, to plan and control their work better, to learn from the mistakes and profit from their successes and to coordinate that work within the work of others with whom they interact.

McGregor (1960) also notes that, Performance Appraisal was often perceived simply as a technique of personnel administration, and when used for administration purposes, it becomes part of management strategy. The implicit logic of this definition is that, in order to get people to direct their efforts towards organizational objectives, management must tell them what to do, judge how well they have done, and reward or punish them accordingly. Furthermore, performance appraisal staled simply, could be taken as evaluation of work performance of an individual or group of staff in an organization (Novil, 1979). By inference, Performance appraisal is the systematic evaluation of the individual with respect to his performance on the job and his potential for development. The main idea here, is the use of performance appraisal as a tool for the potential development of staff. Beach contends further that the evaluation process is made by the individual's in turn reviewed by his superior. Thus creating a situation in which everyone in the organization who rates others is rated, excepting non-supervisory employees.

Inherent in these definitions is some evaluation and identification function that serves as a feedback for effective and appropriate remedial action to be taken. In other words, the evaluation of people on their jobs, either in the form of the behaviours, they exhibit in the job situation or in the manner of the accomplishment they attain in relation to specified job, targets. It is therefore quite clear that performance appraisal involves the exercise of judgment by supervisors of their subordinates' jobs and the way the jobs are performed. This will eventually lead to the potential development of staff.

Steward and Stewart (1979) in purposes of performance appraisal system highlighted that: (1) it allows direct feedback from the manager to the employee (and vice versa) and help the employee

to set up ways of monitoring his own performance; (2) to enhance management by objectives whereby targets, constraints and measures are discussed for each subordinate; and objectives are formally agree; (3) the appraisal system encourages managers to think about the ability of their employees and to match these abilities with the known requirements of the job; and (4) appraisal system can be a very positive weapon in the hands of the central management team if they are faced with the task of bringing some common standards and in cases of hand-over between managers.

McGregor (1960) in his contribution asserted that the objectives which performance appraisal seeks to serve could be conveniently classified into three:

1.   **Administrative Purpose**
Managerial decisions are derived from data furnished through an appraisal exercise. Such decisions he contends may relate to issue such as promoted, laid off, dismissed, transferred or redeployed. It also involves decisions relating to what level of responsibility should be assigned to an employee in an organization, or whether one deserves to be trained and more.

2.   **The Information Purpose**
The evaluation report also serves as information provided by the boss to the subordinate. So as to make the employee aware of where and how he stands with the organization.

3.   **The Motivational Purpose**
A well-designed and implemented performance appraisal system can have a motivational effect on employees. It can encourage improvement, develop a sense of responsibility and increase organizational commitment of the employee.

Thus, all these three purposes of performance appraisal system are interwoven because administrative decisions concerning profitable and trained employees in the organization would be depended upon information concerning individual employees while employees who receive merit award and other wards would be motivated to perform better and would serve to encourage others to improve. From the foregone analysis, even though the objectives for which performance appraisal in any organization is designed to serve may vary from one organization to another, they can basically be classified into three:

EVALUATION CRITERIA

A pertinent issue with regards to performance appraisal scheme is the question of what and how to measure and assess the employees of organization. There are two broad criteria used: (1) personality-based or trait-centered criterion; and (2) performance-bas or job centered criterion however, some appraisal system blends both into one format. Researches and studies by management scholars so far indicate that despite the too obvious shortcomings associated with the trait-oriented approach, it has been found to be most popular in most organizations. Klinger (1980) explains this as the easiest cheapest to design, administer and interpret inspite of the

seeming approach however, its obvious disadvantage include low validity and those personality elements are of dubious importance in performance improvement. In the first place, the approach is subject to the validity problems to the extent that personality characteristics are not directly related to performance.

Secondly, the reliability of trait rating is at best, marginal, for example two supervisors may have different definitions to the term dependability. Hayness (1978) refers to a research project on the ambiguity of personality traits in which definition of dependability were obtained from l50 executives; arid 147 different concepts were presented with as many as six definitions from one person.

Thirdly, comparative trait evaluations are not useful for counseling employees because they neither identify areas of satisfactory or unsatisfactory performance, nor suggest where improvement is needed. In his contribution, McGregor (1960) further asserted that performance appraisal based on evaluation of personality traits was to be counter productive because it touches the basic of the psychological sensitiveness and personal integrity of the individual. Despite the seeming popularity of the trait approach however, some organizations are still interested m evaluating their employees based on the individual contribution to the job especially in industries whose main objectives are profit and survival.

Another factor, which has influenced organizations along the result oriented approach, is the emergence of Management by objectives (MBO).under MBO, Objectives are jointly set or agreed upon. An obvious advantage of this is that both managers and subordinates are developed in that both managers and in the process, secondly, the evaluation criterion is very valid because the desired job behaviour is clearly specified. Thirdly, the evaluation highly enables the, employees and observers to determine whether or nor predetermined performance standards have been met or not.

In the same vein, Klingner (1980) contended that performance appraisal based on 'Results' communicates managerial objectives clearly because of its relevance to job performance. In addition, when standards are established between employees and supervisors through a process of participative and democratic goal setting, the result-oriented approach fulfils the purposes of reward allocation and performance improvement. In his words, result oriented system increases job-related communication between appraiser and appraisee. The result-oriented approach has its flaws as well. It is not easy to design, develop and use because objectives, standards and targets are purely difficult to formulate especially where there exist various occupational groups. Because of the difference in occupational group, separate performance standards may have to be formulated for each group.

Reliability	Quality of work
Creative ability	Quantity of work
Integrity	Initiative

Drive   Job knowledge
Foresight   Emotional stability
Judgment

Interpersonal - Comparisons

There are two types of this-Alternative Ranking and Paired comparison. Under the Alternative ranking technique, the rater, who is usually the supervisor is required to rank his subordinates on an overall global basis according to their job performance and value of the organization.

Under the paired-Comparison technique, each employee is compared with every other employee, one at a time. An employee's standing in the final rank-order list is based upon the number of times he is chosen over the other individual in all the paired comparisons. The main advantage of the ranking method is that, it eliminates the errors of consistency, because at the end of the rating, some one ends up as high while another as low.

Forced Distribution

Under this technique, the rater is required to distribute his ratings in a pattern to confirm to a normal frequency distribution. Typically each supervisor must allocate 10% of his people to the highest category, 20% to the next, 40% to the middle bracket, 20% to the below average bracket and 10% to the bottom grouping. In other words, it is designed to prevent managers from clustering employees all at the upper end of the rating scale. It has the advantage of eliminating consistency errors. A weighted checklist contains a large number of statements describing specific job behaviour that can occur in the job for which it is designed. Each statement has a score appended to it. Under the checklist the supervisor thinks of every specific aspect of behaviour and the rater checks the statements that accurately portray the behaviour of the employee.

Performance Anchored Techniques

The techniques emphasize the accomplishments and achievements of the employee on the job. They include: job dimension scales; critical incidents; behaviorally-Anchored rating scales; and management by objectives (MBO)

Whitlock version to critical incidents

General Whitlock of the University of Tennessee developed a modification to the critical incidents. This modification involves drawing up specimen checklist consisting of a number of behaviour incidents that are considered to be examples of uncommonly effective or uncommonly ineffective job behaviour. The rater will then assess each of the specimens on the checklist against those he has witnessed in his relationship with the employee for a period of time. It however differs from critical incident method because the specimen checklist requires for the appraiser to recall the behaviour incident rather than the immediate recording of the behaviour.

The specimen checklist also includes not only behaviour incidents considered critical to employee effectiveness hut also incidents that would be placed somewhat lower on a continuum of effectiveness. The techniques also offers administrative advantages over other methods, critical incident include. Appraisals can be made at a specified and planned time and location, independent of job pressures, whereas, the critical incident method entails time and inconvenience in making immediate reports of observed incidents.

Finally, the use of the specimen checklist format is not limited exclusively to performance appraisal. For example, research has been directed at the relevance of such an instrument to the measurement of job morale. Here a morale specimen is any occurrence that brings about a discernible shift in level of morale. Similarly, specimen checklists have been developed for measuring worker attitudes and human relation's skill. The philosophy underlying all these applications is basically the same. An evaluator's judgment in the area of investigation is a response to a set of observations of behaviour; to the degree that these observations of behaviour can be described in a measuring instrument, the more valid will be the individuals response using that measuring instrument.

Behaviorally-Anchored Rating Technique
It is perhaps the most modern of the appraisal techniques. It is highly technical and involves the designing of a rating form for each job or job family. The method relates to characteristics of job and the specificity. Benchmarks are provided against which actual job behaviour of an individual may be compared to arrive at judgments about the quality of the individual's performance. Each job dimension contains between seven and nine anchors, which are specific statements that illustrate actual job performance.

Management by Objective Technique
Management by objectives is a process that involves the identification of objectives of an organization and units within it; the definition of management responsibilities in terms of expected results; and the measurements of performance against the stated aims and objectives. It is considered superior to the traditional appraisal techniques because it combines the processes of evaluation and development. Its essential features include: (I) determining and keeping under review the aims of the unit and the it's component parts; (2) deriving from the aims a number of key areas in which the results to be achieved are vital to the effective
fulfillment of those aims; (3) ensuring that the formal organizational structure and the consequential arrangements for personal accountability accord with the requirement of the situation; and (4) agreeing objectives, both for the unit as a whole and for individual management positions, that is, specific time bounded results contributing to the achievements of the aims and more others.

In Udoji Report of 1974 which introduced the technique to business and quasi-Government organization in Nigeria. It was explained that method unites the goals and targets of the organization with those of managers. The approach ensures that the superior and subordinate

managers in the organization identify objectives in the major areas of responsibility in which the man will work. They design an action plan to achieve results and set performance standards. In relating MBO technique to performance appraisal, Udoji report sees evaluation feedback and redirection of efforts to meet predetermined work assignment as intrinsic. This means a continual appraisal of how and when the manager is meeting his projected targets. The feedback to the supervisor helps ensure full understanding and support and corrective action if need be, to get the manager to achieve these results. It is supportive and not faults finding. It is based on measurable results and not personality traits.

Prerequisites for a Successful Appraisal Scheme

Organizations have been seen to adopt procedures for appraisal without adequate preparation and such moves often end up with disappointing results. To avoid the disappointments from performance appraisal exercise therefore, there are vital requirement, which should be considered. These include:

1.   Objectivity of the programme: Gains accrue to any appraisal exercise as it becomes more objective. With certainly, both the appraiser and the appraised must be able to identify what has or has not been achieved. Appraisals should therefore be based on verifiable goals either in quantitative terms (for example, an increase in sales or profit) or in qualitative terms, (for example, marketing programme having certain characteristics to be completed by a certain date).

2.   The design and implementation of performance scheme should not be totally within the control of management. It should meet the expectations of the workers because opinions from various sources have proved that the success or failure of any performance appraisal exercise depends on how the employee perceives the operation of the scheme and the day to day behaviour of managers who carry out the appraisal.

3.   The programme should be acceptable. Any technique that people do not understand and accept is likely to be ineffective. However, if they understand and believe in a programme and see it as a means of helping them accomplish their own personal desires through contributions to group goals, they will use it and feel a sense of commitment to it.

4.   A performance appraisal system should be constructive. This is by helping individuals to improve their abilities at word. An effective programme will not only determine how well an individual meets position requirements, but it should be also point to his errors, weaknesses or failures and by giving him an understanding why these occurred, teach him or open his eyes learning needs.

5.   It should provide careful training of supervisors, in order to get unbiased, uniform appraisals of all employees.

6.   The appraisal discussion should be in the nature of a progress review, with an opportunity for employees to respond if they feel differently about their job performance.

THE APPRAISER

An appraisal system should necessarily specify who to appraise, that is, the person who would measure and compare current performance with expected standard of performance. The appraiser may be the immediate supervisor of the rate or the rate's peers or even individuals outside the work environment. Usually appraisal is carried out by an employee's immediate support and this is on the premise that he has frequent contacts day to day basis with the rate and hence should be well equipped to evaluate the rate's performance. Performance evaluation is an integral part of the immediate supervisor's job in most organizations. Thus, for the superior officer to appraise employees as part of the day-to-day process of getting work done, the supervisor evaluations are however, reviewed by higher management thereby maintaining managerial control over the appraisal programme. The appraiser must also be able to recommend corrective actions and his report usually serves as an information pool for decision making process.

Period of Appraisal
The time to rate depends on the situation and the intent of the appraisal. Informal appraisal, however occur continuously between all groups employees while formal appraisal occurs periodically for administrative convenience new employees, who are still under probation period, are usually evaluated more frequently than older employees are.

Performance Appraisal
One of the greatest problems of the Nigerian manager today is how to objectively appraise the performance of subordinates. This problem becomes more complex and is compounded if objective criteria or standard against which performance is measured were not introduced. In such situations, performance appraisals are done by hunch. Performance appraisal is a systematic evaluation or review of the way an individual has been able to do his or her job in a given period. It is usually a six monthly or annual activity carried out in most organizations to determine the performance level of individual employees. These include qualities such as, appearance, punctually, leadership skills, co-cooperativeness, and emotional stability, while the results or productivity-oriented approach focuses on the outcomes or results achieved by the person whose performance is being evaluated.

Another important aspect of performance appraisals is concerned with the system evaluation. There are two main system of performance appraisal that are currently in use the open and close systems. In the open appraisal system the person to be appraised has the opportunity of discussing his performance with The boss is allowed to contribute towards the appraisal process; has the right to raise objections if it becomes necessary to do so. In extreme cases, where there is disagreement between the rater and the rate, the rate may have the right to refuse signing the appropriate column of the appraisal forms. But in the closed performance of the rate and records his impressions without the rate participating in the appraisal process. This appraisal system is

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becoming increasingly unpopular amongst modern managers. The system has in recent times been criticized very vigorously by labour unions. Some union leaders as the 'closed-shop' of management have often referred it to.

Why Performance Appraisal

The question has often been asked: Why performance appraisal in organizations? In most organizations there has been a home-grown philosophy that performance appraisal exercise are always related to specific purposes. Such as promotion, pay increase, preparation for training etc. But performance appraisal serves much wider purposes and internets than the ones mentioned above. Among others, performance appraisal interviews could help to determine the following:

Identify Training Needs

Without performance appraisal interviews, at times we may find it difficult to know the precise training needs of an employee. We may only appreciate the magnitude of training needs of an employee through the process of performance appraisal. Performance appraisal interviews may afford us the opportunity through the process of appraisal. Performance appraisal interviews may afford us the opportunity to be able to match the actual productivity level of an employee against standards that were set for him.

Performance appraisal interview could also assist us to identify areas where the employee was properly taught at the time of his employment. This problem could be caused by the person who conducted the primary orientation programme at the time of employee or through employee inability to grasp his responsibilities. Performance appraisal interviews could be used as a mechanism to detect these deficiencies. Having identified the problem of the employee, arrangements could be made for further training.

To identify Key Skills

The selection process is not an error free mechanism. Since the system is human system it is likely to be associated with human errors. Even after an employee has been selected, carefully matching his skills, knowledge and attitudes to the requirements of the job and of the organization, many changes can occur, as neither the job itself nor the employee will remain static. The job may have changed and the employee's present talents and skills may not be required or the employee many acquire new skills and talents while on the job. 'All these changes may only he brought to the knowledge of management if performance appraisal is carried out on a fairly regular basis.

To Identify Potential

Organization grows over time. As organizations travel through various environment, they expand both in scope and knowledge. This development is likely to involve the creation of higher positions of responsibility. An crease in job positions could necessitate the introduction of succession plans. For an organization to be able to effectively design a succession plan, it will need some objective data on its key jobs. It is through

Performance appraisal exercise that we may be able to get the necessary data. The data so collected may assist us to identity employees who have the necessary capacity and skill requirements to move upwards on the corporate ladder.

Determining Pay

Most employees, including managers have always associated performance appraisal interviews with promotion and pay raise or increases. This belief is not only erroneous, but if it is accepted, it then means that all the reasons which we have already enumerated can as well be written off. But we cannot isolate performance appraisal interviews from pay increases and promotions. Most pay increases and promotions were outcomes or products of performance appraisal interviews. However, the point to stress on it is that it is not all staff performance appraisal interviews that carry wit them pay increases. But obviously, pay rise is and will continue to dominate most discussions associated with staff performance appraisal in this country.

FACTORS THAT HELP IN PERFORMANCE APPRAISAL

Using the Job Description: you can start by working through the job description, perhaps jointly with the job holder to sort out which are the key tasks: those which have a major bearing on the achievement of the job's overall purpose. This will ensure that you do not lose sight of what the appraisal is supposed to be doing.. You will also need to think about the standards of performance that are required in each of the key tasks. Apart from the time needed to sort out which are the key tasks, which may, of course, be numerous, the major drawn back to this line of approach is that it is easier to see whether the employee is do the job to the required standard than it is to determine why his performance is falling short and what needs to be done to move it.

Using a Committee: A group of managers who are familiar with the organization and its requirements can sit down and work out a list of attributes (traits oriented), or outcomes (results-oriented), against which employee can be appraised. They can also consider the 'how' aspect to help in clarifying what will distinguish the effective performer's way, of working. This method too, has problems. Apart from the fundamental difficulties of working through a committee with all the pressures for compromise and conformity which these tend to produce, there is the strong likehood that the team will be short on knowledge of some of the jobs whose holders are to be appraisal. This may lead them to overlook or place tool little emphasis on some factors, while over-emphasizing others.

Conducting in-depth Interviews: Job holders can be asked to specify those parts of their job which take up most of their time, occur most frequently or are most crucial to success in the job. The common elements of such tasks can then be examined, providing an indication of the range of activities and elements involved. The interviews can be followed up by further interviews or with questionnaires administered to the jobholders' bosses to establish, for each activity, what effective behaviour looks like. The finding can be appraised. Though time-consuming, this technique (which is known as the repertory' grid) is more likely to give you an accurate picture of the things which really are important, to the job and the organization than by the job-

description or committee methods. It will also provide insight into what effective behaviour looks like. But it does call for some degree of expertise in interviewing and cross-questioning, to identify the key elements.

Applying the critical Incident Technique: You can ask a sample of employees, chosen at random. What was the most difficult problem they have to deal with in, say the last three months (the time span will vary according to the level of the j9bs under consideration). You should ask them for full details of what happened, and with what happened, and with what consequences. After a number of interviews of this kind, a picture of the things that really determine success in the organization will begin to emerge. The criteria for success can then be translated into an appraisal checklist. This method is known as the critical incident technique, and although not as thorough as the in-depth interview, it should serve to highlight the key area that you need to consider in performance appraisal.

Analyzing Documents: By examining reports and other documents in current use inside the company, you will begin to see what really goes on in particular jobs. An example of this might be to analyze a salesman's customer reports. Looking for the kinds of problem that the salesman actually has to deal with and the sort of skill that he needs in order to be able to cope. For jobs were specific paper or oral transactions can be analyzed this content analysis technique will provide at least starting point in determining what is important in the job, and what measures of performance will be relevant to it. These methods are not mutually exclusive. The one you choose will depend on the time and expertise that you have available and your degree of determination to find a list of tasks which are not important and the achievement of results which the organization does not regard as significant.

METHODS OF PERFORMANCE FEEDBACK/APPRAISAL

It has been established that the design and implementation of many appraisal review in many organizations are counter productive because supervisors do not feel obliged to discuss their ratings with their subordinates. When they do, there is usually the tendency to resist the temptation of having to confront employee with negative rating. Studies have shown that appraisal ratings are always inflated if the supervisor is required to discuss the results with the rate. Beverage's lockhead Aircraft study of performance appraisal in 1974 showed that when managers are faced with the prospect of making face to face negative comments, they avoid such problems by inflating their ratings. Wlker and Meyer (1961) therefore warned that feedback process must be pragmatically conducted if the desired developmental goals are to be achieved. Literatures on Performance Appraisal have listed at least three methods of performance feedback process that most organization uses. According to Banjoko (1982) are: the tell and Shell approach; tell and Listen method; and the problem solving method.

Tell and Shell approach: This approach tries to communicate performance results to the employee as accurately as possible. It equally seeks to gain employee acceptance of the ratings as well as having them agree to follow a path improvement. In addition, there is a clear absence

of motivational factors for improved performance. Usually, the employee sees nothing encouraging enough in this type of appraisal review. In some cases, the rate often feels the rater's expectation is unreasonable and his criticism unjustified. On this approach, one may conclude that in view of the employee's resulting defensive attitude and lack of motivation, the approach lacks effectiveness either in helping the employees to build on their strengths or certify their deficiencies. The federal and state civil service in Nigeria has fondly used the approach.

Tell and Listen Approach: This method attempts to communicate the rate's performance to him and at the same listen to the employee's reaction and explanations. Although the method enlists some defensive behaviour from employees, fact that, the supervisor is receptive to employee explanations may result in clarifying certain misunderstandings between the supervisor and the subordinate. The approach might even lead to the solution of some job related problems. Additional gains are possible in this approach because the manager in the light of the interview can modify assignments and expectations and thus, alter his evaluation; and even perceive subordinates, job differently and discover his own negligence. However, this approach still falls short of helping individual employees to pursue a path of self-development. Government parastatals and some medium sized private companies have been found to employ this approach in Nigeria.

Problem Solving Approach

This method appears to be most relevant approach to employee's development in their jobs. It utilizes the main elements of management by objectives (MBO) and it is a none threatening but oriented approach. Unlike the other two approaches, which place emphasis on the individual rate's characteristics. This approach shifts emphasis to the job situation itself. It also involves a problem-centered discussion of the appraisal results and joint examination by both parties of areas needing improvement and ways for accomplishing improved performance. If need be, avenues for increasing the employee's job competence arid ability through special training or the acquisition of particular skills are explored. Banjoko, states that the approach is practiced mostly in fairly large and sophisticated private companies in Nigeria.

Overall, employees are helped to stimulate better ways of improving their performance. Specific objectives and performance levels are set, action plans needed for achieving the performance level are formulated, time frame for implementation are noted and the criteria for evaluation are jointly agreed upon by both the manager and the individual employee. The approach is more effective in developing employees because discussion and all efforts are centered on future and not past performance.

PERFORMANCE APPRAISAL SCHEME: THE NIGERIAN EXPERIENCE

Ubeku (1995) state that the isolated adoption of appraisal scheme as a method of encouraging organization objectives if fraught with difficulties.

These difficulties include:

1.   The problem of various standards of judgment among different managers and supervisors. Apart from mere completion of appraisal forms. Reliability should be based upon the competence and fairness of those doing the assessment; the degree of uniformity that can be arrived at among a number of opinions; the avoidance of hasty judgments and whether any of the judgment can be checked against actual records. Such as production or wastage figures.

2.   The facts that people find it difficult to hear and accept criticism.

3.   The fact that an individual's performance is, to a considerable extent, a function of how he is managed.

In the Nigerian context of appraisal schemes practice Banjoko (1982) alleged that managers differ on the necessary strategies for achieving the desired results. According to him, the wide publicity generated out the open appraisal system following the recommendations of the Udoji Salary Review Commission notwithstanding, very few faiths in the open reporting system.

In the federal and state civil service and parastatals appraisal systems are still far from ideal. There are serious design and implementation problems. For example, the appraisal in the civil service never gets the whole picture of his overall assessment. Even where he does, and areas of weakness are identified, rarely does he receive concrete assistance to overcome his deficiencies from the department. Investigation revealed that the open reporting system has very limited applications. Performance evaluate reports are still shrouded in secretary and placed under strict confidential cover and kept at a distance from the release. In some organizations, feedback of appraisal report is on a limited scale. More effective use of appraisal for individual and organization development seems to be more noticeable in private companies particularly where performances can be easily quantified.

It has been observed that feedback of appraisal reports, whenever practiced is restricted to only employees whose performance is found deficiently. But a good performance could well be encouraged to do even better in future. In general, in spite of the importance of performance appraisal in the total human resource management context, the way the literature has alleged its design and implementation in many Nigerian organization may dampen its effectiveness both as an evaluative and developmental tool. In many organizations, rarely is an attempt made to discuss constructively with employees as to whether expected results, as predetermined by the supervisor, were met, exceeded or not. Yet, this is at variance with today's employees' desire to know not only how they fit in with the goals of the company for which they work hut also what aspects of self-improvement are needed in their job performance. By and large, one may conclude that there is a model performance appraisal system. Specific adaptation may however be fashioned out from place to place due to peculiar environmental necessities. But in all these,

the message of performance appraisal is clear. It should be seen and be understood as a result oriented tool for individual and organizational growth.

CONCLUSION

Human resources management is undeniably the most potent and pivot issue confronting every manager in modern society. The need to reward efficient labour through annual increment, promotion or re-training and also to replace the inefficient ones is the main issue behind the establishment and practice of performance appraisal. Overtime, different methods and models of appraisal system have evolved each with its distinct advantages and inherent problems. An efficient appraisal system in today's organization would be such that combines methods, which enhance the advantages and minimize the shortcomings of each method for the benefit of both parties involved in the appraisal.

SPDC, one of the oldest and most vibrant MNC companies in the oil sector of Nigeria economy has established the use of performance appraisal since its inception. Notwithstanding, the long history of its use and constant remodification to reflect current trend, some structural deficiencies and operational inadequacies have constituted hindrances to the effectiveness of the system in achieving its set objectives. Although it has succeeded in some ways in accomplishing the goals of human resource management for the industry.

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