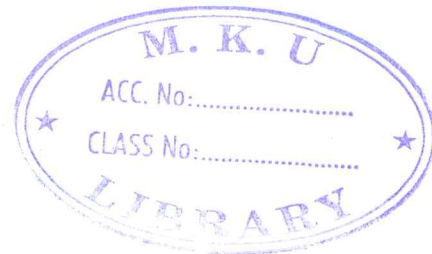


**AN ANALYSIS OF PERFORMANCE APPRAISAL ON EMPLOYEES  
PERFORMANCE: A CASE OF KENYA POWER AND LIGHTING COMPANY  
(KPLC)**



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## ABSTRACT

The employee performance appraisal is an important career development tool for the manager and employee. Performance appraisal can provide an indication of areas of training need as well as direction for leadership development, performance improvement and succession planning. One of the challenging tasks organizations face in today's world economy characterized by competition, customer awareness, quality controls and how to improve employee performance and maintain high productivity among employees.

The most effective way to manage the employee performance is by establishing a performance appraisal system. It is from this essence of employee performance that the study sought to establish the effects of performance appraisal on employee performance. Because of the challenges facing employees the researcher was interested to study performance appraisal affects on employee performance at Kenya Power and Lighting Company. Descriptive research design was used and the study targeted 120 employees where 60 respondents were given an opportunity to participate in the study which comprised of 50% of total target. The study collected primary data using open-ended questions and close-ended questions. This study was important to both the employees and the management since it helped Kenya Power and Lighting Company the right way to promote performance through performance appraisal which will enable the employee gain the required skill for a given task and to make him/her more productive, providing an opportunity for feedback, immensely benefited top management to work harmoniously with their subordinates and achieved its goals and objectives.

This study will benefit other scholars with information for their research work in future. The study findings revealed that communication affect employee performance to a very great extent. Also the study revealed measures to implement in order to improve employee motivation to include: creating a working environment that is open, trusting and fun, encourage new ideas, initiative and creativity through reward, involve staff in decisions that affect them, and provide opportunities for feedback, better remuneration and ensuring a safe work. The study also found out that respondents had more than the average amount

of self-determination and that staff turnover affected employee performance at KPLC to a very great extent. Finally, the study established that KPLC encouraged better working condition and that the existing working policy enhanced career advancement of employees to sustain productivity and minimize the effects of job poaching.

The study recommended that CEOs should look for clearer and workable ways to facilitate employees' motivation for effective organizational performance in corporations, and that corporations should come up with effective performance appraisal practices which focus on the needs and wants of the employees.