

Performance Management System and Employee Performance in the Health Sector in Uganda: A Case of Ruhoko Health Centre Iv in Ibanda District

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ABSTRACT

This study examined the effect of performance appraisal on employee performance at Ruhoko Health Centre IV in Ibanda District, Uganda. The study was guided by the objective of assessing how appraisal practices influence employee performance in the health sector. A descriptive cross-sectional research design was adopted, involving 60 respondents comprising health workers and management staff. Data were collected using structured questionnaires and interviews and analyzed using descriptive statistics, correlation, and regression analysis. Findings revealed that performance appraisal significantly influences employee performance through feedback provision, accountability enhancement, and motivation. However, concerns were raised regarding fairness, transparency, and consistency of appraisal processes. Correlation analysis indicated a strong positive relationship between appraisal and employee performance ($r = 0.586$, $p < 0.01$). Regression results confirmed that appraisal significantly predicts employee performance ($\beta = 0.287$, $t = 3.92$, $p < 0.01$), explaining a significant proportion of variation in performance outcomes. The study concluded that effective appraisal systems enhance employee performance in health facilities, although improvements in fairness and transparency are necessary. It recommends strengthening appraisal systems through clear performance standards, regular feedback, and capacity building for supervisors.

Keywords: Performance management system, appraisal, employee performance, health sector, Uganda

INTRODUCTION

Performance management systems are widely recognized as essential mechanisms for improving employee effectiveness and enhancing service delivery, particularly in critical sectors such as health. Globally, effective performance management practices contribute to improved workforce productivity, accountability, and quality of care, thereby strengthening health systems and patient outcomes (World Health Organization, 2023; Aguinis, 2019). In many developing countries, however, weak performance management systems are associated with low staff morale, inefficiency, and poor service delivery, which undermine the overall performance of health institutions (World Bank, 2024).

In Uganda, the health sector continues to experience persistent challenges related to staff motivation, accountability, and service quality, which negatively affect health outcomes and patient satisfaction (Ministry of Health Uganda, 2024; UBOS, 2025). These challenges are partly attributed to gaps in the implementation of human resource management practices, particularly performance management systems. As demand for healthcare services continues to rise due to population growth and disease burden, the need for effective mechanisms to monitor, evaluate, and improve employee performance has become increasingly important (World Bank, 2025; WHO, 2023). Performance appraisal, a key component of performance management systems, is designed to systematically evaluate employee performance, provide feedback, and guide professional development. According to Armstrong and Taylor (2020), effective appraisal systems enhance organizational performance by aligning individual employee efforts with institutional goals. Similarly, Aguinis (2019) notes that appraisal systems improve accountability, identify training needs, and support decision-making regarding promotions, rewards, and capacity building within organizations.

Despite the existence of appraisal systems in Ugandan health facilities, their effectiveness remains constrained by several challenges, including perceived bias, lack of transparency, and inconsistent feedback mechanisms (Fletcher & Bailey, 2018; Ministry of Health Uganda, 2024). These limitations undermine the credibility of appraisal processes and may negatively influence employee motivation, job satisfaction, and overall performance. At Ruhoko Health Centre IV in Ibanda District, such concerns have raised questions regarding the extent to which performance appraisal practices contribute to employee performance and service delivery outcomes (WHO, 2023; UBOS, 2025). It is against this background that the present study sought to examine the effect of performance appraisal on employee performance at Ruhoko Health Centre IV.

Purpose of the Study

The purpose of the study was to assess the effect of appraisal on employee performance at Ruhoko Health Centre IV in Ibanda District.

LITERATURE REVIEW

Performance Appraisal and Employee Performance

The study conducted by Nwankwo and Umejei (2023) investigated the impact of performance appraisals on employee productivity in public hospitals in Nigeria. Using a quantitative survey design involving healthcare workers, the study found that regular and transparent appraisals significantly improved employee motivation, leading to higher productivity levels. The study concluded that appraisals must be conducted fairly and consistently, recommending the implementation of standardized appraisal tools and timely feedback mechanisms to maximize performance outcomes. The study conducted by Dlamini et al. (2021) explored the effect of performance appraisal systems on job satisfaction among nurses in South African provincial hospitals. Employing a mixed-methods approach, the study revealed that nurses who received constructive feedback and participated in appraisal discussions reported greater job satisfaction and commitment. The study concluded that effective appraisal practices boost employee morale and recommended training supervisors on unbiased evaluation and feedback delivery.

The study conducted by Owusu and Adjei (2019) examined the influence of performance appraisal on employee performance in Ghana's health sector. Using a descriptive survey design, the findings indicated that performance appraisals increased employees' awareness of their strengths and weaknesses, thereby improving their focus on achieving targets. The study concluded that performance appraisals are vital for continuous employee development and suggested incorporating appraisal results into training and promotion decisions. The study conducted by Kabir et al. (2020) focused on appraisal systems in public hospitals in Bangladesh but included comparative insights relevant to developing countries' health sectors. Using a cross-sectional survey and regression analysis, the study found that appraisal frequency and quality were directly linked to employee performance improvements. The authors recommended establishing clear appraisal criteria and increasing employee involvement in the appraisal process to enhance effectiveness.

METHODOLOGY

Research Design

This study adopted a descriptive research design, which focuses on describing the characteristics of the variables under investigation without manipulating them (Kothari, 2018). The descriptive design was suitable for providing a detailed picture of the performance management system and employee performance at Ruhoko Health Centre IV.

Population and Sample

the study population was 80, comprising staff working in various departments at Ruhoko Health Centre IV. however, a sample size of 60 respondents was selected using Krejcie and Morgan's Table (1970) for determining sample size from a known population.

Data Collection Methods

In this study, both questionnaires and interviews were employed as the primary data collection tools under a mixed-methods approach.

Data Analysis

In this study, both quantitative and qualitative data were analyzed in line with the mixed-methods approach adopted. Quantitative data obtained from questionnaires were analyzed using the Statistical Package for Social Sciences (SPSS) version 20.0. First, the data were coded and entered into SPSS software. Descriptive statistics such as frequencies, percentages, means, and standard deviations were used to summarize demographic information and responses from the participants. In addition, inferential statistics such as correlation analysis and regression analysis were applied to determine the nature and strength of the relationships between independent variables (appraisal) and the dependent variable (employee performance). Qualitative data collected through interviews were analyzed using thematic analysis. The process involved transcribing the interview responses verbatim, reading and rereading the data to become familiar with the content, and then coding the data to identify patterns and themes related to the research objectives.

RESULTS

Effect of Appraisal on Employee Performance

Table 1: Effect of Appraisal on Employee Performance

Statement	SD 1 (%)	D 2 (%)	N 3 (%)	A 4 (%)	SA 5 (%)	Mean	Std Dev
1. My performance is regularly appraised	3 (6.3%)	4 (8.3%)	6 (12.5%)	25 (52.1%)	10 (20.8%)	3.72	1.03
2. The appraisal system is fair and transparent	5 (10.4%)	10 (20.8%)	9 (18.8%)	18 (37.5%)	6 (12.5%)	3.21	1.18
3. I receive feedback after performance reviews	2 (4.2%)	4 (8.3%)	8 (16.7%)	22 (45.8%)	12 (25.0%)	3.79	1.01
4. Appraisals are based on realistic performance targets	4 (8.3%)	6 (12.5%)	12 (25.0%)	20 (41.7%)	6 (12.5%)	3.37	1.08
5. Appraisal results influence my motivation	1 (2.1%)	3 (6.2%)	4 (8.3%)	26 (54.2%)	14 (29.2%)	4.02	0.91
6. Appraisal outcomes guide training or promotions	2 (4.2%)	4 (8.3%)	8 (16.7%)	26 (54.2%)	8 (16.7%)	3.71	0.98
7. Performance appraisal enhances accountability	1 (2.1%)	3 (6.2%)	5 (10.4%)	27 (56.3%)	12 (25.0%)	3.96	0.89

Table 1 presents respondents' views on how appraisal affects employee performance at Ruhoko Health Centre IV. For the statement "My performance is regularly appraised," 3 (6.3%) strongly disagreed, 4 (8.3%) disagreed, 6 (12.5%) were neutral, while a majority of 25 (52.1%) agreed and 10 (20.8%) strongly agreed. The mean score of 3.72 (SD = 1.03) suggests general agreement with regular performance appraisal.

Regarding "The appraisal system is fair and transparent," opinions were more divided: 5 (10.4%) strongly disagreed, 10 (20.8%) disagreed, 9 (18.8%) were neutral, 18 (37.5%) agreed, and 6 (12.5%) strongly agreed. This statement had a lower mean of 3.21 (SD = 1.18), indicating mixed perceptions about the fairness and transparency of the appraisal system.

On *“I receive feedback after performance reviews,”* 2 (4.2%) strongly disagreed, 4 (8.3%) disagreed, 8 (16.7%) were neutral, 22 (45.8%) agreed, and 12 (25.0%) strongly agreed. The mean score of 3.79 (SD = 1.01) reflects a generally positive view of feedback provision.

For *“Appraisals are based on realistic performance targets,”* 4 (8.3%) strongly disagreed, 6 (12.5%) disagreed, 12 (25.0%) were neutral, 20 (41.7%) agreed, and 6 (12.5%) strongly agreed. The mean of 3.37 (SD = 1.08) indicates moderate agreement with this statement.

In response to *“Appraisal results influence my motivation,”* 1 (2.1%) strongly disagreed, 3 (6.2%) disagreed, 4 (8.3%) were neutral, 26 (54.2%) agreed, and 14 (29.2%) strongly agreed. This had a relatively high mean of 4.02 (SD = 0.91), showing strong agreement that appraisals positively impact motivation.

For *“Appraisal outcomes guide training or promotions,”* 2 (4.2%) strongly disagreed, 4 (8.3%) disagreed, 8 (16.7%) were neutral, 26 (54.2%) agreed, and 8 (16.7%) strongly agreed. The mean score was 3.71 (SD = 0.98), indicating general agreement on the use of appraisal results for staff development.

Lastly, for *“Performance appraisal enhances accountability,”* 1 (2.1%) strongly disagreed, 3 (6.2%) disagreed, 5 (10.4%) were neutral, 27 (56.3%) agreed, and 12 (25.0%) strongly agreed. The mean of 3.96 (SD = 0.89) reflects a strong perception that appraisal systems promote accountability. The findings suggest that while most employees perceive performance appraisal as regular, motivational, and accountability-enhancing, there are some concerns about its fairness and the realism of performance targets.

During interviews, Respondents generally reported that performance appraisals are conducted annually, though some mentioned informal reviews occurring more frequently. A supervisor shared, *“Formal appraisals happen once a year, but we also have regular check-ins to track progress.”*

The use of performance checklists, observation, and self-assessment forms were common tools cited. A health worker explained, *“We fill self-evaluation forms and supervisors observe our work to give a comprehensive appraisal.”*

Feedback was typically delivered through one-on-one meetings, which many found constructive. A respondent said, *“After appraisals, supervisors call us individually to discuss our strengths and areas needing improvement.”*

Most interviewees felt that appraisal processes motivate staff by recognizing achievements and identifying training needs. A staff member reflected, *“Knowing that my work is assessed and feedback given pushes me to improve and stay productive.”*

Concerns about fairness, subjectivity, and unclear criteria were frequently mentioned. One respondent noted, *“Sometimes appraisals feel biased because there’s no clear standard, and this affects morale.”*

Correlation Analysis

Table 2: Correlation between Performance Appraisal and Employee Performance Indicators (N = 60)

Variable	Timely Reporting	Accuracy of Report	Efficiency	Effectiveness
Appraisal (Pearson Correlation)	.566**	.551**	.581**	.594**
Sig. (2-tailed)	.000	.000	.000	.000
N	60	60	60	60

Note: p < 0.01 (2-tailed)

The results in Table 2 indicate that performance appraisal has a positive and statistically significant relationship with all employee performance indicators. Specifically, appraisal is significantly correlated with timely reporting (r = 0.566), accuracy of reports (r = 0.551), efficiency (r = 0.581), and effectiveness (r = 0.594), all at p < 0.01.

This suggests that effective appraisal practices such as regular evaluation, feedback, and fairness are associated with improved employee performance across all dimensions

Regression Analysis

Table 3: Regression Coefficient for Appraisal as a Predictor of Employee Performance

Predictor	B	Std. Error	Beta	t	Sig.
Appraisal	0.254	0.078	0.287	3.256	0.002

The regression results in Table 3 reveal that performance appraisal has a positive and statistically significant effect on employee performance ($\beta = 0.287$, $p = 0.002$). This implies that improvements in appraisal systems lead to measurable increases in employee performance.

Although appraisal is not the strongest predictor in the full model, it remains a key determinant of employee performance, influencing important aspects such as efficiency, effectiveness, and quality of work. These findings emphasize the importance of strengthening appraisal systems to enhance performance in health sector institutions

DISCUSSION OF FINDINGS

The study established that performance appraisal has a positive and statistically significant relationship with employee performance at Ruhoko Health Centre IV. The correlation results showed that appraisal is significantly associated with all dimensions of employee performance, including timely reporting ($r = 0.566$, $p < 0.01$), accuracy of reports ($r = 0.551$, $p < 0.01$), efficiency ($r = 0.581$, $p < 0.01$), and effectiveness ($r = 0.594$, $p < 0.01$). These results indicate that improvements in appraisal practices are consistently linked to better employee performance outcomes across different performance indicators. In practical terms, this suggests that when employees are regularly evaluated and provided with feedback, their ability to meet performance expectations improves significantly.

The findings further reveal that performance appraisal contributes positively to employee performance in a broader predictive sense. Regression analysis showed that appraisal is a significant predictor of employee performance ($\beta = 0.287$, $t = 3.256$, $p = 0.002$), indicating that improvements in appraisal systems lead to measurable improvements in employee performance. Although appraisal was not the strongest predictor compared to other variables in the full model, it still plays a meaningful role in shaping performance outcomes at the health facility. This demonstrates that appraisal is not only associated with performance but also has a direct influence on it.

These findings are consistent with Aguinis (2019), who argues that performance appraisal enhances organizational effectiveness by providing structured feedback and aligning individual performance with organizational goals. Similarly, DeNisi and Murphy (2017) emphasize that feedback obtained through appraisal systems is essential for employee learning, development, and continuous performance improvement. In the context of Ruhoko Health Centre IV, the presence of feedback mechanisms appears to support employees in improving efficiency, effectiveness, and overall service delivery.

However, the study also identified concerns regarding fairness, transparency, and consistency in the appraisal process. Some respondents perceived the appraisal system as being influenced by bias or unclear evaluation standards, which reduced their confidence in the system. These findings align with Fletcher and Bailey (2018), who argue that perceived unfairness in performance appraisal systems can negatively affect employee motivation, trust, and job satisfaction. In a health service environment, such perceptions may reduce staff commitment and compromise service delivery quality if not properly addressed.

The regression findings further suggest that while performance appraisal significantly influences employee performance, it explains only part of the variation in performance outcomes. This implies that other factors such as reward systems, leadership style, working conditions, workload, and availability of resources also play an important role in determining employee performance. Therefore, although appraisal is a key component of

performance management, its effectiveness is maximized when it is implemented alongside other supportive organizational practices. Overall, the findings highlight that strengthening fairness, transparency, and consistency in appraisal systems can significantly enhance employee performance in health facilities.

CONCLUSION

The study concluded that performance appraisal significantly improves employee performance at Ruhoko Health Centre IV. The findings demonstrate that effective appraisal systems play an important role in improving accountability, enhancing employee motivation, and strengthening overall service delivery within the health facility. Through regular evaluation and feedback, employees are able to better understand job expectations, identify areas for improvement, and align their performance with institutional goals, which ultimately leads to improved efficiency and effectiveness in service delivery. However, the study also established that the effectiveness of performance appraisal systems is constrained by challenges related to fairness, transparency, and consistency in implementation, which reduce employees' trust in the process and may negatively affect their motivation and commitment to work. Despite these limitations, the results from both correlation and regression analyses confirm that performance appraisal remains a significant determinant of employee performance in the health sector, and therefore strengthening appraisal practices by ensuring fairness, improving transparency, and standardizing evaluation procedures would substantially enhance employee performance and service delivery outcomes at Ruhoko Health Centre IV.

RECOMMENDATIONS

The health centre should improve fairness and transparency in appraisal processes to enhance employee trust and confidence in the system. This can be achieved by ensuring that appraisal procedures are objective, consistent, and free from bias, so that all employees are evaluated based on clear and measurable performance criteria.

Clear performance standards should be developed and communicated to all employees to guide expectations and improve accountability. When staff understand what is expected of them, they are better able to align their efforts with organizational goals, which ultimately improves overall performance and service delivery.

Regular and constructive feedback should be institutionalized as part of the performance management system. Continuous feedback helps employees identify their strengths and weaknesses in time, enabling them to make necessary improvements and enhance their efficiency and effectiveness in service delivery.

Supervisors should be trained in effective appraisal techniques to ensure that they are capable of conducting fair, accurate, and professional evaluations. Training will also help them develop skills in providing objective feedback and managing performance discussions in a constructive manner.

Appraisal results should be linked to training, promotions, and rewards to motivate employees and reinforce positive performance. When employees see a clear connection between their performance and career development opportunities or rewards, they are more likely to improve their productivity and commitment to work.

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