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Effect of Performance Management System on Employees' Attitude in the Nigerian Banking Sector

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Abstract

Performance Management System is said to have been developed and implemented resulting in the failure to deliver the results people expect from it. The main objective of the paper is to examine the effect of Performance Management System (PMS) on Employees' Attitude in the Nigerian Banking Sector. Stratified Sampling Technique were used to select a total number of 180 staff from Head Offices of the 15 listed Banks in Nigerian Stock Exchange (NSE). Primary data were collected using a structured questionnaire. Data obtained were analysed and presented using both descriptive and inferential statistics. Correlation and regression analysis were used to test the hypotheses formulated for the study. The findings revealed that R^2 of 0.2177, 0.4066 and 0.6687 values suggested that variables in the model are all jointly significantly influence the probability of the Nigerian banking sector performing better. The study concluded that the implementation of PMS is said to be the commencement of changed attitude to work due to continuous and systematic assessment of employees' performance on a regular basis. The study recommended that; management should continue to communicate the importance of Performance Management System (PMS) to employees until the process is entrenched.

Keywords

Performance management, performance management system, employees, attitude, Nigerian banking sector, performance indicator

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Introduction

Performance management is a term that was initially used in the 1970s to portray a techno-science entrenched in application methods intended to assist institutional managements to manage both results and attitude of employees. The purpose of Performance Management System (PMS) is to ensure that every unit of the organisation strives towards the same direction where the right Key Performance Indicators (KPIs) are identified and assigned to employees from the different units of the organisation. Organisational performance criteria include profitability, productivity, marketing effectiveness, customer satisfaction, also employee morale (Michael, Melanie and Dinesh, 2013).

Performance is not only related to results but it also relates with activities, behaviours and attitudes of employees adopt to achieve their given goals. However, the emphasis is on creating a set of objective, feasible, sustainable and credible measures, as well as procedures and practices, leading to an integrated system of performance management in the organisation that will enhance the expected results and the fulfillment of organisational goals (Zhang, 2004) that leads to employee satisfaction improvement, rise in employee work motivation, creativity and development of the knowledge and competency levels, as a key competitive advantage as well as feedback to the employees about their results.

One of the old management styles of checking performance was performance appraisal which has subsequently shifted to performance management (Banjoko, 2010). This is because performance appraisals are often seen as a backward looking approach arguably do not help in building employees performance, while performance management is seen as a forward looking management approach helps monitor and build employees' performance in alignment with that of the organisation (Williams, 2002; Armstrong & Baron, 2006). As a result, some organisations begin to initiate PMS into their businesses (Lawson & Shen, 2008; Aguinis, 2009).

Attitude plays significant roles in explaining the link between organisation and employees' performance. Employees' attitude is one of the most distinctive factors that make employees differ from one another and allows them to be unique in their own way (Hellriegel & Slocum, 2011). Each person may possess many opposing attitudes which may tell a different story about the person's behaviour at a certain time. For instance, when employees have a negative perspective on their job, they are less likely to care about their job performance but just do a little in their job and be paid. Also, if an individual likes his/her job, they will take pride in doing it correctly, they are more likely to communicate and participate, and tend to look for ways to improve the organisation as a whole.

The recent introduction of PMS in Nigerian Banking Sector was preceded by a system called "Personnel Evaluation System (PES)". The "Personnel Evaluation System" was said to have experienced problem because of mistrust by subordinates. Management were under the impression that Personnel Evaluation System (PES) were exclusively designed to determine their suitability for promotion to higher positions and despite the PMS being sketchily developed and implemented in the Nigerian Banking Sector, it said to have failed to deliver results people expect from it (Mohammad, 2014). PMS focused on measuring goals, targets and indicators while neglecting human aspects such as motivation and emotional factors.

Therefore, efforts have been made to identify employee attitudes that could drive the management objectives that correlate positively with the level of performance of an organisation.

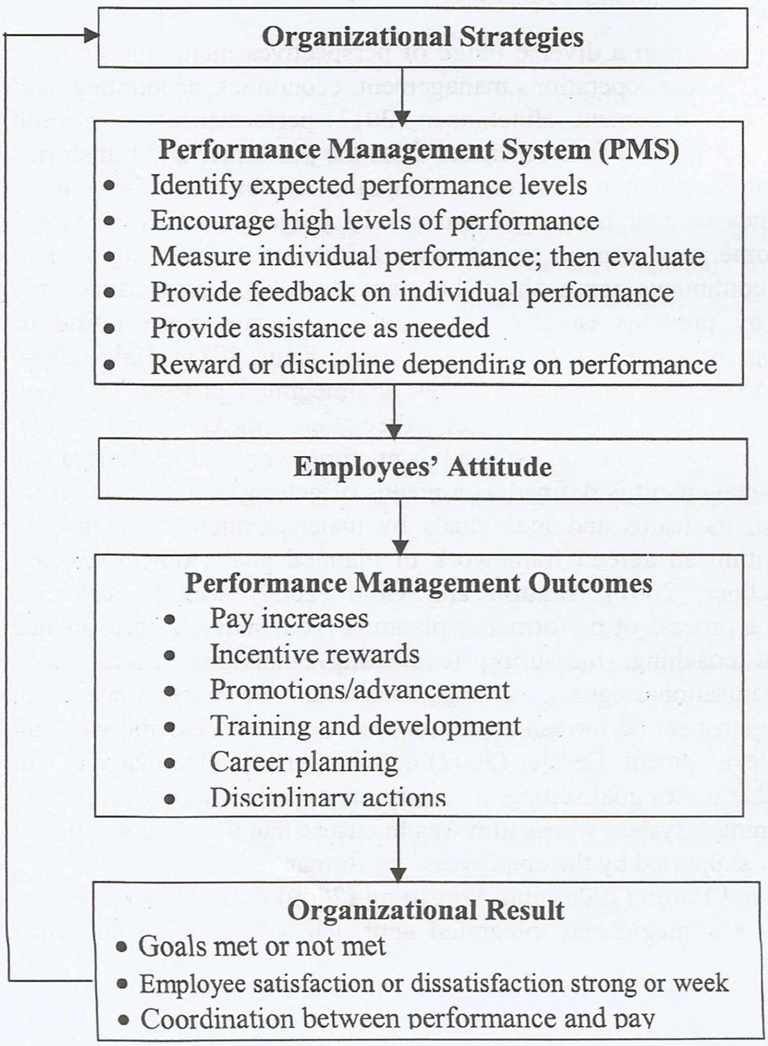
Literature Review

Concept, Nature and Features of Performance Management System (PMS)

PMS can be viewed from a diverse range of perspectives including strategy, organisational behaviour, operations management, economics, accounting, and Human Resource Management. Hutchinson (2013) performance means both behaviour and results. Behaviour emanates from the performer and transforms performance from abstraction to action. As instruments for result, behaviours are also outcomes in their own right and can be judged apart from results. PMS have become prominent in recent years as means of providing a more integrated and continuous approach to the management of performance than was provided by previous isolated and often inadequate merit rating or performance appraisal schemes (Furtwengler, 2000; Kaur, 2011). Hale (2004) opined that PMS is generally portrayed as an integrated process in which managers engage with employees to set expectations, measure and review results, agree improvement plans, and sometimes reward performance. Performance management is defined as a means of getting better results from the organisation, its teams and individuals by understanding and managing performance within an agreed framework of planned goals, objectives and standards (Buchner, 2007). Bratton and Gold (2007) sees performance management as a process of performance planning (goal setting), performance monitoring and coaching, measuring (evaluating) individual performance linked to organisational goals, giving feedback, rewarding based on achievements against set performance and required competences, and working out a plan for development. Dessler (2002) defined performance management as the process that unites goal setting, performance appraisal and development into a single common system whose aim was to ensure that the strategic aim of the firm be fully supported by the employees' performance.

Armstrong and Baron (2006) and Armstrong (2009) describe performance management as a strategic and integrated approach to delivering sustained success to organisations by improving the performance of the people who work in them and by developing the capability of teams and individual contributors. DeCenzo and Robbins (2010), PMS is defined as 'the formal, information based-routines and procedures managers use to maintain or alter patterns in organisational activities'. Derek, Laura and Stephen (2008) opined that PMS is the financial and non-financial information to the management that has led to the managerial action and decision-making. Williams (2002) defined a PMS as an umbrella term for conducting performance appraisal, setting goals, communicating expectations, observing, documenting, giving feedback and helping employees to develop skills. If it is done well, it can help an organisation to gain a competitive edge. The key competitive edge referred to relies to a large extent on how employee are managed, developed and helped to improve competencies so that they can add value to the organisation.

Figure 1:.Performance Management System Linkage



Source: Mathis, R.L. & Jackson, J.H. (2010). Human Resource Management (13 edition). United States: South-western Cengage Learning

The figure 2.1 suggests that successful PMS is a circular process that requires a system of administrative tools that effectively structures the dialogue between managers and their employees, and the motivation to utilise the system in a productive way. In view of the above an effective PMS is one that communicates, tracks, monitors, adjusts and regulates employees and organisational performance effectively (Lee, 2005; Buchner, 2007; Armstrong, 2009; Aguinis, 2009; CIPD, 2010; Bilgin, 2007; Bloom & Reenen, 2010).

Performance Appraisal and Performance Management: A Link

The scope of performance management is broader than performance appraisal (Tylor, 2013). According to Armstrong (2006), Hogue (2010), there are significant differences between performance appraisal and performance management. Ali (2015) sees performance appraisal as the formal assessment and rating of individuals by their managers, usually, an annual review meeting. In contrast, Gunu (2005) in Adeoti (2005) performance management is a continuous and much wider, more comprehensive and more natural process of management that clarifies mutual expectations, emphasises the support role of managers who are expected to act as coaches rather than judges, and focuses on the future. As Armstrong and Ward (2005) asserted that performance appraisal too often degenerated into a dishonest annual ritual. Thus, performance appraisal is reactive while performance management is proactive. The differences between performance appraisal and performance management are summed-up by Armstrong and Baron (2006) in Table 2.1 below:

Table 1: Performance Appraisal versus Performance Management

PERFORMANCE APPRAISAL	PERFORMANCE MANAGEMENT
1. One person is involved assessing performance	More people are involved discussing
2. It is done once a year	Continuous reviews are done with one or more formal reviews
3. Utilized ratings to appraise employees	Performance management assesses work done
4. The process is inflexible	The process is adaptable
5. Is based on measurement of goals	Is based on performance and the measurement of goals
6. Performance appraisal is associated with rewards	Performance management is related to performance-related pay
7. Performance appraisal asks for extensive documentation, which can be confusing	Consists of minimal documentation
8. Performance appraisal is regarded as a Human Resource function	Performance management is the responsibility of line managers

Adapted from Armstrong, M. & Baron, A. (2006) Managing Performance: Performance Management in Action. London: CIPD

Performance Measurements and Evaluation

Measurement is an important concept in performance management (William, Gavin & Williams, 1996; Zhang, 2004; Watkins, 2007). It is the basis for providing and generating feedback. It identifies where things are going well to provide the foundations for building further success, and it indicates where things are not going so well, so that corrective action can be taken. According to Zang (2004), measuring performance is relatively easy for those who are responsible for achieving quantified targets, for example sales. It is more difficult in the case of knowledge workers, for example scientists. But this difficulty is alleviated if a distinction is made between the two forms of results, outputs and outcomes. An output is a result that can be measured quantifiably, while an outcome is a visible effect that is the result of effort but cannot necessarily be measured in quantified terms.

In the opinion of William (2002), there are components in all jobs that are difficult to measure quantifiably as outputs. However, all jobs produce outcomes even if they are not quantified. However, when assessing performance it is also necessary to consider inputs in the shape of the degree of knowledge and skill attained and attitudes that are demonstrably in line with the standards set out in competency frameworks and statements of core values. Attitudes cannot be measured quantitatively but it can be assessed against definitions of what constitutes favourable and unfavourable attitudes.

Key Performance Indicators (KPIs)

According to Hogue (2010), performance measurement highlights whether the organisation is on track to achieve its desired goals. However, performance measurement system develops Key Performance Indicators (KPIs), depending on the nature and activities of the organisation. Bloom and Reenen (2010) opined that it is much more difficult to develop KPIs for each area of performance within the organisation which can be measured effectively. The CIPD survey of PMS in 2003 (cited in Armstrong and Baron, 2006) revealed that in order of importance, the following performance measures were used by the respondents: 1) Achievement of objectives, 2) Competence, 3) Quality, 4) Contribution to team, 5) Customer care, 6) Working relationships, 7) Productivity, 8) Flexibility, 9) Skills/learning targets, 10) Aligning personal objectives with organizational goals, 11) Business awareness, and 12) Financial awareness. However, Armstrong (2006) pointed out the following performance indicators that are commonly used for performance assessment:

1) Finance (income, shareholder, economic value added etc).
2) Quantity or Quality of Outputs (units produced or processed, attainment of standard, level of service etc).
3) Reaction (judgment by others, colleagues, internal and external customers).
4) Timeliness (speed of response or turn-around, achievements compare with time tables, amount of backlog, time to market, delivery time etc.).
5) Presence/attendance on the job.
6) Efficiency and effectiveness of work completed.

Employees' Attitudes

Employee attitude has been found to play a vital role in determining organisational performance in the long-run because it could lead to the desired employees' attitude that are needed in order to achieve the objective, mission and vision of the organisation (Moorhead & Griffin, 2012). Paauwe and Richardson (1997) cited in Johson & Cassell (2001) recognised that employee attitude plays a significant role in explaining the function of employee perceptions as a key construct in explaining the link between organisational performance and employee attitudes. However, if an individual likes their job, they will take pride in doing it correctly, if they like their supervisor, they are more likely to communicate and participate with them, and if they value the organisation and tend to look for ways to improve the company.

Moreover, Griffin and Moorhead (2012) outlined that attitude could arise from three major factors namely organisational factors, group factors and personal factors. Baron and Greenberg (2003) believe that the tendencies to behave in a certain way is the attribute to the work related attitude and thus they describe attitudes as the stable clusters of beliefs, feelings and behavioural tendencies directed towards some aspects of the external world. Thus, there are reasons why managers should care about employee attitude according to Moorhead and Griffin (2012); first, attitude may affect work outcomes such as performance, turnover and absenteeism and second, employee attitudes are important because they can influence productivity and satisfaction.

Rowden and Conine (2005) and DuBrin (2005) opined that management must be able to understand the relationship between business performance and work environment through the employee attitude. Thus, human resource personnel will be able to identify the consequences, and the causes of the work related attitude could not be ignored because it would influence the morale of the employees.

There are five major types of employees' attitudes (Gunu, 2015; Robbins & Judge, 2009; Robbins & Judge, 2013; Hellriegel & Slocum, 2011);

Job involvement: Job involvement measure degree to which people identify psychological with their job and consider their perceived performance level important to self-worth. Employees with a high level of job involvement strongly identify with and really care about the kind of work they do. High level of job involvement is positively related to organisational job performance. High job involvement is also related to reduce absences and lower resignation rates (Robbins & Judge, 2013).

Organisational commitment: In organisational commitment, an employee identifies with a particular organisation and its goals and wishes to remain a member. Employees who are committed will be less likely to engage in work withdrawal even if they are dissatisfied, because they have a sense of organisational loyalty. On the other hands, employees who are not committed, who feel less loyal to the organisation, will tend to show lower levels of attendance at work across the board.

Perceived Organisational Support (POS): is the degree to which employees believe the organisation values their contribution and cares about their well-being (for example, an employee believes his organisation would accommodate him if he had a child care problem or would forgive an honest mistake on his part). Employees with strong POS perceptions have been found more likely to have higher levels of organisational citizenship behaviours, lower levels of tardiness, and better customer service.

Employee Engagement: employee engagement is a new concept, an individual's involvement with, satisfaction with, and enthusiasm for, the work he/she does. We might ask employees whether they have access to resources and the opportunities to learn new skills, whether they feel their work is important and meaningful, and whether their interactions with co-workers and supervisors are rewarding. Highly engaged employees have a passion for their work and feel a deep connection to their company; disengaged employees have essentially checked out, putting time but not energy or attention into their work (Gunu, 2015).

Job satisfaction: According to Robbins and Judge (2013), when people speak of employee attitudes, they usually mean job satisfaction, which describes a positive feeling about a job, resulting from an evaluation of its characteristics. In other words, job satisfaction is an affective or emotional response toward various facets of one's job. A person with a high level of job satisfaction holds positive attitudes towards his or her job, while a person who is dissatisfied with his or her job holds negative attitudes about the job.

However, the study adopted job satisfaction for the study as an employees' attitude because, it is the general understanding that job satisfaction is an attitude towards job and it measures specific outcomes of whether employees are satisfied or dissatisfied in the workplace (Robbins and Judge, 2013).

Benefits of PMS

The PMS could be said to have benefited both organisation and employees (de Waal *et al.*, 2009; Neely *et al.*, 2004; Tapinos, Dyson & Meadows, 2005). The benefits of PMS for organisations are the qualitative advantages such as better achievement of organisational goals, more effective communication of organisational strategies, greater innovativeness amongst staff, better strategic alignment of organisational units and more focus on achievement of results. This is because the practices of PMS have helped organisations in objectively communicating and aligning employees' performances with those of the organisations and have successfully improved communication between line managers and their employees through the identification of employees strength and weaknesses. On the other hand, the benefits of performance management systems for employees is that the implementation of PMS in organisations has helped organisations in designing training needs that best suit individual employees and has subsequently improved their abilities to perform and outperform their task (Busi and Bitici, 2006). As a result, the issue of employee high turnover and redundancy as a result of low performance has subsequently been reduced (Shadrak, 2011).

Costs of Poorly Implemented PMS

There are several disadvantages of poorly implemented performance management system as observed by Wiley (1999), Poister (2003), Pincus (2004), Lawler (2003) and Malcolm (2008).

a) Motivational issue: If the management does not reward people on their good performance then their motivation to perform may be lowered. If they are not rewarded with tangible or intangible rewards on their good performance then they will be uninterested to perform well in future.

b) Effect on relationships: when a poor system is implemented, the relationships among people may be damaged due to different reasons.
c) Self-esteem: if feedback is provided in an improper and inappropriate way then the employees' self-esteem may be lowered.
d) Wastage of money and time: When PMS is poorly implemented, it costs a lot of money without providing benefits to organisations.
e) Results may induce staff turnover: Due to the false results employees leave the organisation. It could be physically or psychologically (Aguinis, 2009).

Managing Underperformance

Managing underperformance should be about 'applauding success and forgiving failure' is invoked. Mistakes, it is argued, should be used as an opportunity for learning. Larcker (2014) is quoted to the effect that, poor performance is best seen as a problem in which the employer and management are both accountable. The techniques used to manage underperformance are generally based on either of two broad sets of assumptions (Hutchinson, 2013) namely, that individuals do not possess the skills and abilities to perform to an acceptable level or that they are unwilling to do so. There was thus a need to devise management interventions aimed at motivating employees to work more efficiently and to be more productive. According to DeCenzo & Robbins (2010), dealing with unsatisfactory performance, if a subordinate fails to perform as expected, and this performance persists, then it may be necessary to start disciplinary procedures. In terms of the Labour Relations Act (1998), employees who fail to perform to standard must be offered every assistance to perform, including if necessary, reassignment to a different position to help them remain employed.

However, Armstrong (2009) lays out five (5) basic steps required to manage underperformance, which are to identify and agree the problem, establish the reason(s) for the shortfall, decide and agree on the action required, resource the action, and monitor and provide feedback.

i. Identify and agree the problem: Analyse the feedback and, as far as possible, obtain agreement from the individual on what the shortfall has been. Feedback may be provided by managers but it can in a sense be built into the job.
ii. Establish the reason(s) for the shortfall: When seeking the reasons for any shortfalls, the manager should not be crudely trying to apportion blame. It is on the basis of this factual analysis that decisions can be made on what to do about it by the individual, the manager or the two of them working together
iii. Decide and agree on the action required: Action taken by the individual, the manager or both parties could include: taking steps to improve skills or change behaviour by the individual; and changing attitudes up to individuals as long as they accept that their attitudes need to be changed.

iv. Resource the action: It is necessary to provide the coaching, training, guidance, experience or facilities that are required to enable agreed actions to happen.
v. Monitor and provide feedback: Both managers and individuals monitor performance, ensure that feedback is provided.

Theoretical Framework

The concept of Performance Management System (PMS) is theoretically under-pinned on the theory of motivation (Bassey & Benjamin, 2009). According to Hutchinson (2013) the effectiveness of PMS has been attributed to three theoretical underpinning under the process theories on motivation. The perspectives in this area include expectancy theory, goal-setting theory and equity theory (Hutchinson, 2013; Armstrong & Baron, 2006; Buchner, 2007; Broadbent & Laughlin, 2009; Daft, 2010). Process theories are, in effect, working models of the decision-making processes that individuals perform in order to determine whether they will be motivated to pursue certain activities and sustain a certain degree of productivity (Hutchinson, 2013). They are the core functions upon which the effectiveness of performance management system can be assessed, monitored and measured.

Expectancy theory suggests that motivation depends on individuals' expectations about their ability to perform tasks and receive desired rewards. Pioneered by Vroom 1964 and subsequently refined by others such as Porter and Lawler, 1968; and Chiang and Jang, 2008 (Hutchinson, 2013). Expectancy theory is aimed specifically at work motivation and is particularly useful in offering insights into the management of performance and reward. It further stretched that work behaviour is determined by the expectations individuals have on their own capabilities, the effort they are prepared to put in, and the rewards on offer or perceived to be on offer.

Equity theory: focuses on individuals' perceptions of how fairly they are treated compared with others. Developed by J. Stacy Adams (1965), equity theory proposes that people are motivated to seek social equity in the rewards they expect for performance. According to Adams (1965) cited in Hutchison (2013), if people perceive their compensation as equal to what others receive for similar contributions, they will believe that their treatment is fair and equitable. People evaluate equity by a ratio of inputs to outcomes. Inputs to a job include education, experience, effort, and ability. Outcomes from a job include pay, recognition, benefits, and promotions.

Goal-setting theory: described by Edwin Locke and Gary Latham (1981), proposes that managers can increase motivation and enhance performance by setting specific challenging goals, then helping people track their progress toward goal achievement by providing timely feedback (Daft, 2010).

Philosophically, the goal setting theory is based on the assumption that people have conscious goals that energized them and direct their thought and behaviour toward one end (Bateman & Zeithaml, 1993). A general goal-setting model has four components according to Daft (2010):

i. **Goal specificity**: refers to the degree to which goals are concrete and unambiguous.
ii. **Goal difficulty:** hard goals are more motivating than easy ones. Easy goals provide little challenge for employees and don't require them to increase their output. Highly ambitious but achievable goals ask people to stretch their abilities and provide a basis for greater feelings of accomplishment and personal effectiveness.
iii. **Goal acceptance**: means that employees have to "buy into" the goals and be committed to them. Having people participate in setting goals is a good way to increase acceptance and commitment.

Feedback: means that people get information about how well they are doing in progressing toward goal achievement.

Thus, the study adopted Goal-setting theory because, goal-setting theory (Lee, 2005; Armstrong & Baron, 2006) believed to help employees understand the task they are to achieve ahead of time, and it generates timely feedback between line managers and employees. In conclusion, goal setting theory is essential elements upon which employees and organisation's performance can be specifically and objectively managed, measured, monitored, communicated and aligned with that of organisations (Latham *et al.*, 2005; Yiing & Ahmed, 2009).

Methodology

The descriptive survey research design was employed in this study by collecting data from a defined population. The population of this study consists of the entire line managers and Human Resource staff of the fifteen (15) listed money deposit banks published on the website of the Nigerian Stock Exchange (NSE). Since the population was unknown, this has made the study adopt a hypothetical sample in line with the view of Bradford and Cullen (2012) and Attewell and Rule (1991) which states that hypothetical sample may be used for an unknown population. However, a total of one hundred and eighty (180) staff were sampled from Line Managers and Human Resource Units. This was in accordance with views of Dillman (2000) and Hill, Brierley and McDougall (2003) who reported that a sample size of 100 and above is sufficient to generate good research findings.

Descriptive data analysis and regression analysis were used to test hypotheses formulated for the study. The regression model is given below as:

$Y = \beta_0 + \beta_1 X_1 + E$

Where:

Y = Dependent variable

β_0 = Intercept of the model
β_1 = Coefficient of the independent variable in the model
X_1 = element of independent variable
E = Error term
Model for hypothesis 1: $EJS = \beta_0 + \beta_1$ EPMS + E
Model for hypothesis 2: $KPI = \beta_0 + \beta_1$ MEP + E
Where:
EJS = Employees' Job Satisfaction (Dependent Variable)
KPI = Key Performance Indicators (Dependent Variable)
β_0 = Intercept of the Model
β_1 = Coefficient of the Independent Variable in the Model
EPMS = Effect of PMS (Independent Variable)
MEP = Measuring & Evaluating Performance (Independent Variable)
E = Error term.

Discussion of Findings

A total of one hundred and eighty (180) questionnaire was administered to the respondents; 151 representing 83.9% was returned, while 29 representing 16.1% of the questionnaire was not returned or not fit for the study. The implication is that majority of the respondents positively responded to the questionnaire, making it relevant for the study.

Table 2: Effect of PMS on employees' job satisfaction in the Nigerian Banking Sector

VARIABLES	(Model 2) Employees Job Satisfaction
Gender	-6.554***
	(0.975)
Age	-1.909***
	(0.708)
Educational Qualification	24.31
	(2,275)
Professional Qualification	2.249***
	(0.859)
Continuous Assessment	2.201***
	(0.525)
Mgt Communication	0.339***
	(0.656)
Observations	151
Chi^2	158.43***
Pseudo R-Squared	0.4066

Standard errors in parentheses
*** $p<0.01$, ** $p<0.05$, * $p<0.1$
Source: Author's Computation, 2016 Using Stata V12

Result from table 2 indicates that employees' job satisfaction is regressed on Gender, Age, Educational qualification, Professional qualification and performance management variables (Continuous Assessment and Management Communication are used as proxy), to assess the effect of PMS on employees' job satisfaction. The implication of the above result is that, increasing the number of male line managers and Human Resource staff in the banking sector will decrease employees' job satisfaction in the banking sector. However, increase in female line managers and HR staff should be encouraged in order to increase employees' job satisfaction. Older line managers and HR staff are likely not to be satisfied with job, hence, HR staff and line managers of younger age should be encouraged in order to improve employees' job satisfaction. Higher degree of education does not significantly improve employees' job satisfaction, professional qualification should however be encouraged as it will likely bring an improvement to employees' job satisfaction in the banking sector. Improvement in performance management system is also seen to bring improvements in employees' job satisfaction.

Table 3: Key Performance Indicators (KPIs) that significantly affect the performance in the Nigerian Banking Sector

VARIABLES	(Mode 2) Performance of Nigerian Banks
Gender	-0.0280***
	(2.997)
Age	-2.070***
	(2.928)
Educational Qualification	3.964**
	(9.146)
Professional Qualification	1.330***
	(1.148)
Flow of Income	4.873***
	(1.021)
Complaints Management	5.603***
	(1.458)
Observations	151
Chi^2	84.96***
Pseudo R-Squared	0.6687

Standard errors in parentheses
*** p<0.01, ** p<0.05, * p<0.1

Source: Author's Computation, 2016 Using Stata V12

Table 3 shows that performance in the Nigerian banking sector is regressed on Gender, Age, Educational qualification, Professional qualification and the Key Performance variables (proxied by the organisation's flow of income and their level of complaints management) to assess KPIs on the performance of the Nigerian banking sector (proxied by overall banking performance). The implication of the above is that, increasing the number of male line managers and HR staff in the banking sector will cause a backlash to the performance of the Nigerian banking sector. However, increase in female line managers and HR staff should be encouraged in order to improve the performance of the banking sector in Nigeria. Older line managers and HR staff are likely to slow down the performance of the banking sector, hence, HR staff and line managers of younger age should be encouraged to keep the banking sector performance better. Higher degree of education and professional qualification should also be encouraged as both will likely bring an improvement to the performance of the banking sector. Improvement in the flow of income and the level at which customers' complaints are managed (both of which are proxies for key performance indicators) should also be encouraged in order to improve the performance in the Nigerian banking sector.

Conclusion and Recommendations

The outcomes indicate that significant progress was made in the implementation of the PMS, as it was evidenced in some areas that still require further attention if banks are to achieve most out of the PMS. The successful implementation of a new PMS requires sufficient technical knowledge of the measurement system adopted and KPIs that foster the participation of management and employees in goal setting and that is sensitive to and acknowledges their genuine concerns. Meanwhile, it would yield positive results if banks' management should allow line managers and HR departments to take full charge of PMS by letting them design the KPI's because they understand how it is relevant to employees' job functions. Line managers and HR Department need to have a better understanding of PMS, its principles and key elements in relation to the employees' attitude. The study therefore recommends that management should continue selling the PMS to employees until the practice is well established. Management is encouraged to consider using outcomes of the PMS for employee developmental and promotional purposes. Since Banks depend heavily on employees' capabilities, creativity and commitment and thus, without right working attitudes, the objectives of the organisation might be at stake. Hence, management should act as the motivator in order to nurture the desired employees' attitude in the workplace.

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