

**Evaluation of Human Resource Management
Practices and Productivity in An Organization:
A Case Study of Chingola ZamPost
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ABSTRACT

Employee performance plays an important role in achieving organizational goals. In other words, employee performance is directly linked to the success of any organization. Therefore, organizations try to improve their productivity by providing an improvement in employee performance throughout the world. It is against this backdrop that this study aimed to evaluate the relationship between human resource practices and labor productivity at Zambia postal services corporations.

The general objective of the study was to evaluate the relationship between Human resource management Practices and labor productivity at Zambia postal services. The study was guided by the following research objectives: To examine the effect of rewards system on labor productivity ZamPost, to find out the effect of performance appraisals on labor productivity at ZamPost and to identify the relationship between performance feedback and labor productivity at ZamPost.

This study used the descriptive research design. The study adopted a quantitative approach on the relationship between Human resource

management Practices and productivity. The dependent variables included performance appraisals, reward systems and performance feedback, and the implications on employee productivity as the independent variable. The sample size for the study was 16 employees at ZamPost in Chingola with census approach as sampling technique used. Descriptive statistics was utilized as a data analysis tool. The demographic profiles of the respondents were analyzed using percentages and frequencies. Inferential statistics such as correlation and regression analysis established the relationship between dependent and independent variables.

The study concluded that effective HR practices give employees opportunity to express their ideas and expectations for meeting the strategic goals of the company. HR practices could be an effective source of management information and renewal. The use of reward system has been an essential factor in any company's ability to meet its goals. Effective feedback on performance measurement may translate to improved employee productivity. Feedback enables the employees to be made aware of what exactly is expected from them.

CHAPTER ONE: INTRODUCTION

1.0 Overview

In today's competitive business world, it is understood that organizations can only compete with their rivals by innovating. Organizations can only innovate by managing their human resources well. This chapter presents the background of the study, statement of the problem, research objectives, research questions, research variables, conceptual framework and the significance of the study.

1.1 Background of the study

Human resource management has long been established as a very important aspect of any organization. This is because it is people who add value to any organization or nation. The prosperity of any nation therefore depends upon the personal performance and productivity of each individual and that of organizations. According to Price (2004) a company/Country can achieve a competitive advantage and reach its goals by adopting an efficient usage of its personnel. It is people in the organizations who create value by using corporate assets to create the product and services that people need.

Empirical studies suggest that Human Resource Management practices contribute significantly to labor productivity (Wright, 2003). According to Balgobind (2007), HR practices contribute significantly to creating a competitive advantage by creating human resources that are unique and difficult to replicate and therefore contribute to labor productivity. In the last three decades there has been a lot of debate of the impact of human resource Management strategies on the organization's performance, this has helped to evolve HR research (Arthur, 1994; Becker and Gerhart, 1996; Becker and Huselid, 2006; Bae et al., 2001; Björkman and Xiucheng, 2002; Boselie et al., 2003; Paauwe, 2004). Explaining organizations' performance variations remain one

of the most enduring subjects of study. A number of studies have shown that there is a clear relationship between HR practices and an organizations performance and productivity, (Khatri, 2000), with evidence that economic development is positively related to investment in human capital.

According to Armstrong (2010), Human Resource Management is defined as a strategic and coherent approach to the management of an organization's most valued assets – the people working there who individually and collectively contribute to the achievement of its objectives. Haslinda (2009), has defined Human Resource Management as the "process of managing human talents to achieve organization's objective" while HR practices comprises of the informal approaches used in managing people. HRM practices refer to organizational activities directed at managing the pool of human resources and ensuring that the resources are employed towards the fulfilment of organizational goals (Tiwari, 2012). In a study of 194 Singaporean companies from different industries, Khatri (2000) found that there's a strong direct influence of HR practices on a firm's profitability According to Navaratne, Silva, Wijayawardena (2010), it is important for a firm to adopt Human Resources Management (HRM) practices that make best use of an organization's employees. The practices of the HRM heavily affect labor productivity of the organization (Herath and Gajanayake, 2008) Although many studies have strived to explain employee performance, few have carried out an empirical study on the relationship between HR practices and labor productivity and none has looked at the moderating effect of employee engagement on labor productivity, the few empirical studies that have been conducted have mainly been done in the west. This research is therefore an empirical

study to establish the relationship between HR practices and labor productivity.

According to Batt and Colvin (2011), employees quit when they are dissatisfied with HR practices and working conditions which raises labor costs and disrupts operations. A study of five-year survival rate of 136 non-financial companies that initiated their public offering in the U.S. stock market in 1988, showed that by 1993, only 60 percent of these companies were still in existence. The empirical analysis demonstrated that with other factors such as the company's size, industry, and even profits statistically controlled, both the value that a company placed on human resources and how it rewarded its employees was significantly related to the 3 Organizational performance and probability of survival, (Welbourne & Andrews, 1996). Tremendous gains come about because HR management practices provide a number of important sources that enhance organizational performance, Some researchers e.g. Becker and Huselid (2006), conclude that not all human resources practices have the same effect on organizational outcomes. According to Tiwari (2012) Theories on best practices or high commitment theories suggest that universally, certain HRM practices, either separately or in combination are associated with improved organizational performance such as increased Labor productivity. The “best practices” approach to strategic HRM (Huselid 1995) posits that some HR practices are better than others and that all organizations should seek to adopt.

It is against this backdrop that this study aimed to evaluate the relationship between human resource practices and labor productivity at Zambia postal services corporations these best practices.

1.2 Statement of the problem

The success of any organization depends on the industriousness of an individual and productivity.

Efficient use of resources, including Human Resources has been associated with profitability and productivity. Various authors have demonstrated that there is a link between specific HRM practices and a firm's productivity (Patterson, West, Lawthom and Nickell, 2003). In 2018, minister of transport and communications Brian Mushimba said ZamPost was facing financial challenges. And Mr. Mushimba said ZamPost required k50 million to revive its revenue streams which were suspended due to mismanagement of funds. Mr. Mushimba explained that the state-owned enterprises was earning about k11 million from the fees it was collecting on behalf of multi choice and Road transport Agency but the services have since being suspended. He added that the financial challenges at the company have worsened due to the failure to recover k20 million debt owned by government and private sector. ZamPost had closed offices country wide due to unpaid salaries last month. There has been a decline in labor force productivity in the organization due to these challenges. (Times of Zambia, 2018). It is against this backdrop this research aimed at evaluating the relationship between human resource management practices and productivity at ZamPost.

1.3 Research Objectives

1.3.1 General Objective

The main objective was to evaluate the relationship between Human resource management Practices and labor productivity at Zambia postal services

1.3.2 Specific Objectives

The specific objectives for this study are as follows

1. To examine the effect of rewards system on labor productivity ZamPost
2. To find out the effect of performance appraisals on labor productivity at ZamPost

3. To identify the relationship between performance feedback and labor productivity at ZamPost

1.4 Research questions

What is the effect of rewards system on labor productivity at ZamPost?

What is the effect of performance appraisals on labor productivity?

What is the relationship between performance feedback and labor productivity?

1.5 Conceptual framework

According to Kasomo (2006), Conceptual frameworks are structured from a set of broad ideas and theories and help a study to properly identify the problem they are looking at, identify the independent and dependent. Defining the concepts and creating a conceptual framework are means to simplify the research task and to clear away issues that are not related to the topic and research question. In this study, labor productivity is the dependent variable whereas performance appraisal, rewards systems and performance feedback are independent variables. The framework suggests that the three independent variables affect the levels of labor productivity which is the dependent variable.

1.6 Significance of the study

Human Resources are the most important asset for any organization and they are a source of achieving competitive advantage. Managing human resources is very challenging as compared to managing technology or capital and for its effective management, organization requires effective HRM practices. The Management of ZamPost and the government are likely to benefit greatly from this study because, the findings of this study will help in the effective management of Human Resources which a key aspect of State is owned enterprises. The employees will be able

to understand some of the issues that affect their productivity, with the aim of participating to help change some the HR practices in their organizations through employee voice in their respective organizations.

1.7 Scope of Study

The study focused on the relationship between Human resource management Practices and labor productivity at Zambia postal services. The study specifically sought to determine the effects of performance reward, performance feedback and performance appraisal on employee`s productivity. The geographic boundary of the research was Zambia Postal Services Corporation located in town center of Chingola District, Zambia. The study focused on management and non-management staff of the above mentioned department. A census of 16 employees was used for the research as this is the total number of employees at ZamPost in Chingola.

1.8 Operational Definitions

Employee Performance: Employee performance refers to the employee`s output at a minimal cost from the use of his/her technical skills, raw materials in carrying out work responsibilities. In this case, employee performance is directly linked with appraisal, rewards and feedback (Mwanje, 2010).

Human Resource Practice: Performance management practice as a systematic way of communicating to employees on what they are expected to do and what the performance and productivity parameters are (Marsor, 2011)

Labor Productivity: Productivity can be defined as “quality or volume of the major product or service that an organization provides” (Moorhead and Griffin, 2012).

Feedback: This refers to the information reflecting past performance and results and given

by the manager to the employee (Solmon and Podgursky, 2010).

Performance Appraisal: Performance appraisal is where a superior evaluates and judges the work performance of subordinates (Harter, Schmidt and Hayes, 2012).

Performance Management: Performance management practice is a systematic way of communicating to employees on what they are expected to do and what the performance and productivity parameters (Marsor, 2011).

CHAPTER TWO: LITERATURE REVIEW

2.0 Overview

The preceding chapter presented the introduction. This chapter reviews literature on the effect of performance management practices on employee productivity. The first part of the chapter reviews labor productivity and theories associated with it. The second part determines the influence of reward systems on employee productivity. The third part examines the influence of performance appraisals on labor productivity. The fourth part looks at the influence of performance feedback on labor productivity.

2.1 Labor productivity

Labor productivity is an assessment of the efficiency of a worker or group of workers. Productivity may be evaluated in terms of the output of an employee in a specific period of time. Typically, the productivity of a given worker will be assessed relative to an average for employees doing similar work. Because much of the success of any organization relies upon the productivity of its workforce, labor productivity is an important consideration for businesses. In short, productivity is what comes out of production. Managers of every business organization are charged with the responsibility to motivate their employees to achieve organizational goals. Most organizations

wonder how they can sustainable performance among its employees. This means looking at what can be done to encourage the employees to give their best though various reward systems in whatever work they do in the organization (Armstrong, 2001). Productivity sustenance is therefore a concern that many organizations are looking at addressing via various means so that employees can still remain productive in the long term. Performance management therefore needs to be tested in any particular setting taking into consideration how individuals in any particular organization are motivated and the extent to which they are most effective for a particular organization.

Theorists of strategic human resource management have identified Labor productivity as the crucial indicator of workforce performance (Delery & Shaw, 2001). According to a study by Spring Singapore (2011), Productivity is critical for the long-term competitiveness and profitability of organizations. Productivity is the relationship between the quantity of output and the quantity of input used to generate that output. It is basically a measure of the effectiveness and efficiency of your organization in generating output with the resources available. Output could be in the form of goods produced or services rendered. Output may be expressed in: Physical quantity or financial value

Labor productivity is concerned with the amount (volume) of output that is obtained from each employee. Labor productivity measures the hourly productive output for a country's economy during a period of time. Labor Productivity = Total Output / Total Productive Hours, Labor productivity is also compared among different countries to determine which are more or less productive than others.

Jankoz (2004) argued that the validity and reliability of attribute based performance appraisal are greater suspected as the perception of superior officer maybe biased. (Squires and Adler, 1998) appraisal based on traits of employee has little value. Malos (1998) concluded that fair appraisal is based on job related behaviors not traits of persons. Employees must believe that in performance appraisals there is great opportunity for them (Weick, 2001). Without fairness the performance appraisal system, rewards, motivations and developments create negative impact and frustration (Gilliland and Langdon, 1998).

2.1.1. Employee performance measurement

The concepts of performance are studied through evaluation of overall performance and the management of the performance and the evaluation of performance is the process classifying certain outcomes within a definite timeframe (Coens & Jenkins, 2002). Moreover, the axiom, 'If you can't measure it, you can't manage it,' underpins the rationale for organization having a completed and comprehensive performance measurement system such as the Balanced Scorecard or total quality performance management. This approach connects measures throughout an organization to translate high level objectives into lower level activities. Then, measures are imposed on individual employees to monitor their performance of these activities (Platts & Sobotka, 2010). Performance criteria need to be unambiguous, clearly explained, relevant to the work tasks undertaken by employees and achievable. The criteria should not include factors beyond the control of the individual employee.

Supervisors also need to be trained to provide regular, meaningful and constructive feedback.

Employees should also be provided with appropriate training and development opportunities to overcome weaknesses in performance identified through the appraisal process. The assessment of individual employee performance also needs to focus on evaluating employee behavior and work performance and not the personality of the employee (O' Donnell & O' Brien, 1999).

2.2 Theories on Labor Productivity and HRM practices

2.2.1 Incentive contract Theory

This theory was promoted by behavioral psychologists, such as B.F. Skinner (Skinner, 1950). According to this theory, people are motivated to perform when there is a promise of a reward, these rewards act as incentives. Rewards can be tangible or intangible and are presented so as to reinforce a positive behavior or action. Studies show that if the person receives the reward immediately, the effect of the incentive is greater however it decreases as delay lengthens. A reinforcer is anything that follows an action, with the intentions that the action will now occur more frequently, it can either be positive or negative. Incentive theory in psychology treats motivation and behavior of the individual as they are influenced by the belief that engaging in certain activities or actions are expected to be profitable. It looks at how to motivate employees to work hard when their performance cannot be easily measured. This is because in large organizations the performance of an entire production unit may be easier to measure than that of an individual. In many work settings, the output of an entire production unit may be easier to measure than that of an individual worker. Organizations therefore need to develop incentives for valuable, yet difficult to measure aspects of employee performance, this can help to raise labor productivity. This theory suggests that the use of

rewards as incentives can be effective in increasing labor productivity when designing complementary Human Resource Management practices. This means those if these HRM practices produce actions that are positively received people are more likely to repeat similar actions or behavior in future, or if negatively received people are less likely to repeat similar actions or behavior in future. HRM practices that reinforce high labor productivity will have larger effect on productivity of each individual employee.

According to this theory when a set of complementary HR practices that develop a culture of high effort and an environment of positive peer pressure, subjective incentive contracts complemented with objective incentive contracts are designed they can have a big effect on labor productivity. This theory posits that a combination of HRM practices that reinforce reward for productivity will have a bigger effect on productivity than the sum of component effects due to individual practices. That is, a combination of a bundle of HRM practices lead to greater labor productivity. This supports empirically-based literature that focuses on the effects of complementary practices, rather than the effect of individual stand-alone practices (Laursen and Foss, 2014).

2.2.2 Expectancy Theory of motivation

This theory was developed by Vroom in 1964. It proposes that high performance and hence greater productivity at individual level is based on high motivation and the possession of necessary skills and abilities to ensure high performance. Expectancy theory is often used to predict job satisfaction, one's occupational choice, the likelihood of staying in a job, and the effort one might expend at work. Expectancy and instrumentality represent individual's subjective

perceptions of the likelihood that effort will lead to performance and performance will lead to the desired outcomes. There is need to structure the work environment in order to make jobs more interesting and thus more intrinsically rewarding and make extrinsic rewards clearly contingent upon effective performance. Based on this theory there is a link between HR practices that greatly affect intrinsic and extrinsic motivation of employees and labor productivity (Balgobind, 2007). Armstrong (2006) defines expectancy as a monetary belief concerning the likelihood that a particular act will be followed by a particular outcome. The strength of expectations may be based on past experiences for example the idea that employees who go beyond the call of duty are rewarded. In these circumstances motivation to perform will be increased. To maintain such employee performance at the workplace managers should reward their employees in accordance with their contribution.

Expectancy theory has some important implications for motivating employees. The model provides guidelines for enhancing employee motivation by altering the individual's effort-to-performance expectancy, performance-to-reward expectancy, and reward valences. Managers need to make the desired performance attainable by selecting people with the required skills and knowledge; providing the required training and clarifying job requirements; provide sufficient time and resources; assigning progressively more difficult tasks based on training; following employees' suggestions about ways to change their jobs; intervening and attempting to alleviate problems that may hinder effective performance among others. Managers should also ensure that Compensation systems reward people directly based on how well they perform their jobs that is pay-for-performance plans (Armstrong, 2007). Expectancy theory is often used to predict job

satisfaction, one's occupational choice, the likelihood of staying in a job, and the effort one might expend at work. Therefore complementary HRM practices can be used to drive up labor productivity by ensuring that employees are motivated to expend more effort at work

The Expectancy Theory envisages that employee motivation will be boosted, and the possibility of desired performance improved, under reward for performance plans when the following circumstances are met:

1. Employees understand the performance plan's goals and view them as feasible given their own abilities, skills, and the restrictions posed by task structure and other aspects of the organizational context;
2. There is a clear link between performance and salary increases that is regularly communicated and followed through; and
3. Employees value salary increases and view the salary increases connected with a plan as significant (that is, large enough to validate the effort required to achieve plan performance goals).

Therefore, the Expectancy Theory is a theoretical framework that may be used to realize why the Performance Incentive Bonus Scheme thrive or flops to inspire staff. It disputes that a reward system will thrive in inspiring employees if and only if the aforementioned circumstances or conditions are satisfied.

2.2.3 Herzberg's two factor theory of motivation

According to this theory, two sets of factors influence work behavior; dissatisfiers (hygiene factors) and satisfiers (motivators). Hygiene factors relate to the context of jobs and include pay, working conditions, supervision, Company policies, Technical supervision, Interpersonal

relations with peers, Interpersonal relations with subordinates, Job security, Personal life, Status to list a few. These factors do not motivate. Motivators include sense of achievement, recognition, responsibility, advancement, growth and the work itself Achievement According to Herzberg as quoted by Ivancevich (2006), motivators become operational only when dissatisfiers are removed. Therefore if pay is mismatched to employees' needs, it can result in dissatisfaction. Based on these findings, Herzberg recommended that managers seeking to motivate employees should first make sure that hygiene factors are taken care of and that employees are not dissatisfied with pay, security and working conditions. Once a manager has eliminated employee dissatisfaction, Hertzberg recommends focusing on a different set of factors to increase motivation, by improving opportunities for advancement, recognition, advancement and growth. Specifically, he recommends job enrichment as a means of enhancing the availability of motivation factors

2.3 Human Resource Management Practices

HRM practices refer to organizational activities directed at managing the pool of human resources and ensuring that the resources are employed towards the fulfilment of organizational goals, (Tiwari, 2012). According to Khatri (1999), people are one of the most important factors providing flexibility and adaptability to organizations, because they are the ones who convert all the other resources in to useful output. As such HR practices play a key role on the labor productivity of each individual employee. According to Chandler and McEvoy (2000), one of the lingering questions in HRM research is whether or not there is a single set of policies or practices that represents a „universally superior approach“ to managing people. According to Tiwari (2012) Theories on best practices or high

commitment theories suggest that universally, certain HRM practices, either separately or in combination are associated with improved organizational performance. Researchers have also found workers who are paid well, are motivated and work in a supportive environment, generate higher productivity gains and lower unit costs.

2.4 Influence of Reward Systems on Labor productivity

2.4.1 Reward Systems

Rewards have two broad types; extrinsic and intrinsic rewards are also called financial and nonfinancial rewards and these rewards further divided in so many sub categories. Extrinsic rewards relates to financial rewards or cash related like formal recognition, fringe benefits, incentive type payments, pay, promotion and intrinsic relates to nonfinancial or non-cash rewards like achievement, accomplishment feelings, recognition, job satisfaction and growth (Clifford,1985). Today world balance between employee's commitment and performance for the organizations much necessary and rewards are most important tool for employee's commitment, job satisfaction, and motivation and employees good performance. Kalleberg, (1977) explained rewards consist on benefits that employees receive in exchange of their work during the job. According to Wang (2004), in so many organization rewards plays so many roles in sustaining and creating commitment among employees for good performance and that better performance leads to job satisfaction. When employees achieved their desire results from job so that of desired achievement is called job satisfaction (Brief & Weiss, 2002).

2.4.2 Employee Promotion

Organizations provide rewards to their personnel in order to try to motivate their performance and encourage their loyalty and retention. According to Luthans, Fred (2008), organizational rewards take a number of different forms including money (salary, bonuses, and incentive pay), recognition and benefits. Despite the tendency in the recent years to downgrade the importance of pay as an organizational reward, there is ample evidence that money can be positively reinforcing for most people, and, if the pay system is designed properly to fit the strategies, can have a positive impact on individual, team and organization performance. (ibid).For example, many organizations use pay to motivate not just their upper level executives but everyone throughout the organization.

In developing an appraisal system for organizations, management needs to think through pay increases and promotions (Moulder, 2011). A number of studies like Prowse and Prowse (2009); Macey, Schneider, Barbera and Young (2009) have pointed that employees get motivated to work when they get frequent promotions after appraisal system in their work place.

2.4.3 Performance-Based Pay

Some authors are not that convinced of the effectiveness of performance-based pay. Solmon and Podgursky (2010) argue that performance-based compensation programs encourage competition rather than collaboration. Because everyone is concerned to secure their own success and thus his own pay, helping others to succeed is not advantageous for oneself. A related point concerning the tendency to undermine teamwork is recognized by De Silva (2008).

2.4.4 Reward Systems and Labor productivity

According to La Belle (2005), different individuals have different perceptions of rewards. For instance, some individuals may consider cash as a sufficient and adequate reward for their efforts at work, while others may consider holidays and material incentives (such as a car) as more rewarding in exchange for their work. Others still, may consider a shift in the treatment that they get from their leaders to be a more rewarding experience.

Influence of Performance Appraisals on Labor productivity

2.5.1 Performance Appraisals

Performance appraisal has been described as “the process of identifying, observing, measuring, and developing employee performance in organization” (Carrol & Scheider, 2012). This definition is very important, because it comprises all important components needed for the well-performed appraisal process. Identification criteria orientate the appraisal process to the determination of what has to be examined and the performance related criteria. The observation component means that the supervisors need to frequently observe the identified characteristics (Moulder, 2011). The measurement component indicates that the superior has to translate the observations into a judgmental rating. They have to be relevant, but also must be comparable across raters in the organization (Derven, 2010).

2.5.2 Appraisal as a Source of Management

Information Performance appraisal could be an effective source of management information, given to employees. According to Malcolm and Jackson (2002) there are three main groups of purposes: performance reviews, potential reviews

and reward reviews. In Performance reviews, the managers discuss with employees the progress in their current positions, their strengths and areas requiring further development. In regards to the potential reviews, the discussion is on the employees’ opportunities for progression, and the type of work they will be fitted for in the future and how this can be achieved. In relation to the reward reviews, the discussion is separate but linked to the appraisal system. The manager communicates decisions on rewards such as pay, benefits or promotion and provides feedback (Blau, 2009).

2.5.3 Recognition of Good Performance

Performance appraisal gives an opportunity to the manager to formally recognize good performance and this would lead to more motivation from the workers (Derven, 2010). Modern systems for performance appraisal depersonalize issues. Supervisors focus on behaviors and results, rather than on personalities. Such systems support ongoing communication, feedback and dialogue about organizational goals. Also they support communication between an employee and a supervisor. Performance appraisal provides a clear target of job standards and priorities and ensures more trust on the relation manager–worker (Derven, 2010). Other management benefits of Performance Appraisal are the identification of high performers and poor performers as well as the identification of strengths and development areas (Jackson & Schuller, 2012).

However, performance appraisal has been criticized to have discrepancy between the theory and the practical implementation. Bernardin and Klatt (2005); Maroney and Buckley (2012), report there is a considerable gap between theory and practice and that human resources specialists do not make full use of the psychometric tools

available. Counter argument maintained by line managers is that the process needs to be simple and easy to use; otherwise it becomes time consuming and cost ineffective

2.5.4 Accounting for Past Performance

Performance appraisal takes into account the past performance of the employees and focuses on the improvement of the future performance of the employees. It gives the staff the opportunity to express their ideas and expectations for the strategic goals of the company (Mullins, 2009). Employees can find what is expected from them and what the consequences of their performance are. Ideally they receive a fair and analytical feedback for their performance (Derven, 2010). Performance appraisal helps to rate the performance of the employees and evaluate their contribution towards the organizational goals. It helps to align the individual performances with the organizational goals and also review employees' performances. Besides, enhancing motivation appraisal is about involvement of the employees in committing to the long picture of the organization, enhanced responsibility, encouragement, recognition for effective delivery and effort (Malcolm & Jackson, 2012). Performance Appraisal is a motivation for the employee, who performs well in the present to go on doing so and in the future (Derven, 2010).

2.5.5 Performance Appraisal and Labor productivity

Studies on the impacts of performance appraisal on employees' attitudes emphasize the need for feedback (Shrivastav & Sapra, 2012) and rewards (Gichuhi, Abaja, & Ochieng, 2012). Shrivastav and Sapra (2012) in a study to investigate the impacts of performance appraisal on employees' attitudes revealed the relevance of performance appraisal to organizations but also emphasize the need to give feedback to employees due to the

positive impact that will have on their performance. They assert that feedback after appraisal helps strengthen communication between supervisor and employees and also motivates the employee. The study also underscores the role performance appraisal plays in guiding employees to work towards attaining organizational goals and their own goals as well. Poorly undertaken performance appraisals, they warn, could have detrimental effects on the organization by causing employees to perform worse.

2.6 Influence of Performance Feedback on Labor productivity

2.6.1 Performance Feedback

Effective performance feedback between employees and supervisors is the key to successful organization productivity. Regular feedback helps employees focus their work activities so the employees, the department, and the organization to achieve their goals (Solmon & Podgursky, 2010). It builds accountability, since employees and supervisors participate in developing goals, identifying competencies, discussing career development and employee motivation. However, there are some organizations that fail to provide feedback (Jackson & Schuller, 2012). Although a few managers may intentionally hold back employee feedback, many are overwhelmed with other management tasks that take up their valuable time. In addition, many organizations lack formal evaluation systems or the managers do not apply the systems that are in place (Banket, 2011).

Without any type of formal system and with many other demands, otherwise good managers often let feedback fall to the wayside. The lack of feedback also leaves good employees unrecognized. But with the change of times, the desire for a more formalized feedback system is becoming essential. Managers have realized that they need to tell their

workers when they have done a good job and when they have not. In this instance, silence is not golden (Banket, 2011). Hinkin and Schriesheim (2012) has revealed that there are three types of managers from those who look for good performance, those who look for poor performance, and those who do very little to reinforce either type of behavior and those managers who provide the least feedback will have the least satisfied employees.

2.6.2 Feedback and Effectiveness

It improves the effectiveness and helps in decision making within the organization. The feedback directs the individual to the organization missions and objectives. In the ideal situation the employee receives information about how they are performing and where they could improve. Schraeder, Becton and Portis (2009) suggest that performance feedback can serve as way of knowing the employees strength and weaknesses. Performance feedback can also serve as a crucial element that enhances the performance of individual employees in the areas of weakness. For the sustenance of the organization performance, it is important for the top management to frequently provide employees feedback on their efforts and strengthen the progress of their jobs through unbiased feedback. In this regard, performance feedback records need to be retained for future references (Macey, Schneider, Barbera and Young, 2009).

Feedback as a Source of Appraising Performance

One of the most critical parts of the appraisal process is the direct communication between supervisor and individual. The information reflecting past performance and results and given by the manager to the employee is called feedback (Solmon & Podgursky, 2010). Performance feedback requires a rater who has specialized

knowledge to gauge performance, the ability to observe and note any performance gaps among the employees (Berry, 2003). There are a number of appraisal sources and the first one is the ability of the supervisor to know what is expected from the employee and how to carry out the performance appraisal process (Berry 2003).

2.6.3 Feedback and Productivity

The performance appraisal feedback plays an important role in labor productivity. This gives an opportunity for feedback on the past performance against objectives set earlier as well as to identify any performance gap. For managers and supervisors this is the process that identifies the current performance level, discuss strengths and weaknesses and future opportunities (Jackson & Schuller, 2012). The performance feedback provides a discussion that helps employees to understand how they are doing, receive coaching and feedback; clarify expectations about career development (Brown & Benson, 2013). Performance feedback does a good job to make people aware of the objectives and outcomes of the performance appraisal process. Prevailing number of employees believe that their appraisal is fair and stimulates their performance. There is also a belief that managers and supervisors are handling relatively well the process of feedback (Mone & London, 2010).

2.7 Personal critique summary

From literatures reviewed, it is evident that numerous studies have been done on the topic. However, many of the studies had performance appraisal as their main focus and other literature expounded on performance management practices in general. Moreover, most literature focus is outside Zambia, hence, there is a gap on local empirical literature review on the influence of human resource management practices on labor productivity in Zambia Postal Services

Corporation. This study aimed to fill this gap by focusing on Zambia Postal Services Corporation as a case study.

CHAPTER THREE: RESEARCH METHODOLOGY

3.0 Overview

The section also explains the research design, population and sampling design in the study. As well as providing research information on data collection technique and the reasons why one particular technique was used as opposed to another method. The research procedures are detailed as well as the data analysis method including potential criticisms.

3.1 Research design

Research design is a blue print for any research process because it depicts how the study is conducted technically and elaborates how the researcher carries out sample selection, research procedures and data analysis among other specific tasks (Cooper & Schindler, 2014). According to Saunders (2009), descriptive design is used to document a study phenomenon in its real situation, without the interference of the researcher. Descriptive research design was used where the problem is well defined without looking at the relationships between the variables. With descriptive research design, the researcher aimed to determine the aspects of the problem which are crucial for a thorough analysis (Backlund and Suikki, 2005). Moreover, the researcher has an opportunity to have a clear view of the problem from other related sources and narrows the research around these important items, thus, leading to precise or almost detailed facts when carrying out the study. Therefore, the study adopted both quantitative and qualitative approach

on the effects of human resource management practices on labor productivity at ZamPost.

Quantitative and qualitative methodologies have their advantages and disadvantages. It is understood that quantitative methodology has the advantage of validity of hypothesis may oversimplify the reality. Qualitative methodology in contrast, allows for an in-depth understanding of reality while being disadvantaged by limited generalization (Simmons, 1985). The combination of these approaches will consequently balance the limitations of each methodology (Simmons, 1985; Denzin, 1989 cited in Shen, 2009). Leedy, (1993) argued that several studies can be improved significantly if mixed method research is employed. Creswell and Clark, (2007) were of the view that bias is reduced when the mixed methods are applied. This research used a combination of both the quantitative and qualitative approaches to empirical research in order to collect comprehensive information with regards to the research objectives. The purpose of these strategies is that both approaches have their relative strengths and weaknesses and thus in conducting the research, the weaknesses of one will be complemented by the relative strengths of the other (Babbie, 2008).

3.2 Target Population

The target population is defined as the entire set of units for which the survey data are to be used to make inferences. Thus, the target population defines those units for which the findings of the survey are meant to generalize (Lavrakas, 2007). In this study the target population was ZamPost employees. The study population is defined as the total members of a defined class of people, objects or elements.

3.3 Sample size and Sampling Technique

3.3.1 Sample size

A sample is a small proportion of the target population selected using some systematic procedures for study (Cooper & Schindler (2014). According to Lind (2008), a sample is a subgroup of the population. The use of a sample enable a researcher save a lot of time and money, and get more detailed information (Bluman, 2009). A sample reflects the population as a whole i.e. it a true representative of the population. Out of the whole population, a sample was selected to be a true representative of the population.

The sample size in a research was the number of observations or replicates to include in a statistical sample. The sample size is important in achieving the objective of making an inference about a population from a given sample. Holloway and Wheeler (2002) assert that sample size does not influence the importance or quality of the study and note that there are no guidelines in determining the size. Therefore, 16 employees at ZamPost Chingola made up the sample size for this study.

3.3.2 Sampling Procedure

According to Kothari (2004), a census approach is a complete enumeration of all items in the population. It is presumed that in such an inquiry when all items are covered, no element of chance is left and the highest accuracy is obtained. This method is suitable when the study population is small or manageable and therefore there is no need of using a sampling survey. According to Gupta (1994), in the census method, we resort to 100% inspection of the population and enumerate each and every activity; therefore it provides more accurate and exact information as compared to the sample enumeration, which involves drawing a

representative and adequate fraction of the population. A census approach therefore affords more extensive and detailed study. The unit of observation were the HR managers and all ZamPost employees in Chingola, 16 in total.

3.4 Data collection methods

3.4.1 Data collection Instruments

The purpose of data collection procedures was to provide the framework for a uniform, accurate record system. According to Polit and Hungler (1999), data is defined as information obtained in the course of study. Data was collected through primary sources. Primary data was collected using questionnaires. The questionnaires were composed of semi structured and open ended question which were used as the response format for the variables. The questionnaires were be administered to individuals with principal administrative responsibilities. They were be asked to indicate the extent to which the three HRM practices effect on labor productivity in their organization.

3.4.2 Data collection procedures

This research study was used questionnaire as instrument; the questionnaire was based on (close ended questions). Structured questionnaire is a questionnaire in which the questions asked are precisely decided in advance. The questionnaires were in line with the research objectives and was delivered to ZamPost employees in Chingola. The questionnaire was self-administered. This involves administering the questionnaires to the respondents when they reported for work at the Post Office, then requested them to fill out the questionnaires and those who were busy can take them home then return them following day or preferably collect from their home.

3.5 Data Analysis

The process of analyzing, cleaning, transforming, and modeling data collected is called data analysis (Wagner, Halley & Zaino 2011). The study was expected to produce both quantitative and qualitative data. Therefore both descriptive and inferential statistics was be used to analyze the data. After the questionnaires were received data was coded and edited for completeness and consistency in Microsoft excel. The data was then then analyzed using STATA software.

Descriptive analysis begins with summaries of continuous variables in form of means for the continuous variables. Tables of frequencies (percentages) were created for the categorical variables and presentation using graphs or charts as appropriate. Correlation analysis was done to asses for any linear relationships among the factors, reporting the coefficients and respective P-values.

Univariate analyses was done using Linear Regression models that fit to assess the aggregated contribution of the performance appraisal, reward systems and performance feedback on employee productivity (outcome).The coefficients and their 95% confidence interval was reported as well as P-values.

3.6 Ethical Consideration

Informed consent involves obtaining voluntary participation by those involved with the right to withdraw from the study at any time, thus preventing potential undue influence and coercion. To ensure implementation of the ethical principle, the researcher provided prospective participants with written information about the study before they become further involved. This information included the purpose of the study, details of subject confidentiality, information on

risks and benefits, and also who to contact for further details. Therefore, no information was collected in this research study without the consent of respective respondents (Saunders et al., 2009). All in all, before carrying out the research the researcher sought for ethical clearance where necessary especially at ZamPost Departmental Heads.

3.7 Limitations of the Study

Limitations refer to “barrier or projected constraints or potential and possible weaknesses of the study imposed by the methodology of the study” (Andre Nel, 2008). In the conduct of this study, certain constraints were experienced; Failure with respect to a few respondents to return their filled questionnaires. Because of the hectic nature of job in the Post office, the unpredictable timetable of respondents and the Post office nature to regard the flow of information being bureaucratic, the researcher needed to pay several visits to post office before filled questionnaires were obtained which perpetually cost time and money. Despite the above limitations, due to good human relations of the researcher and staff of ZamPost, sufficient data was obtained which paved way for a meaningful study.

3.8 Chapter Summary

The chapter explained research design, methods and instruments used to gather data for the study. Population sample and target population were vividly identified. The chapter further stated the method which was used to collect data. This Chapter played an important role in setting out a framework which guided the whole research process with special attention to data collection, i.e. both primary and secondary data. The data collected using this methodology was presented and analyzed in Chapter 4.

CHAPTER FOUR: RESULTS AND FINDINGS

4.0 Overview

This chapter presents the data collected, the findings, analysis and interpretation of the output. The general objective of the study was to evaluate the relationship between Human resource management Practices and labor productivity at Zambia postal services. The study was guided by the following research objectives: To examine the effect of rewards system on labor productivity ZamPost, to find out the effect of performance appraisals on labor productivity at ZamPost and to identify the relationship between performance feedback and labor productivity at ZamPost

The chapter presents an analysis of the information in the order of the administered questionnaires. The instruments used for data collection was mainly questionnaire presented quantitatively using the findings. 16 returned their questionnaire representing 100% response rate which was statistically acceptable for generalization. This response rate makes the data collected from the field more representative enough to answer the research objectives. The results are indicated in the following Table 4.1.

Table 4.1: Response Rate

Category	Target Respondents	Response	Response Rate (%)
Respondents	16	16	100
Total	16	16	100

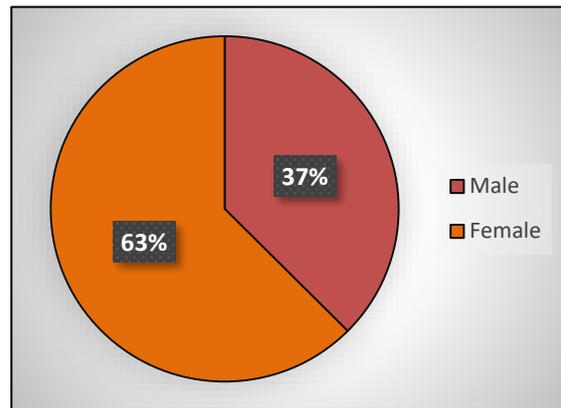
Source: Field data, 2019

4.1 Demographic characteristics of Respondents

The general information for the study comprised of the gender of the respondents, their age bracket, and work experience and education level of the respondents.

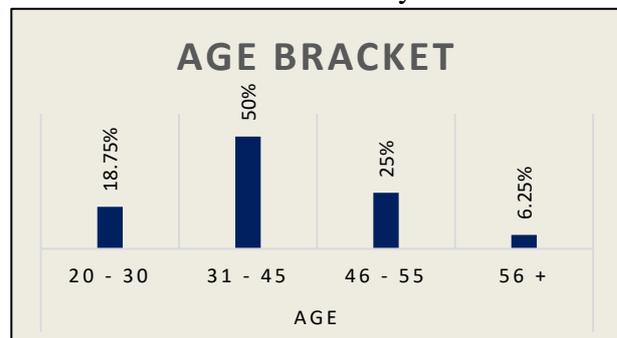
4.1.2 Gender of respondents

The researcher intended to identify the gender of the study respondents. The findings presented in Figure 4.1 showed that 62.5% of the respondents were females as compared to 37.5% males. Thus, the findings indicate that most of the respondents were female.



4.1.3 Age bracket of respondents

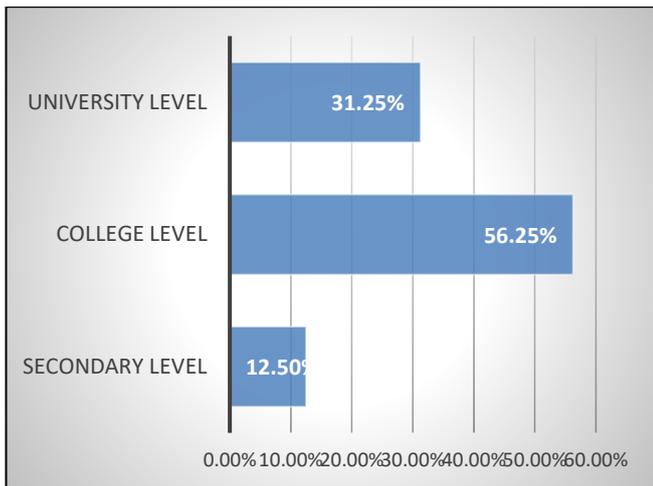
The researcher intended to identify the age bracket of the study respondents. The findings presented in Figure 4.2 below showed that 18.75% of the respondents were between the ages of 20 to 30 years, 50% were aged between 31 and 45 years, 25% were aged between 46 to 55 years and 6.25% were above 56 years old. Thus, the findings indicate that most of the respondents were more than 31 years old.



4.1.4 Education Level of Respondents

The researcher sought to find out the education level of the respondents who participated in the study. The findings in figure 4.4 below established

that 12.5% of the respondents had secondary school education, 56.25% had college level of education and 31.25% had university level of education. Therefore, the findings indicate that majority of the respondents were significantly educated.

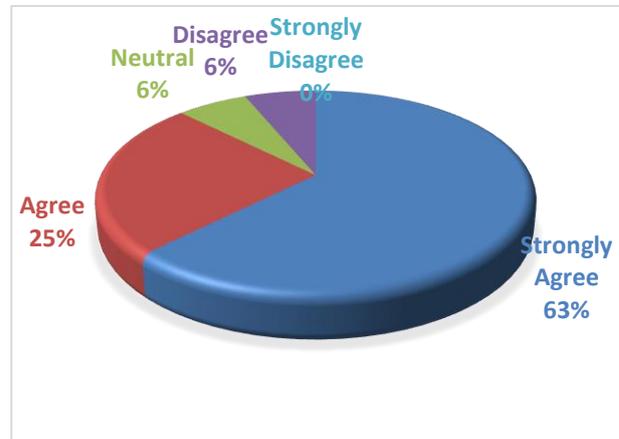


4.2 Influence of Reward Systems on labor Productivity

The study measured the influence of reward systems on labor productivity by investigating the following variables: rewards motivating employees to give their best, rewards improving labor productivity, labor productivity and job promotion, rewards motivating the attainment of targets, varied and satisfactory rewards, fair and satisfactory of the organization wage level, reward encouraging creative staff, bonuses increasing employees performance, appreciation by managers in increasing employees success at work and rewards seeking to improve the overall performance of the organization.

When respondents were asked on whether the appreciation they get from their managers increases their success at work 63% strongly agreed, 25% agreed while 6% neither agreed nor

disagreed. On the other hand, 6% disagreed to the statement as shown in figure 4.5.



4.2.1 Correlation between Reward Systems and Labor productivity

This section intended to measure the correlation between reward systems on labor productivity. The findings in Table 4.2 suggested that there was a strong correlation between the rewards provided by the organization and decision making process being highly formal in the company at ($r=0.402$, $p>0.05$). The relationship was extended to the high quality services at ($r=0.585$, $p>0.05$). There was also a significant relationship between the rewards provided by the organization and the decision making process being highly formal at ($r=0.454$, $p>0.05$), high quality services at ($r=0.654$, $p>0.05$) and the ability of the employees to be innovative at ($r=0.502$, $p>0.05$). The study also indicated that there was a significant relationship between the appreciation of employee work by managers and high labor productivity at ($r=0.590$, $p>0.05$), making being highly formal at ($r=0.472$, $p>0.01$), high quality services ($r=0.576$, $p>0.01$) and the ability of the employees to be innovative was at ($r=0.384$, $p>0.05$).

Table 4.2: Correlation between Reward Systems and Labor Productivity

		1	2	3	4	5	6	7
1	Pearson Correlation	1						
2	Pearson Correlation	.654**	1					
3	Pearson Correlation	.620**	.621**	1				
4	Pearson Correlation	.274*	.592**	.590**	1			
5	Pearson Correlation	.402**	.454**	.472**	.366**	1		
6	Pearson Correlation	.585**	.654**	.576**	.676**	.628**	1	
7	Pearson Correlation	.248*	.502**	.384**	.354**	.760**	.477**	1

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

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

Key

- | | |
|------------------------------------|-----------------------------------|
| 1=Frequent organization rewards | 5= Formal decision making process |
| 2= Occasional organization rewards | 6= High quality of services |
| 3=Manager appreciation | 7= Innovative employees |
| 4= High labor productivity | |

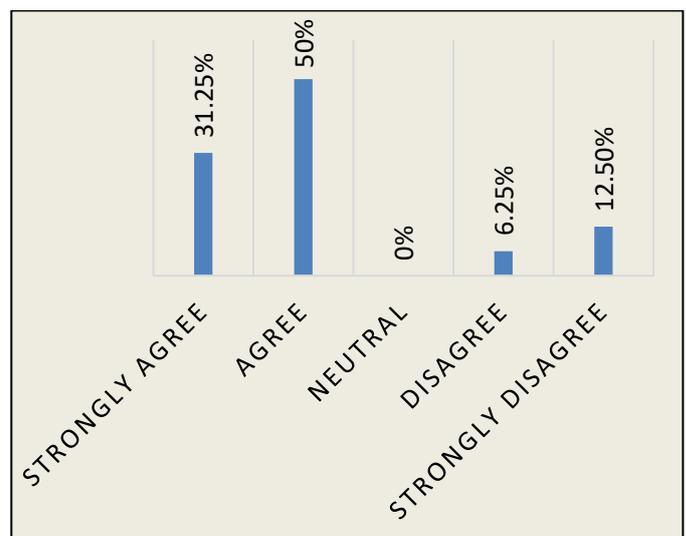
4.2.2 Influence of Performance Appraisals on Labor Productivity

The study measures the influence of performance appraisals on labor productivity by investigating the following variables: the influence of performance appraisal in making employees work harder than expected, performance appraisal making employees work at a normal pace, performance appraisal making employees work below expectation, employees agreeing with performance appraisal score, performance appraisal making employees understand what they are doing and performance appraisal used for decision making.

Out of 16 respondents 5 (31.25%) strongly agreed that performance appraisal makes them understand what they should be doing and 8 (50%) agreed to the statement. On the other hand, 1 (6.25%) and 2 (12.5%) disagreed and strongly

disagreed respectively as shown in the figure below

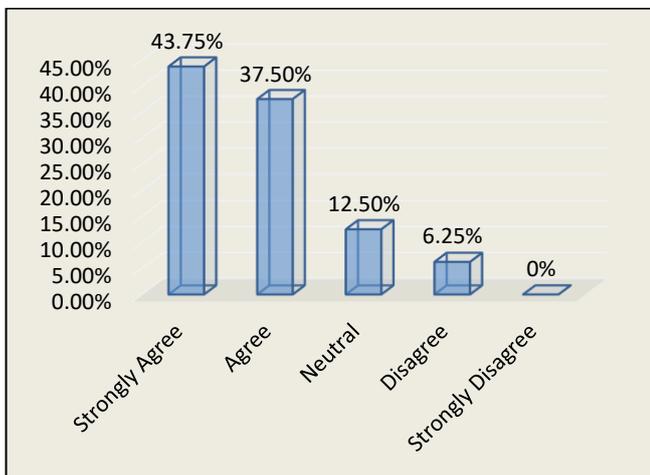
Figure 4.7: Performance appraisal makes me better understand what I should be doing



Source: Field Data, 2019

When respondents were asked the extent to which they agree with the statement that with performance appraisal they perform better than what can be expected without appraisal, 43.75%, 37.5% and 12.5% strongly agreed, agreed and neither agreed nor disagreed respectively. Only 6.25% disagreed that with performance appraisal they perform better than what can be expected without appraisal. Figure 4.8 below shows the statistics of the results.

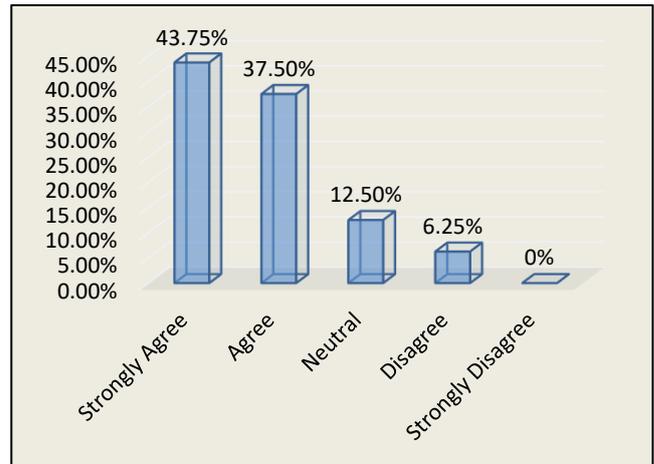
Figure 4.7: Performance appraisal makes me better understand what I should be doing



Source: Field Data, 2019

When respondents were asked the extent to which they agree with the statement that with performance appraisal they perform better than what can be expected without appraisal, 43.75%, 37.5% and 12.5% strongly agreed, agreed and neither agreed nor disagreed respectively. Only 6.25% disagreed that with performance appraisal they perform better than what can be expected without appraisal. Figure 4.8 below shows the statistics of the results.

Figure 4.8: I often perform better than what can be expected without appraisal



Source: Field Data, 2019

4.2.3 Correlation between Performance Appraisals and Labor productivity

This section intended to measure the correlation between performance appraisals and labor productivity. The findings in Table 4.4 suggested that there was a strong correlation between the performance appraisal in making the employees work below expectation due to how it is conducted and decision making process being highly formal at ($r=-0.320$, $p>0.05$). The relationship was extended to the ability of the employees to be highly innovative at ($r=-0.492$, $p>0.05$). The relationship was also a significant relationship between the performance appraisal score and the quality of the services in the company at ($r=0.437$, $p>0.05$) and performance appraisal being valuable ($r=0.478$, $p>0.05$). The study also indicated that there was a significant relationship between the performance appraisal being valuable to employee performance and the decision making process in the company being highly formal at ($r=0.397$, $p>0.05$).

Table 4.4: Correlation between Performance Appraisal and Labor Productivity

		1	2	3	4	5	6	7
1	Pearson Correlation	1						
2	Pearson Correlation	.193	1					
3	Pearson Correlation	-.198	.478**	1				
4	Pearson Correlation	-.285*	.258*	.661**	1			
5	Pearson Correlation	-.320**	.125	.397**	.787**	1		
6	Pearson Correlation	.013	.437**	.568**	.694**	.628**	1	
7	Pearson Correlation	-.492**	.094	.340**	.524**	.760**	.477**	1

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

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

Key

- | | |
|---|-----------------------------------|
| 1= Employees working below expectation | 5= Formal decision making process |
| 2= Lack of agreement on appraisal score | 6= High quality of services |
| 3= Valuable Performance appraisal | 7= Innovative employees |
| 4= Positive individual performance | |

4.2.4 Qualitative Analysis of Appraisal on Performance

Labor productivity

Considering the results from the open ended responses, the respondents indicated that the performance appraisal can be used for training and development based on the information provided. It also identifies employees' weakness and potential as well as the skills gap necessary to develop an employee ability to perform well. A number of the respondents also mentioned that the information provided by performance appraisal can overcome tribalism or seniority at the workplace to boost performance. The employee work out would increase if it is recognized on merit. For others, performance appraisal enables a person to perform well with the expectations of job promotion. Also impact tracking through assessment and employee involvement in the process was seen as significant

to improving productivity at the workplace.

4.2.5 Influence of Performance Feedback on Labor Productivity

The study measured the influence of performance feedback on labor productivity by investigating the following variables: manager giving fair feedback, manager discussing about employees' performance, organization engaging in providing positive feedback, feedback agreeing with the performance achieved, manager frequently communicating about employee performance, relevance of employee feedback, satisfaction with the organization feedback and fairness of the current performance feedback.

About 50% of the respondents agreed that their manager give them fir feedback to enhance their productivity. A lower percentage of 37.5%

strongly agreed with the statement and about 12.5% opposed the statement.

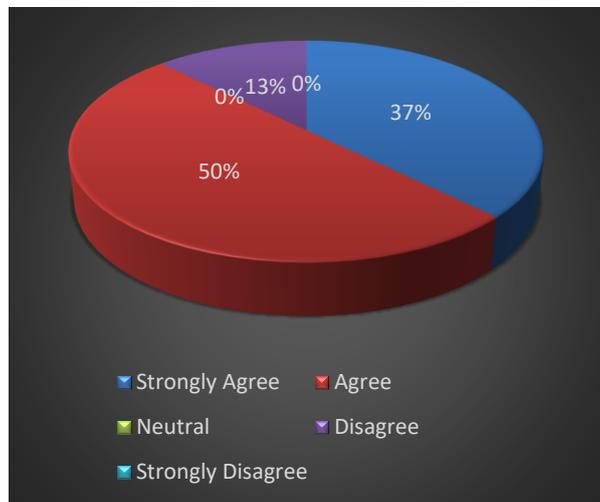


Figure 4.9: My manager gives me fair feedback

Source: Field Data, 2019

With regard to the feedback they receive 31.25% and 25% strongly agreed and agreed respectively that feedback they receive agrees with what they have actually achieved. However, 18.75% neither agreed nor disagreed with the statement and a quarter (25%) opposed the statement as shown in figure 4.10.

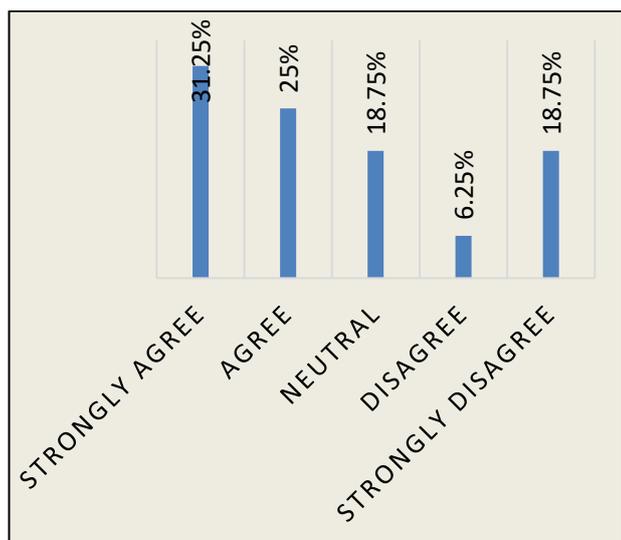


Figure 4.10: The feedback I receive agrees with what I have actually achieved

Source: Field Data, 2019

4.2.6 Chapter Summary

Chapter 4 showed the collected data and the results that were found after analysis. The chapter gives details of the data collected by explaining the meaning of the data presented and giving the meaning the results. The following chapter gives discussions of the results that have been presented in this chapter and thereafter make conclusions and give recommendations

CHAPTER FIVE: DISCUSSIONS, CONCLUSIONS & RECOMMENDATIONS

5.0 Overview

In this section, the researcher provides a discussion on the findings of the research as compared to the findings in the literature review, the summary of the study and recommendations for further improvement on identifying the measures to be taken in investigating the relationship between Human resource management Practices and labor productivity. The research is concluded on the basis of the conclusions drawn from the research objectives.

In regards to the influence of performance appraisals on labor productivity, the findings suggested that employee appraisal leads to improved productivity. Performance reviews are focused on employee contributions to the organizational goals. Performance appraisal gives the staff the opportunity to express their ideas and expectations for meeting the strategic goals of the company. Performance appraisal could be an effective source of management information in decision making. An effective appraisal system can enhance the interest and performance of the employees leading to the completion of specified work or for attaining or exceeding specified performance goals.

In regards to the influence of reward systems on labor productivity, the findings suggested that

employees can be rewarded to meet target productivity levels. The opportunity by the manager to formally recognize good employee performance leads to work motivation. Reward opportunities encourage staff to be creative and innovative. The use of reward system has been an essential factor in any company's ability to meet its goals. When good performance is observed and then rewarded, the chances of it being repeated are increased, while poor performance is discouraged to decrease the chance of it happening again. Rewards in the form of bonuses leads to greater task interest and performance. Job promotion can improve the employee performance in the organization.

In regards to the influence of performance feedback on labor productivity, the findings indicated that effective feedback is essential for any organization to meet its target. Effective feedback on performance measurement may translate to improved labor productivity. Feedback enables the employees to be aware of what exactly is expected from them. It is essential to communicate and clearly explain the purpose of the appraisal process for enhanced productivity. An effective performance feedback reflects the contribution of the individual employee performance and their level of efficacy in the attainment of the organization goals. Effective performance feedback between employees and supervisors is the key to successful organization productivity and ventilation.

Adequate feedback builds accountability, since employees and supervisors participate in developing goals, identifying competencies, discussing career development and employee motivation.

5.1 Influence of reward system on labor productivity

Majority of the respondents agreed that the reward system have a significant influence on labor productivity. The reward system positively caused major variation in labor productivity. Similarly, Derven (2010) suggests that rewards through performance appraisal gives an opportunity to the manager to formally recognize good performance and this would lead to motivation. Jackson and Schuller (2012) adds that the provision of rewards in performance appraisal indicates a clear job target, the standards and priorities to ensure more trust in the identification of strengths and the improvement of labor productivity.

A significant proportion of the respondents agreed that the appreciation by managers increases their success at work. The opportunity by the manager to formally recognize good employee performance leads to work motivation (Derven, 2010). It is important to recognize employees' efforts rather just only results. Supervisors should focus on rewarding positive behaviors and results (Derven, 2010). Also, tangible rewards enhance motivation when they are offered to people for completing work or for attaining or exceeding specified performance goals. A number of the respondents agreed that varied rewards encourage employees to be creative. Similarly, Mone and London (2010) explains that the rewards given for creativity encourage generalized creativity in other tasks; reward systems should support the new dynamics of team-based organizations and reward the right kind of team behavior and performance; reward systems should recognize both the importance of co-operation and the variances in individual performance. Gichuhi, Abaja and Ochieng (2014) however warn that problems can occur when reward systems stress individual results even though people have worked together in teams.

Majority of the respondents agreed that bonuses increases labor productivity. Rewards in the form of bonuses leads to greater task interest and performance. Similarly, Randell (2014) reports implicitly that when good performance is observed and rewarded, the chances of it being repeated are increased, while poor performance is discouraged. Most of the respondents also agreed that the rewards provided by the organization sometimes serve to improve their productivity. Important issues that help ensure a successful reward process are used effectively to enhance interest and performance without undermining the performance and interest of the employees. However, small proportion of the respondents agreed that the rewards were varied and satisfactory. Mone and London (2010) suggest that employees should be adequately rewarded for exceptional performance using varied rewards.

A significant number of the respondents agreed that the organization influenced their productivity by linking the reward on job promotion. This suggests that job promotion can improve the employee performance in the organization (Jackson and Schuller, 2012). This also means increased employee motivation. A small proportion of the respondents agreed that the rewards motivate them to timely complete their duties. This may mean that performance feedbacks is delayed and not timely delivered. Few respondents agreed that their wage level was equitable and satisfactory to the degree of their performance. This means that the employees may not be motivated to give their best. Mone and London (2010) study found that that unfair evaluation of employee performance makes them feel insecure or discouraged leading to the development of poor relationship between the employer and employee.

5.1.1 Influence of Performance Appraisals on labor Productivity

The results generally reflected that performance appraisal have a positive influence on labor productivity. Performance reviews are focused on employee contributions to the organizational goals. Similarly, Derven, (2010) suggests that the outcomes of performance appraisal can lead to improvements in work performance and therefore overall business performance via, for example increased productivity or customer service. Malcolm and Jackson (2002) add that the benefits of performance appraisal are the identification of high performers and poor performers as well as the identification of strengths and development areas.

A significant proportion of the respondents agreed that the performance appraisal makes them understand what they should be doing. With performance appraisal, the employees' can find what is expected from them and the consequences of their performance. Ideally they receive a fair and analytical feedback for their performance. Similarly, Derven (2010) explains that performance appraisal helps to rate the performance of the employees and evaluate their contribution towards the organizational goals as well as to align the individual performances with the organizational goals and also review employees' performances.

A large number of the respondents agreed that with performance appraisal they perform better than what can be expected without appraisal. Similarly, Mullins (2009) suggests that performance appraisal takes into account the past performance of the employees and focuses on the improvement of the future performance of the employees. This means that performance appraisal is valuable to labor productivity in the organization. Mullins (2009) adds that performance appraisal can help to identify

inefficient work practices or reveal potential problems, which are restricting the progress of the company. Derven (2010) and Mullins (2009) suggest that performance appraisal can help the organization to identify the talented employees and future leaders in the company. This can directly increase the profitability of the company.

5.1.2 Influence of Performance Feedback on labor Productivity

There was a significant relationship between performance appraisal and labor productivity. The findings indicated that the performance feedback positively caused major variation in labor productivity. Effective feedback is essential for any organization that has the intention of meeting its target. Effective feedback on performance measurement may translate to improved labor productivity. Regular feedback helps employees focus on their work activities to achieve the organizational goals (Solmon and Podgursky, 2010). Similarly, Derven (2010) suggests that feedback enables the employees to be made aware of what exactly is expected from them and Armstrong (2006) recommends that the appraisal method must be simple and easily understandable for all people in the organization.

A large proportion of the respondents agreed that they enjoy discussing their performance with people outside. It is essential to communicate and clearly explain the purpose of the appraisal process for enhanced productivity. Derven (2010) recommends that performance feedback should be clearly and timely communicated to the employees for enhanced productivity. Also, the rater may affect the productivity of the employees. A large number of the respondents agreed that their manager give them fair feedback to enhance their productivity. On the other hand, many errors based on personal bias like stereotyping, halo effect may affect the feedback process.

Dzinkowski (2010) suggests that for enhanced productivity the rater is supposed to exercise objectivity and fairness in evaluating and rating the performance of the employees.

A significant number of the respondents agreed that the feedback they receive agrees with what they have actually achieved. This means that the organization has formal evaluation systems and the managers to apply the systems in place. An effective performance feedback reflects the contribution of the individual employee performance. A number of the respondents agreed that the current performance feedback in the organization was fair and unbiased. Bannister and Balkin (2010) recommends that performance appraised feedback should have greater acceptance of the appraisal process and makes the employees feel more satisfied with their performance.

5.2 Conclusion

5.2.1 Influence of Reward Systems on Labor Productivity

The findings suggested that employees can be rewarded to meet target productivity levels. The opportunity by the manager to formally recognize good employee performance leads to work motivation. Reward opportunities encourage staff to be creative and innovative. The use of reward system has been an essential ingredient in any company's ability to meet its goals. When good performance is observed and then rewarded, the chances of it being repeated are increased, while poor performance is discouraged to decrease the chance of it happening again. Rewards in the form of bonuses leads to greater task interest and performance. Job promotion can improve the employee performance in the organization.

5.2.2 Influence of Performance appraisals on Labor Productivity

The findings suggested that employee appraisal leads to improved productivity. Performance reviews are focused on employee contributions to the organizational goals. Performance appraisal gives the staff the opportunity to express their ideas and expectations for meeting the strategic goals of the company. An effective appraisal system can enhance the motivation and performance of the employees leading to the completion of specified work or for attaining or exceeding specified performance targets.

5.2.3 Influence of Performance Feedback on Labor Productivity

The findings indicated that effective feedback is essential for any organization to meet its target. Effective feedback on performance measurement may translate to improved labor productivity. Feedback enables the employees to be aware of what exactly is expected from them. It is essential to communicate and clearly explain the purpose of the appraisal process for enhanced productivity. An effective performance feedback reflects the contribution of the individual employee performance and their level of efficacy in the attainment of the organization goals. Effective performance feedback between employees and supervisors is the key to successful organization productivity. Adequate feedback builds accountability, since employees and supervisors participate in developing goals, identifying competencies, discussing career development and employee motivation.

5.3 Recommendations

The study recommends that the performance appraisal should be optimized to improve the performance of the employees. Performance reviews should be focused on the contributions of the individual employees to meet the

organizational goals. Performance appraisal should be encouraged among the employees to express their ideas and expectations for meeting the strategic goals of the company.

The study also recommends that effective feedback should be used by an organization to meet the organization target. There should be an effective performance feedback that would translate into improved labor productivity. There should be a formal evaluation system and the managers to apply the systems in place to accept the performance scores. Adequate performance feedback should build accountability for enhance labor productivity.

The financial challenges being faced by ZamPost has led to the ineffective reward system which in turn sparked countrywide strikes due to unpaid salaries. Therefore, the study recommends that the organization should reward the employees for enhanced productivity levels. For every opportunity possible, the manager should formally recognize good employee efforts for enhanced work performance. The reward system should be varied to encourage the staff to be creative to meet the organization goals.

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