

ABSTRACT

Performance appraisal is the periodic evaluation of an employee's performance measured against the job's stated or presumed requirements. Performance appraisal has been linked to employee performance and effectiveness in work output. The purpose of this study was to determine the effect of performance appraisal on the employee performance in Hotels in Embu County. The objectives of the study were; to determine the effects of performance appraisers on employee's performance, to establish the effect of job satisfaction on employee performance and to identify the challenges in appraising employee performance. The study adopted a descriptive research design to collect data from 88 target population. The study sampled 73 respondents by the use of purposive sampling method. The study used self-administered questionnaires to collect data. The data was then analyzed using descriptive statistics such as frequency distribution and percentages. The data was presented by use of pie charts, graphs and tables. The study established that the performance appraisal practices through fair compensation, job security and management support, employees' productivity has been enhanced through job satisfaction. The study further established that different raters can be involved during the performance appraisal process in order to ensure that the employees are evaluated effectively based on their job performance. The study also revealed that during performance appraisal process there are a number of challenges to be experienced which might affect the performance of the employees. The study recommended that: the Hotel should look for best practices of performance appraisal that will be appealing to the employees. The Hotel should also include different raters during the performance appraisal process in order to effectively measure the employee performance and also to avoid errors associated with the evaluation process that can be based on one rater. The hotel should also be aware of the challenges that may occur during the performance appraisal and learn how to avoid them in order to facilitate employee performance. The research study also recommends that further studies to be carried out in different hotels in Kenya in order to determine other determinants of performance.