

Evaluating The Performance Appraisal System In The Bank Of Botswana

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INTRODUCTION

Performance appraisal (PA) has remained an important topic of investigation among organizational researchers (Poon, 2004:322). That notwithstanding, there is evidence to indicate that there is widespread dissatisfaction with performance appraisal systems across industries (Fletcher, 1992; Fletcher, 2002; Strebler et al., 2001). According to extant researchers, appraisal schemes promote worker behaviour that compromises quality; they create a band of discouraged workers who cease trying to excel; they assign an inordinate amount of responsibility for poor performance to individual employees; they rob the workers of their pride in workmanship; they assume a false degree of measurement accuracy; they engender dysfunctional employee conflict and competition; they underemphasize the importance of the work group; and they are often used as a managerial "Theory X" control device (Deming, 1986 cited in Roberts, 2003: 89; Deming, 1986; Moen, 1989; Scholtes, 1995; Boudreaux, 1994; Gerst, 1995; Nicols, 2000). As a result, Bernardin and Beatty (1984) emphasise the need for adequate control procedures in order to assure higher levels of perceived trust in the appraisal process.

This paper seeks to appraise the performance appraisal system in the bank of Botswana; identify the effectiveness of the appraisal process and identify challenges facing the existing appraisal system.

REVIEW OF RELATED LITERATURE

PURPOSES OF PERFORMANCE APPRAISAL

Performance appraisals have administrative (Analoui and Fell, 2002) and motivational purposes (Beer and Ruh, 1976). They serve several purposes (Kumar, 2005:02; Millmore et al., 2007: 527). These purposes include: (1) To let subordinates know formally how their current performance is being rated; (2) To identify subordinates who deserve merit raises; (3) To locate individuals who need additional training; (4) To identify candidates for promotion; (5) To identify the scope for performance improvement and the means to achieve it; (6) To serve as a source of information for management to make decisions about promotions, salaries, training needs, and training support (7) As a means of managerial control, through the setting of objectives; and (8) To facilitate personal improvement and development.

Hence, organizations need to rate their employees so that people can be identified to assume positions of leadership or be acknowledged for rewards when appropriate (Gibbons and Kleiner, 1994). However, Becker et al. (2001) emphasize that performance appraisal systems are incoherent in terms of what is measured and what is important. Human resource managers have to be able to understand exactly how people contribute to a company's results by being valuable and how to measure this contribution.

ESSENTIAL FEATURES OF AN EFFECTIVE PERFORMANCE APPRAISAL SYSTEM

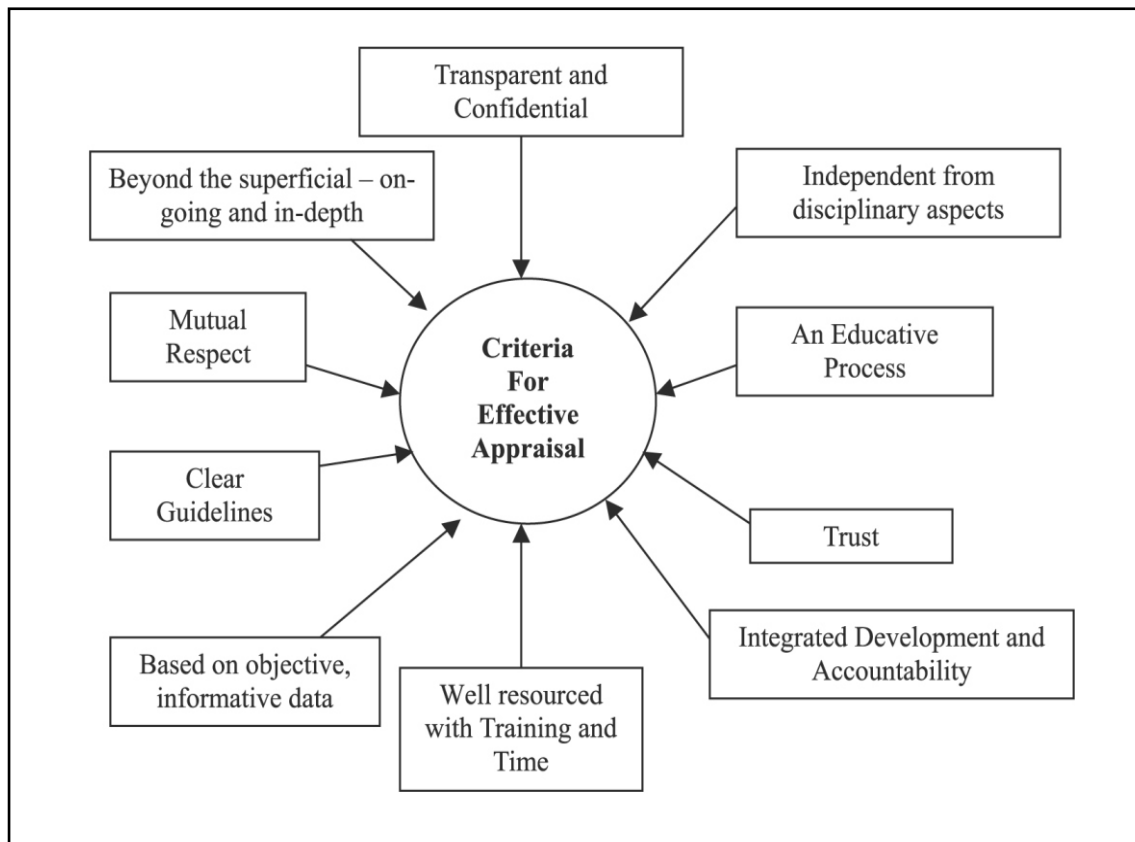
Appraisal systems possess certain definitive useful functional and strategic information and results for the organization, its managers, and its employees. However, development of an effective appraisal system is not an easy chore (Boice and Kliener, 1997). According to Piggott-Irvine (2003) *"Effectiveness occurs when the appraisal interactions are non-controlling and non-defensive, but are supportive, educative and yet confidential. Effective*

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appraisal is underpinned by a relationship of respect and has outcomes directly linked to improved learning and teaching. He narrates that effectiveness is also linked to appraisal processes and information that has clarity, objectivity and high integrity, where deep development is a goal rather than a quick-fix expedience.” See figure 1.

Figure 1: Elements Of Appraisal Effectiveness



Source: Eileen Piggot-Irvine (2003;173)

Smither (1998) argues that one factor that contributes to an effective performance appraisal system entails ensuring that the system focuses on performance variables as opposed to personal traits. Thus, while on one hand, experts disagree about whether performance should be measured in terms of the results produced by employees (e.g. Bernadin and Beatty, 1984; Kane et al., 1995) or in terms of work related behaviours (e.g. Latham, 1986; Murphy and Cleveland, 1991), on the other hand, they agree that measuring personal traits has several drawbacks. Performance appraisal based on personal traits is highly suspect, because the rater's perceptions of the traits being assessed are affected by his/her opinions, biases and experiences that may have little to do with the particular employee (Squires and Adler, 1998). Furthermore, based on his review of the findings from several court cases involving performance appraisal, Malos (1998) concluded that, to be legally sound, appraisals should be job related and based on behaviours rather than traits (Millmore et al., 2007; 537).

The effective performance appraisal should provide the opportunity for the supervisor and employee to promote the achievement of individual and organizational goals. That is, effective performance appraisal serves to clarify performance standards and expectations and provides the medium for supervisors and employees to negotiate and mutually agree upon goals (Katzell, 1994).

Performance appraisal should be an important component of both -the organization's success on planning program and the individual employee's career self-management (Squires and Adler, 1998). Another important component of effective performance appraisal relates to the frequency and nature of supervisor feedback.

According to Henderson, (1984) and Meyer (1991) to be more effective, a continuous performance based feedback process should exist between superiors and subordinates and should include two-way communication and negotiation

between the supervisor and employee (Smith, 1987). Similarly, Kane et al. (1995) suggested that in providing feedback, supervisors should allow employees the opportunity to show their insights and evaluations concerning their own performance. Thus, effective performance feedback should involve, inform and motivate employees and create improved supervisor-employee communications (Villanova et al., 1993).

Boice and Kleiner (1997) assert that development of an effective PAS requires strong commitment from top management. If the system does not provide the linkage between employee performance and the organizational goals, it is bound to be less than completely effective. To build linkages, employees must have individualized objectives and the performance criteria which allows them to relate directly to the organization. Objectives should be developed jointly between the supervisor and the employee. Once the objectives are determined, appraisals should be performed frequently to help build the direct link. Boice and Kleiner (1997) further believed that it is important that the support documentation for performance should be maintained by both the supervisor and the employee in order for that appraisal process to be conducted in a productive manner. Therefore, an effective system of performance appraisal PAS is a major component of an organization that allows every employee to feel that his/her contribution has contributed to the success of the organization and a desire to add success.

According to Lukas (2007), the requirements of an effective appraisal system are: Relevance, Sensitivity, Reliability, Independence, Acceptability And Practicality. Consistent with this perspective, Caruth and Humphreys (2008:25) further identify eleven characteristics of an effective employee performance appraisal system. These are: Formalization, Job Relatedness, Standards And Measurements, Validity, Reliability, Open Communication, Trained Appraisers, Ease Of Use, Employee Accessibility To Results, Review Procedures, And Appeal Procedures.

An effective performance appraisal system should be based on definite written policies, procedures, and instructions for its use (Lochar and Teel, 1988). General information about the system should be given to all employees through a circular or separate memorandum. All factors used to evaluate performance must flow from the jobs that are being appraised and not on traits or personality characteristics (Allan, 1994). These factors must be susceptible to standardized definition and uniform interpretation by all appraisers (Martin and Bartol, 1998). Such standardization will be necessary to enhance the reliability of the appraisal process for control purposes.

Because jobs differ in content and expected results, it is important that organizations develop different sets of performance appraisal that will cover specific task/ jobholders (Marsden, 1999). This approach will significantly improve the firm's ability to measure their strategic objectives in terms of key performance indicators. Performance measurement is valid if it measures what it purports to measure. The system employed or the method used is valid if it measures what it is designed to measure: actual job performance as compared with the established standards. Employees who consistently produce high output should consistently receive a higher rating than employees whose output is lower. Unfortunately, most performance appraisal systems have not been subjected to statistical validity studies. If the performance appraisal system is to function as a control metric, organisations must take great care in establishing the validity of the method. A performance appraisal system that does not consistently measure work performance accurately cannot be considered an effective one (Marsden, 1999). High performance must consistently receive a high rating, just as low performance must consistently receive a low rating for the measurement system to be considered reliable (Longenecker and Fink, 1999). All employees have a need to know how well they are performing (Lee, 2005). An effective performance appraisal system assures that feedback is provided on a continuous basis, in the form of daily, weekly, and monthly comments from an employee's supervisor or manager (Lee, 2005). Hence, for any performance appraisal system to be effective, this ongoing feedback must be emphasized to performance appraisers (Longenecker and Goff, 1992). In addition, thorough training, as well as periodic updating and retraining, of all individuals in the organization who conduct evaluations must be done (Allan, 1994), and the organization should develop a performance appraisal system that is not complex to be effective (Longenecker and Fink, 1999). To eliminate any problems of bias, discrimination, favoritism, or the like, a performance appraisal system needs to include a review mechanism. (Allan 1994 in Curath and Humphrey (2008:29)). The next higher level of management, usually the evaluator's immediate supervisor, should automatically review all evaluations of employees made by subordinate managers. The purpose of this managerial review is for the purpose of auditing the evaluation for fairness, consistency, accuracy, and assuring that the evaluator has carried out his or her function objectively.

Lastly, organizations should have appraisal appeal procedures. An appeal process would seem to serve three purposes: (1) It protects employees from unfair appraisals; (2) It protects the organization from potential charges of

unfairness; and (3) It helps assure that appraisers to do a more conscientious job of evaluation because they know their appraisals are subject to examination by others in the organization.

CHALLENGES OF PERFORMANCE APPRAISAL

A major and recurrent criticism of performance appraisal systems is their openness to subjectivity and discrimination. Subjectivity is more likely to arise from the day-to-day behaviours and practises of those involved in the process of appraisal than the policies and procedures developed to guide that practise (Brown and Heywood, 2005). PAS is often judged subjectively because performance in many jobs is not amenable to objective assessment. Such subjectivity enables a rater's personal agenda to drive the appraisal rating process. (Ferris and Judge in Poon (2004:323)). Subjectivity can also become a problem when appraiser and appraisee are colleagues. Hanuabuss (1991) stated that working with and for people we know, their good and bad points become obvious and it is often impossible to detach an appraisal interview from all the other interactions which the employees have had over the past period. Hence, the implementation of an effective Performance Appraisal programme is complicated by the difficult task of obtaining a truly fair and accurate appraisal of an employee (Poon, 2004:323, Gibbons and Kleiner, 1994). Problems associated with Performance Appraisal (PAS) include the lack of agreement on appropriate appraisal criteria, concerns over the validity and reliability of evaluation methods, and the negative perceptions of employees towards the appraisal system (Peterson, 2000).

METHOD AND PROCEDURES

A descriptive research design, cross-sectional in nature, was applied in the investigation. The approach was used because of the need to obtain the employees' perception and experiences pertaining to the existing performance appraisal system (Creswell, 2007; 40). Besides, the approach was found appropriate since the study sought to explore where and why performance appraisal policy and practice were at odds. The sample for the investigation was drawn from a population of 417 employees of the Bank of Botswana, all from nine departments. Proportionate stratified sampling was used to select representative units of measurement. The sampling frame was divided into non-overlapping groups or strata, and a simple random sample was taken from each stratum. A questionnaire was then distributed to the random sample of 79 respondents from the nine (9) departments. Stratified sampling ensured better representativeness of the population and reduced the probable sampling error as it ensured that different groups in the population were adequately represented (Babbie, 1990: 94). The size of the sample was influenced by its heterogeneity and the population size.

Table 1: Population And Sample Size

Departments	Population	Sample
Accounting Department	47	9
Payments & Settlements	45	9
Human Resources	33	6
Research	50	10
Financial Markets	26	5
Banking Supervision	53	10
Banking Department	70	13
Technical Services	26	5
Security Department	67	13
Total	417 =100%	79= 19% Of 417

The survey questionnaire was chosen since it was found to be efficient and a tested means of assessing information about large populations, especially in instances where individual perceptions as for the current investigation were sought (Cassell et al., 2002). To avoid delay in the data collection process, a drop-off and pick-up method of the questionnaires was adopted (Ibeh et al., 2004). The questionnaire had a combination of both open-ended and closed questions.

RESULTS

Findings from the survey data were presented and analyzed to construct an understanding of the existing appraisal system in the bank. The empirical results cover the employees' demographic profile; purpose of performance appraisal; appraisal process, essentials of performance appraisal; challenges of performance appraisal and employee attitudes towards performance appraisal in the bank.

RESPONSE RATE

A total of seventy - nine (79) questionnaires were distributed to participating employees but only seventy (70) were completed and returned, thus yielding 88.6% response rate.

DEMOGRAPHICS

Majority of the employees fell in the age group 31-50 (72.8%), while 6 (8%) were new entrants into the organization. The number of male participants were thirty (43%) and females were forty (57%). Thirty-three (47%) respondents were at the clerical level, twenty (40%) were supervisors while nine (13%) were at the managerial level. In the educational category, nine (13%) of the respondents were Cambridge holders and below, twenty-five (36%) were Diploma holders, fourteen (20%) participants were first degree graduates while twenty two (31%) were masters degree holders and above.

PURPOSE OF APPRAISAL

The analysis of data on the purpose of performance appraisal revealed that the system was used to identify employees for promotion (61%) and to decide on salary awards (93%). Contrary to common belief, 78.6% of the respondents indicated that the appraisal system was not used to weed out incompetent employees.

EFFECTIVENESS OF THE PERFORMANCE APPRAISAL SYSTEM

On the effectiveness of the bank's performance appraisal system, 48% of the respondents indicated that the appraisal was based on work related behaviours, while 33% of the respondents indicated that the system was not fair and transparent. The investigation revealed that the appraisal focused on the individual traits as opposed to work related results.

EMPLOYEES' PERCEPTIONS ON PERFORMANCE APPRAISAL SYSTEM AT THE BANK

The results from the study revealed that the bank employees felt that: "proper feed-back" is important for performance improvement; appraisal encourages accountability; appraisal identifies areas of weaknesses and strengths and that appraisal motivates employees and increases awareness of the job requirements. In particular, 40% of the respondents indicated that performance outcomes were linked to pay. However, 64% of the participants indicated that performance rewards did not always show a positive reflection of the performance appraisal outcomes. This led to poor relationships between appraisees and appraisers. Some employees claimed that performance appraisal had led to demotivation and low morale in certain departments due to differential rewards.

CHALLENGES OF PERFORMANCE APPRAISAL

Participants in the study were asked to identify challenges facing the existing performance appraisal system. They were provided with items and were asked to rate each one on a scale of 5 to 1 depending on how they viewed them (5=strongly agree; 4=agree; 3=neutral; 2=disagree and 1=strongly disagree). 47% of the respondents agreed that they understood the process of the appraisal exercise, while 35% did not understand the system. Furthermore, 74.3% of the respondents thought that most of the evaluators were incompetent. 58.6% of the respondents felt that the appraisers do not provide guidance on the appraisal process. Also, according to 71.4% of the respondents, there was a general feeling that the system was not consistent.

DISCUSSION

Performance appraisals are essential for the effective management and evaluation of staff. However, the appraisal process should aim at judging the *performance* of the employee rather than the *employee himself*. The appraisals enable management to monitor and control standards, agree on expectations and objectives, and delegate responsibilities and tasks. Staff performance appraisals also establish individual training needs and enable organizational training needs analysis and planning. Performance appraisals typically feed into organizational annual pay and grading reviews, which commonly also coincide with the business planning for the next year. Performance appraisals are also essential for career and succession planning, for staff motivation, attitude and behaviour development, and for fostering positive relationships between management and staff. Performance appraisals provide a formal, recorded, regular review of an individual's performance, and a plan for future development (Kumar, 2005:02; Millmore et al., 2007; 527).

However, the response to the research question on what specific functions the appraisal process served in the bank received mixed results. Both managers and their subordinates believed that the appraisal process served one or more of the following: **1)** Allowed employees' to provide input about their jobs; **2)** Informed employees of where they stand; **3)** Helped to clarify the employees' performance and objectives; and **4)** Facilitated the discussion of the employees' development. Given employee needs for feedback, direction, role clarity, job involvement, and development, these were very positive findings. Further, the survey revealed that the system was used to decide on salary award (78.6%), with 78.6% of the respondents indicating that the system was not used when identifying staff for development. It also emerged that the system was not used to determining whether the banks' policies were being implemented or to weed out incompetent employees (78.6%).

An effective performance appraisal system should be based on definite written policies, procedures, and instructions for its use (Lochar and Teel, 1988). All factors used to evaluate performance must flow from the jobs that were appraised and not on traits or personality characteristics (Allan, 1994). According to Smither (1998), an effective performance appraisal system entails ensuring that the system focuses on performance variables as opposed to personal traits. Accordingly, 61.4% of the respondents indicated that the appraisal system in the bank was based on performance variables, and not on individual traits. The validity and reliability of trait based performance appraisal is highly suspect, because the rater's perception of the traits being assessed are affected by his/her opinions, biases and experiences that may have little to do with the particular employee (Javel, 1998). Effective performance appraisal serves to clarify performance standards and expectations as stated by Lowenberg and Conrad (1998) and provides the medium for supervisors and employees to negotiate and mutually agree upon goals (Katzell, 1994; Latham and Wexley, 1981). 64.3% of the respondents agreed that the appraisal system in the bank was based on set and agreed targets. According to Henderson, (1984); Meyer (1991) and Lee (2005), all employees have a need to know how well they are performing. An effective performance appraisal system assures that feedback is provided on a continuous basis, in the form of daily, weekly, and monthly comments from an employee's supervisor or manager. Hence, for any performance appraisal system to be effective, this ongoing feedback must be emphasized to performance appraisers (Longenecker and Goff, 1992). Responses on feedback on the appraisal results indicated that there was no continuous feedback, although 27.1% indicated otherwise. According to Lukas (2007:2.25), an effective Appraisal System should be relevant, reliable, acceptable and practical. Consistent with this perspective, Caruth and Humpreys (2008:25) identify further characteristics of an effective performance appraisal system that include it being formal, job related, valid and reliable, easy to use, fair and have open communication, trained appraisers, and review and appeal procedures. 64.3% of the respondents indicated that the appraisal system in the bank was unreliable. In addition, 74.3% of the respondents indicated that the appraisers were not well trained while 42.9% of the respondents indicated that review and appeal procedures did not exist. To eliminate any problems of bias, discrimination, favoritism, or the like, a performance appraisal system needs to include a review mechanism. (Allan 1994 in Caruth and Humprey (2008:29)). The next higher level of management, usually the evaluator's immediate supervisor, should automatically review all evaluations of employees made by subordinate managers. The purpose of this managerial review is to audit the evaluation for fairness, consistency, accuracy, and assuring that the evaluator has carried out his or her function objectively. 71.4% of the respondents indicated that the existing appraisal system was not simple to use, nor did the system make it easy to access appraisal results (52.9%). However, most of the respondents (77%), agreed that the appraisal results were counter checked by the immediate superiors. Murphy and Cleveland (cited in

Cook and Crossman, 2004:526) identified that a basic requirement for an effective PAS is that it should be accepted as fair by everyone in the organization. Fairness takes several forms relating to the process used to make PA decisions and distributive outcomes from that process. Judgements about fairness can only be based on an individual's expectations and comparison of process outcomes with reference individuals within the organization. 64% of the respondents indicated that the reward outcomes did not always show a positive reflection of the performance appraisal outcomes. As for challenges facing the existing performance appraisal system, the findings of the investigation indicated that 47% of the respondents understood the system while 36% did not. Accordingly, this suggests that the bank has failed to train the employees, hence complications arise and users are dissatisfied. Further, 74% of the respondents reported that their evaluators were not competent enough to handle the appraisal system. Those who perceived the supervisors to be incompetent accused them of biasness and were afraid of accounting for higher ratings to their supervisors. This finding was in line with other researchers who stated that raters may manipulate ratings as a means to satisfy personal goals and to accommodate contextual demands. Such subjectivity enables a rater's personal agenda to drive the appraisal rating process, Ferris and Judge in Poon (2004:323). However, the bank has tried to eliminate problems of biasness, discrimination, favoritism, and the like by having the next level management reviewing the appraisal results presented by the supervisors. This was in line with results of previous researchers that a performance appraisal system needs to include a review mechanism (Humprey, 2008:29) by the next higher level of management, usually the evaluator's immediate supervisor. Notwithstanding this, 61.4% of the respondents reported the system to be inconsistent. It was noted that for a similar rating, employees in different departments got different salary increments. Hence, this difference de-motivated employees. According to Marsden (1999), a performance appraisal system that does not consistently measure work performance accurately could not be considered an effective one. High performance must consistently receive a high rating, just as low performance must consistently receive a low rating for the measurement system to be considered reliable (Longenecker and Fink, 1999). Hence, the bank has to apply consistency for its system to be effective. Furthermore, for an appraisal system to be effective, employees must believe that they have an opportunity for meaningful input into the appraisal process, but only 48% of the respondents indicated that they are offered the opportunity to provide input to the preparation of their appraisal evaluations. Further, only 36% of the respondents indicated that their supervisors discussed the content of their appraisal outcomes. Hence, this confirms previous findings that regardless of the nature of employee input, giving employees a voice in their own appraisal enhances the perceived fairness of the appraisal process that, in turn, increases the likelihood that employees will accept the appraisal system as a legitimate and constructive means of gauging their performance contributions. Hence, the bank system was designed to appraise, reward, motivate and develop but actually have the opposite effect and create frustration and resentment among the employees. According to Allan, 1994, the organization should provide training, as well as periodic updating and retraining of all individuals in the organization including those who conduct evaluations. But, the negative ratings by the respondents on the appraisal process indicates that majority of the employees do not understand the appraisal process. 47% of the respondents indicated that they did not understand the link between performance and reward outcomes such as promotions, training and salary increases. The data also indicates that 58.6 % of the respondents do not understand that self evaluation was an important aspect of the appraisal process. Further, all factors used to evaluate performance must flow from the jobs that are being appraised (Allan, 1994), but the figures provide contrary information. For example, 47% of the respondents indicated that they did not recognize the guidelines for gathering feedback about their performance and 42.9% of the respondents did not understand the expectations of their work. 64.3% of the respondents indicated that they did not know the objectives and priorities of the bank. Therefore, failure to involve users in the performance management planning phase, complexity of evaluation forms, absence of written information explaining the department's appraisal philosophy and provision of detailed instruction provokes resentment in users (Lukas, 2007:2.26). Hence, the bank employees are resentful to the current PAS.

Boice and Kleiner (1997) stated that an effective PAS requires strong commitment from top management, but majority of the respondents (60%) indicated that they did not obtain support from the management to ensure that they achieve their assigned objectives. Further, 42.9% of the respondents indicated that they were not aware of the performance standards which are applicable to their jobs. In addition, the above negative results could be because of the complexity of the system, hence the need to revise the system. For a performance appraisal system to be effective, it must not be complex. (Longenecker and Fink, 1999), The practice of linking rewards to performance appraisal

results has been found to be one of the most unclear and controversial issues in the related extant studies. According to Bannister and Balkin (1990), *“Pay increases and promotions send powerful messages to employees. If these messages do not match up with the appraisal results, employees are quick to dismiss the process as a farce. 77% of the respondents indicated that they did not understand the system used to link performance outcomes and the related pay. Efforts have been made to convince the employees otherwise, but the “bottom line” for many is who got the extra money or who got the new job?”* The pay-for-performance effect is clearly rooted in the equity theory (Ching & Hahn, 2004; 399) that emphasizes employees' perception of fairness. According to the theory, employees will perceive a practice to be fair or equitable when their input-output ratio is equal to that of a referent. When paid in accordance to individual performance, it is likely that employees perceive fairness or justice in the ratio. 64.3 % indicated that the system used is unfair and not transparent. 70% of the respondents indicated that salary increase or reward outcome do not always reflect actual appraisal outcomes. The respondents indicated that there were no clear connections between individual effort and receiving a reward, and unfortunately, this is against literature which suggests that if employees value the reward enough, they will put forth the effort to achieve it. If the effort will lead to a good performance appraisal, the organizational rewards will satisfy their personal goals (Heneman, 1992; Van Eerde & Thierry, 1996). Therefore, the empirical results have shown that the respondents have a negative view regarding the performance based appraisal system. They view the system to be unfair and not transparent. Lastly, an assessment of the responses on the open ended questions revealed the following negative outcomes of appraisal that included the feeling that it had led to poor relationships between appraisees and appraisers and that they found the prospect of appraisal threatening and subjective. Some employees claimed that appraisals had led to de-motivation and low morale in certain departments due to differential rewards based on budgetary allocations.

MANAGERIAL IMPLICATIONS

On the basis of the foregoing discussions and analysis, the study identified the following issues that need to be addressed for the Bank's performance appraisal system and the performance based pay system to be effective and meet its objectives.

- ✿ Training for both- the employees and the evaluators.
- ✿ Transparency in the implementation of the system.
- ✿ Provision of continuous feedback to employees on their performance.
- ✿ Reduction of inconsistency in the system across the Bank.

RECOMMENDATIONS

Based on the results of the survey, the following recommendations have been suggested:

- ✿ The bank should provide training to both the evaluators and the employees on the pay-based appraisal system.
- ✿ The Bank should centralise the distribution or allocation of the monetary reward to avoid inconsistency.
- ✿ Disciplinary measures should be taken on supervisors who do not provide continuous feedback to the employees.
- ✿ The bank should consider adoption of a new system of assessing performance such as multi-rater feedback or 360 degree feedback, to remove the biasness and subjectivity reported on the part of the supervisors.

SUGGESTION FOR FURTHER RESEARCH

Current literature indicates that not much has been done on the Performance Management Systems of financial institutions such as the Bank of Botswana. Hence, there is need for a comparative study with other similar banks (i.e Central Banks/ Reserve Banks).

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