



SCHOOL OF BUSINESS, MANAGEMENT AND ECONOMICS

Assessing the effectiveness of Performance Management Systems in enhancing employee
productivity at ZSIC Life Plc

By

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Declaration

I declare that this dissertation titled Assessing the effectiveness of Performance Management Systems in enhancing employee productivity at ZSIC Life Plc is my original work and has not been submitted for any other degree at any other institution. All sources of information and assistance have been duly acknowledged.

Signature:

A handwritten signature in black ink, appearing to be 'A. Thomas', written on a light grey rectangular background.

Date: 12th December 2025

Dedication

I dedicate this work to my family and friends for their unwavering support and encouragement throughout my academic journey.

Acknowledgements

I would like to express my sincere gratitude to my supervisor, Rev. Happy C. Ngoma, for his guidance, support, and patience throughout this research. My heartfelt thanks go to my family and friends for their continued support during the research process.

Table of Contents

Declaration.....	ii
Dedication	iii
Acknowledgements	iv
Abstract.....	x
CHAPTER ONE	1
INTRODUCTION AND RESEARCH BACKGROUND	1
1.0 Introduction	1
1.1 Background of the Study.....	1
1.2 Problem Statement.....	2
1.3 Research Objectives	3
1.3.1 Main Objective	3
1.3.2 Specific Objectives	3
1.4 Research Questions	3
1.5 Significance of the Study.....	4
1.6 Delimitation (Scope)	4
1.7 Definition of Terms	5
CHAPTER TWO	6
LITERATURE REVIEW	6
2.0 Introduction	6
2.1 General review (Non empirical review)	6
2.1.1 Performance Management.....	6
2.1.2 Performance Management System	6
2.1.3 Types of Performance Management Systems	7
2.1.4 Purpose and Objectives of a Performance Management System	7
2.1.5 Effectiveness of Performance Management on Employees' Performance	8
2.2 Empirical Review	8
2.2.1 Global Perspectives.....	8
2.2.2 Regional (African) Perspectives	10
2.2.3 Local Perspectives (Zambian Studies)	10
2.3 Theoretical Framework.....	12
2.3.1 Goal-Setting Theory	12
2.3.2 Expectancy Theory	13

2.3.3	Equity Theory	13
2.4	Conceptual Framework.....	13
2.4.1	Key constructs of the conceptual framework.....	14
2.5	Research Gaps.....	15
CHAPTER THREE		17
RESEARCH METHODOLOGY		17
3.0	Introduction	17
3.1	Research Design.....	17
3.2	Study Location.....	17
3.3	Characteristics of the Study Population.....	17
3.4	Sample Size, Design, and Procedure	18
3.5	Data Collection Instruments	18
3.6	Administration of Data Collection Schedule	18
3.7	Data Analysis/Processing Procedures	19
3.8	Reliability and Validity.....	19
3.9	Ethical Considerations.....	19
3.10	Limitations of the Methodology	19
CHAPTER FOUR		21
DATA PRESENTATION, ANALYSIS AND DISCUSSION OF FINDINGS		21
4.0	Introduction	21
4.1	Response Rate.....	21
4.3	Performance Management System Design Quality and Strategic Alignment.	23
4.4	Performance Management Components	24
4.5	Employee Motivation, Engagement, and Productivity	26
4.5.1	Employee Motivation.....	26
4.5.2	Employee Engagement	27
4.5.3	Employee Productivity	28
4.6	Qualitative Findings from In-Depth Interviews.....	29
4.7	Discussion of Research Findings (Answering Research Objectives/Questions).....	34
4.7.1	PMS Existence, Design Quality and Strategic Alignment	35
4.7.2	Elements and Performance Management and Employee Productivity.....	36
4.7.3	Motivation and Engagement as Mediators	37
4.7.4	PMS Implementation Barriers.....	38

CHAPTER FIVE	40
SUMMARY, CONCLUSIONS AND RECOMMENDATIONS	40
5.1 Summary	40
5.2 Conclusion	40
5.4 Recommendations for Future Study	43
REFERENCES	Error! Bookmark not defined.
APPENDIX – QUESTIONNAIRE	50

List of Figures

Figure 1 Conceptual Framework	14
Figure 2 Questionnaire Response Rate	21

List of Tables

Table 1 Demographic Characteristics	22
Table 2: Descriptive Statistics of PMS Evaluation.....	23
Table 3 Descriptive Statistics of Performance Management Components.....	24
Table 4 Employee Motivation	26
Table 5 Employee Engagement	27
Table 6 Employee Productivity	28

Abstract

This study investigated the effectiveness of the Performance Management System (PMS) at the ZSIC Life Plc Lusaka Branch, based on five key constructs, which included PMS existence, design quality and strategic alignment, PMS components, employee motivation and engagement, implementation barriers, and productivity outcomes. The study was based on Goal-Setting Theory, Expectancy Theory, and Equity Theory which made it a concurrent mixed-method study where quantitative data was collected among 164 employees and qualitative information among 20 purposively sampled respondents.

The research found that while ZSIC Life Plc's performance management system (PMS) is strategically and structurally sound, evidenced by most employees reporting clear, measurable, and well-aligned goals, it is less effective in practice. Although a majority perceived performance appraisals as fair, fewer employees reported receiving regular feedback or performance-based rewards, highlighting operational weaknesses. The findings further confirm that motivation and engagement play a strong mediating role between PMS practices and employee performance, with clarity, fairness, and perceived reward value significantly influencing employee behaviour and performance outcomes. Overall, the PMS is conceptually strong but operationally weak, indicating a need to strengthen managerial coaching skills, institutionalize continuous and actionable feedback, improve transparency in recognition and rewards, and better integrate digital performance management tools to enhance employee productivity.

Keywords: Performance Management System, Employee Productivity, Motivation, Engagement,

CHAPTER ONE

INTRODUCTION AND RESEARCH BACKGROUND

1.0 Introduction

This chapter provides the basis for researching the effectiveness of Performance Management Systems in enhancing the employee productivity at ZSIC Life Plc Lusaka branch in Zambia. It starts with the background of the study, placing the performance management in a global, regional and local background. This chapter then presents the research problem that identifies the specific issues that the current performance management practices of ZSIC Life Plc are experiencing. The research objectives and questions are developed to direct the research, and the significance of the research is explained to various stakeholders. The research limitations are also identified in order to define boundaries and recognise constraints.

1.1 Background of the Study

ZSIC Life Plc is an institution that deals with life insurance, which is among the oldest and most well-known in Zambia with a fast-growing and yet rather competitive environment. The company has historically been at the center of promoting life insurance penetration and financial protection services in the country as one of the components of the larger ZSIC Group prior to its restructuring. Based in Lusaka, ZSIC Life Plc provides the portfolio of life insurance solutions that are designed to enhance financial security and assist people and corporate clients in long-term savings.

The performance management system (PMS) is a strategic concern in organisations that have diverse interests in enhancing productivity, enhancing accountability, and attaining sustainable competitive advantage. At the global front, PMS have moved towards a more dynamic, less annual, and continuous performance process as compared to traditional annual process. (Deloitte , 2023) indicates that 82 per cent of organisations across the globe have been keen on modernised PMS as part of their strategic human capital efforts, which is a global trend that efficient performance management leads to operational excellence. (Gallup, 2022) that organisations that have an excellent performance management culture are much more profitable and productive compared to those with weaker systems by 21 and 17 percent respectively.

In Africa, it has been recorded that despite the wide adoption of performance management reforms, there has been an uneven implementation performance. According to the (African Association For

Public Administration , 2021) an estimated 65 per cent of insurance, banking and telecommunications have implemented PMS structures. The success rate however differs depending on managerial skills, availability of resources and cultural preparedness. South African research shows that those organisations where appraisal systems are transparent and there is ongoing developmental feedback report up to 34% greater employee engagement and increased productivity (Maphela & Cloete, 2020). Contrarily, a study conducted in Nigeria indicates that with no clear performance standards, inconsistent feedback, and perceived appraisal biases, organisations face high turnover rates and inability to stay stable (Adebayo, 2017). In addition, the (African insurance organisation, 2023) points out that despite the increase in life insurance premiums between 2020 and 2021 indicated in the USD 41.83 billion to USD 51.31 billion increases, operational inefficiencies such as poor monitoring systems on performance still limit profitability of most African insurers.

ZSIC Life Plc, one of Zambia's largest life insurer, faces performance management challenges, with internal audits indicating that nearly half of employees perceive appraisals as subjective and 52% reporting delayed or absent feedback. Employee engagement declined from 67 to 54 between 2020 and 2023, while key performance indicators such as policy processing time and customer responsiveness have stagnated, threatening the company's long-term competitiveness in an increasingly competitive market.

1.2 Problem Statement

ZSIC Life Plc is based in the insurance industry of Zambia, which, although there was an increase of 17.4 per cent in the gross written premium in life insurance in the first half of 2023 (Insurance industry Q2 Report, 2023), still suffers market penetration at a comparatively low 2 per cent of the population (Pensions and insurance authority , 2024). Such a lack of touch with premium growth and market depth implies internal workforce performance limitations to extensive growth. In the example of ZSIC Life Plc, the insufficient quality of performance management can also be identified. According to internal HR audits (2024), half of the employees note that appraisals are not conducted objectively, and 56 per cent of employee's state that they receive no or regular feedback. The scores on employee engagement dropped in 2024 since 2020, indicating no productivity change in the policy processing and responsiveness to customer service. These shortcomings demotivate and lower performance within an industry where quality in service

provision is the differentiator. In the absence of stringent empirical data to associate the elements of performance management with productivity in the Zambian insurance markets, companies stand at risk of adopting generic practices that overlook the cultural, structural and resource realities on the ground. The main issue is the fact that the performance management system at ZSIC Life Plc is still incompatible with employee behaviour and organisational performance, which causes low productivity and constrained achievement of growth potential in the dynamic insurance sector in Zambia.

1.3 Research Objectives

1.3.1 Main Objective

To assess the effectiveness of the Performance Management System in enhancing employee productivity at ZSIC Life Plc Lusaka Branch.

1.3.2 Specific Objectives

1. To assess the existence, design quality, and strategic alignment of the Performance Management System (PMS) at ZSIC Life Plc Lusaka Branch.
2. To measure the relationship between performance management components and employee productivity.
3. To evaluate the mediating role of employee motivation and engagement in linking performance management practices to organisational outcomes.
4. To identify barriers to effective performance management implementation at ZSIC Life Plc.

1.4 Research Questions

1. Does a Performance Management System (PMS) exist at ZSIC Life Plc Lusaka Branch, and if so, how well-designed and strategically aligned is it to organisational objectives?
2. What is the relationship between performance management components and employee productivity at ZSIC Life Plc?
3. To what extent do employee motivation and engagement mediate the relationship between performance management practices and organisational outcomes?

4. What are some of the barriers that inhibit effective performance management implementation at ZSIC Life Plc.

1.5 Significance of the Study

This study is meaningful since it offers important empirical evidence concerning the performance of the Performance Management System (PMS) in ZSIC Life Plc, which is one of the largest life insurance organisations in Zambia. According to internal evaluations, the firm is experiencing employee engagement levels that are becoming lower, irregularity in appraisal processes, and poor feedback systems, which are directly correlated with productivity and service delivery. To the management, the results will help in the evidence-based decisions to redesign the PMS to improve goal clarity, fairness of the appraisals, quality of feedback and development of employees which are identified to help increase productivity and organisational competitiveness in service-based industries (Armstrong & Taylor , 2020).

To the employees, the study renders a platform where employees can be able to voice out issues of fairness, expectations and career growth which can lead to a more open and conducive working environment. The research comes at the right time on an industry level since the Zambian insurance market has been characterized by low penetration regardless of its constant growth in terms of gross written premiums thus showing entrenched inefficiencies in its operations that proper performance management can solve. The research thus provides practical teachings and standards that can be embraced by other insurers to enhance the workforce, responsiveness towards customers and strategic alignment.

The analysis of motivation and engagement as mediators helps the study to add new knowledge to the performance management theory in the emerging economies and give a methodological precedent in the future researches.

1.6 Delimitation (Scope)

This paper will be restricted to one of the most ambitious life insurance firms in Zambia, ZSIC Life Plc and will give a detailed analysis of the effectiveness of performance management in one organisational setting. The study concentrates in particular on the employees who are permanently based and line managers directly engaged in the performance management processes such as goal

setting, performance monitoring, feedback provision and appraisal activities. Thematically, the research analyses the design and practices of the performance management system, as well as how it affects the productivity of employees, motivation, and engagement. It does not go further to other human resource activities, including recruitment, compensation design, or training programs, other than when they directly overlap with the performance management procedures.

In terms of geography, the study is restricted to the operations of ZSIC Life Plc in Zambia, with special attention to the headquarters of the company in Lusaka. The temporal perspective will involve 6 months of data collection in the year 2025, and the performance indicators and employee perceptions will represent the prevailing situation of the performance management practices. Although the results of the study are contextualised to the insurance sector in Zambia, the fact that the study focuses on one organisation only makes it hard to extrapolate to other organisations statistically. Nevertheless, the level of analysis gives meaningful insights that can be applied to other similar organisational settings in Zambia and possibly the insurance industry in the Southern part of Africa. The research does not intend to compare itself with other insurers to ensure the study has focus and depth, but results will be placed into the context of the industry trends through literature review and discussion.

1.7 Definition of Terms

Performance Management System (PMS): It is a constant, organised procedure of identifying, quantifying, and evaluating worker execution and coordinating it with the strategic objectives of the organisation by setting goals, providing feedback, appraisal, and improvement preparation (Aguinis, 2019).

Employee Productivity: The efficiency and effectiveness of how employees can use organisational resources to deliver the desired output, which is measured by indicators such as task completion rates, work quality, and timeliness (Armstrong & Taylor , 2020).

Effectiveness: refers to the extent to which objectives are achieved or the degree to which an activity produces the desired results.

CHAPTER TWO

LITERATURE REVIEW

2.0 Introduction

This chapter reviews relevant scholarly literature on performance management systems (PMS), employee productivity, and organisational success. It is divided into five parts from the general review, empirical reviews and theoretical framework, where the main key studies relating to the current topic. The chapter also discusses knowledge gaps and concludes with the conceptual framework

2.1 General review (Non empirical review)

2.1.1 Performance Management

Performance management helps organisations in achieving success by enhancing performance of individuals and teams. This process is integrated and helps organisations achieve success. According to (Armstrong & Taylor , 2020) performance management is not a once-off event but a continuous cycle that requires year-long involvement, monitoring and feedback. Through this method employee clarity is created about their role, what is required of them, and how organisational strategic goals will be achieved. It also encourages a culture that focuses on performance, where accountability, clarity and responsibility are part of all work processes.

2.1.2 Performance Management System

A Performance Management System (PMS) refers to the formal structure and processes that organisations use to manage, measure, and enhance employee performance. (Aguinis , 2019) defines a PMS as a continuous process involving the identification, measurement, and development of performance in order to align employee output with organisational objectives.

In addition, a PMS usually consists of many sub processes which share complementary relationships. These include setting goals, performance planning, and many more. (DeNisi & Murphy, 2023), emphasize that the success of a PMS depends on how well these components work together and how employees perceive the overall system. When a PMS system is transparent, fair,

and adequately communicated, employees engage positively and express trust in the system and performance-related activities.

Furthermore, researchers claim that the PMS will work better if it is aligned with the organizational goals. Performance management system must be able to measure individual performance and support organisational strategy. In other words, the employees' efforts must lead to outcomes desired by the organisation. A strategically aligned PMS helps coordinate activities across departments, ensures consistency in performance expectations, and promotes synergy between organisational goals and employee performance.

2.1.3 Types of Performance Management Systems

The performance management system of every organization differs from one another. Also, it depends on the organizational culture, organizational strategy, and industry requirements. The annual performance appraisal system is one of the typically used employee appraisal systems.

According to (Pulakos, 2009), these systems have always existed but are considered backward-looking, inconsistent and incapable of development of employees on a continuous basis. Carrying out appraisals once a year doesn't clearly show employee's real time performance and is not very useful for giving timely feedback that is useful to improve employee's performance.

Continuous performance management is another type of PMS that emphasizes ongoing coaching, regular check-ins, and real-time feedback. According to (Cascio & Boudreau , 2023), many current organizations are turning toward continuous systems since they provide agility, improved communication, and more employee engagement. Continuous PMS models promote accountability and help employees own their performance journey by dealing with issues as they come up.

2.1.4 Purpose and Objectives of a Performance Management System

A Performance Management System has many uses in an organisation. One of its main purposes is to link individual employee performance to organisational strategy. According to (Armstrong & Taylor, 2020), PMS can be used to communicate clearly what the organisation expects from its employees in terms of their targets so that they help achieve the organization's strategic objectives. It creates a sense of direction and clarifies how specific tasks affect the organization as a whole.

Another goal of PMS is to improve communication between staff and management. (Aguinis , 2019) states that PMS is a platform that organizes expectations, standards, progress and problems. Regular performance reviews and feedback allow employees to understand their strengths and weaknesses and give managers a chance to provide help. It helps in increasing clarity, reducing role conflict and improves trustworthiness.

2.1.5 Effectiveness of Performance Management on Employees' Performance

The effectiveness of Performance management is most visible in its impact on employee performance. When a PMS is well-implemented, employees understand what is expected of them, receive regular feedback, and have a chance to improve. (Aguinis , 2019) states that when performance management is effective, it increases clarity and decreases performance ambiguity as a result, employees can devote their efforts to activities which contribute to the success of the organisation.

Fairness and Transparency is another key ingredient for PMS success. According to (DeNisi & Murphy, 2023), employees are more committed and motivated when they believe the PMS is fair. When employees feel like their efforts are recognized and fairly rewarded, they are motivated to work harder, are more productive and this helps one reach their goals. When people view performance management as unfair or inconsistent, they become frustrated and less motivated. Their commitment to the organization also drops.

2.2 Empirical Review

2.2.1 Global Perspectives

The study by (Gallup , 2024) on the performance management of 18,665 employees in the USA utilized a nationally representative survey design to determine the current situation regarding the performance management practices. In the study, it was established that only 2 percent of Chief Human Resource Officers (CHROs) in fortune' best 500 companies strongly believed that their performance management systems encouraged employees to do better, and only 47 percent of employees strongly believed that they understood what is expected of them in the workplace. The study employed a quantitative approach to the examination of the signs of performance clarity and discovered that the organizations with clear performance expectations in place have an immediate payoff in productivity, as employees who can easily see the relationship between their work and

objective of the organization are 3.5 times more likely to be engaged. Moreover, those companies who mastered goal alignment will see a 60 percent increase in the performance of the team, and the companies that engage in goal-setting by their employees will see productivity rise by 12 percent.

(Betterworks, 2024) conducted a global study from organizations in the United Kingdom and United States where data was collected to examine the performance enablement situation, a quantitative survey-based approach that embraced a wide range of executives, HR leaders, and employees working in various sectors. The research found that there was a huge perception disparity in performance management effectiveness with 88% of the executives rating their performance management systems as effective and only 44% of the employees concurred resulting in a higher failure rating of 80 compared to last year of 37. This study employed comparative analysis methods to gauge the perception of the stakeholders and discovered that the employees are 17 percent less productive and three times less likely to develop skills when supported as they are perceived to be by the leadership. These statistical indicators show that there is a dire lack of connection between the intent of designing systems and the real experiences of employees. The available evidence is constant among the world whereby the nature and quality of the performance management system (PMS) is a strong determinant of the organisational productivity. (Betterworks, 2024) also evaluated the results of global technology and service companies in the UK and United States and found that employees who got a developmental feedback weekly enhance performance by 24 points, a difference with those who only get an annual review. A recent study by (Betterworks, 2024) on HR analytics in 3,000 organisations found that with the adoption of continuous feedback systems, employees became better (improved performance by 24 per cent) and the turnover intentions declined (by 39 per cent), which proves the superiority of real-time feedback versus annual reviews.

The world evidence indicates that structural and behavioural barriers tend to slow down the implementation of PMS. Using survey results of 10,000 HR leaders in 105 countries, (Deloitte, 2023) confirmed that 56% of organisations do not have the managerial capability to have effective performance conversations, undermining implementation consistency. Likewise, it conducted the

research based on organisational audit of performance data, which determined that 47 per cent of performance data is not used because of the lack of technology and analytic capability.

2.2.2 Regional (African) Perspectives

The study by (Maphela & Cloete , 2020) explored the performance management systems in South African based organizations through mixed methods research which involved 450 employees in various companies. In the study, survey and semi-structured interviews were used to investigate the connections between the attributes of the appraisal system and employee outcomes. The results showed that companies that engage in open appraisals and continuous developmental feedback indicate up to 34% higher employee engagement and higher productivity than those companies with closed systems. The study employed regression analysis to ascertain statistical correlations between transparency of the system (measured on validated scale) and the outcomes of the engagement. Also, the researchers determined that explicit performance standards and the frequent provision of feedback are also important predictors of engagement. This statistical data suggests that transparency and developmental orientation are the key success factors of African organizations.

A cross-continental survey by the (African association of public administration, 2021) of insurance, banking and telecommunications organisations concluded that 65% of organisations have a PMS framework, but implementation effectiveness is significantly different because of the ability gap in the managerial capabilities, less than 40 percent apply them on a regular basis, mainly because of resource constraints and a lack of skills in managing them.

2.2.3 Local Perspectives (Zambian Studies)

A study conducted by (Bwalya & Sichoongwe, 2021), which specifically focuses on Zambian organizations, has shown that less than half of the employees do not have a clear idea of the appraisal standards, and only a third of the organizations utilize growth-oriented developmental feedback. The research used survey research methodology in various companies in Zambia such as insurance companies whereby 380 employees were used to collect the data in the survey. The study employed both descriptive and inferential statistics to examine the performance management practices and their association with employee outcomes. The results indicated that the organizations whose appraisal criteria were clear received 26 higher scores on employee

satisfaction and 19 higher performance rating than organizations whose appraisal criteria were ambiguous. Also, the researchers established that the developmental feedback provision and employee engagement significantly correlated with each other.

The study conducted by (Chileshe , 2022) was based specifically on the insurance sector in Zambia in the form of a mixed-methods study, which included a survey and interviews with 215 insurance workers in various companies. The research concluded that 63 percent of insurance companies did not align the outcomes of appraisals with promotions or career advancement opportunities, and this adversely affected the motivation of the employees and weakened the performance outcomes. The study used regression analysis to investigate the relations between performance management and motivation with the results of the analysis revealing that 42 percentage of motivation level was attributed to the linkage between performance assessments and career consequences. The researchers also found that insurance firms with well-defined career advancement opportunities based on performance had 31 percent more employee retention than those that offered no such opportunities.

In the article by (Meddiah & Wui, 2022), published in the Human Resource and Leadership Journal, the impact of performance management systems on employee performance in the Ministry of Mines and Minerals Development in Zambia was studied. The study adopted quantitative design whereby data obtained by using structured questionnaires were gathered using 250 randomly selected employees working in six departments. The results showed that there were strong positive correlations between the components of performance management system and employee performance, and such significant predictors of employee performance outcomes are goal clarity, feedback quality, and appraisal fairness. Staff development was also investigated as a moderating factor with the results of the study showing that those organizations that supported staff development in addition to performance management performed much higher. The statistical data proved that performance management systems are able to effectively increase employee performance within Zambian organizational situations when fully implemented with sufficient developmental provisions.

(Kanyamuna , et al., 2021) published their study in the World Journal of Social Sciences and Humanities and explored opportunities and challenges of using the information of the Zambia government monitoring and evaluation system. The study used the case study research

methodology that examined various government agencies and applied quantitative data analysis to examine the use rates of the systems. The results indicated that even with substantial investment in the performance management infrastructure, there was low utilization of the performance information in decision-making whereby, of the agencies, 35 percent of the agencies used performance information to make strategic decisions on a regular basis. Barriers that were identified in the study were limited analytical capacity, poor quality of data, poor feedback loop and lack of linkage between performance measurement and consequences.

2.3 Theoretical Framework

2.3.1 Goal-Setting Theory

Goal-Setting Theory is just one of many motivational theories that were initially put forth by (Locke , 1968). Later on, (Locke & Latham , 2002) improved on this theory in their book titled "The Psychology of Goal Setting." The goal-setting theory states that specific, clear, and difficult to achieve goals will lead to increased employee performance through directing employees' attention to the tasks they must accomplish, continuing to work hard throughout the duration of their tasks, and encouraging them to engage in strategic behavior in accomplishing those tasks. The employee's effort level is ultimately determined by their commitment to goals, which is shaped by self-efficacy, perceived importance of the goal, and levels of confidence in their ability to meet the established goals. It has been shown that employees whose goals are clear and moderately difficult will perform 12-15% better than employees with ambiguous or general goals (Lunenborg , 2021). The goal-setting theory is used within the area of performance management as the basis for establishing SMART goals and using participatory goal-setting to create clarity, alignment and ownership in the goal-setting process. The goal-setting theory also provides a mechanism for evaluating the extent to which the performance management system of ZSIC Life Plc incorporates strategically aligned goals, clearly articulated expectations of employee performance, and effective feedback mechanisms. In addition, the goal-setting theory can be used to identify productivity problems caused by unclear expectations, misaligned goals, and/or a lack of developmental feedback.

2.3.2 Expectancy Theory

Expectancy Theory, proposed by (Vroom , 1964) and later expanded by (Porter & Lawler, 1968), argues that employee motivation is driven by three cognitive evaluations: expectancy (the belief that effort will lead to performance), instrumentality (the belief that performance will lead to outcomes), and valence (the value placed on those outcomes). Motivation is strongest when employees believe that their effort will result in high performance and that such performance will, in turn, attract meaningful rewards. Studies have demonstrated that strong expectancy, instrumentality, and valence perceptions contribute to higher levels of effort and performance (Tuli , 2022). In the context of performance management, the theory highlights the importance of clear expectations, credible appraisal processes, and meaningful rewards such as recognition, promotion, and development opportunities. This study applies Expectancy Theory to assess whether the PMS at ZSIC Life Plc effectively communicates performance expectations, links performance outcomes to fair rewards, and offers believable developmental pathways. Weak feedback systems, unclear appraisal criteria, or a perceived disconnect between performance and rewards may diminish motivation and productivity—issues that this theory helps diagnose.

2.3.3 Equity Theory

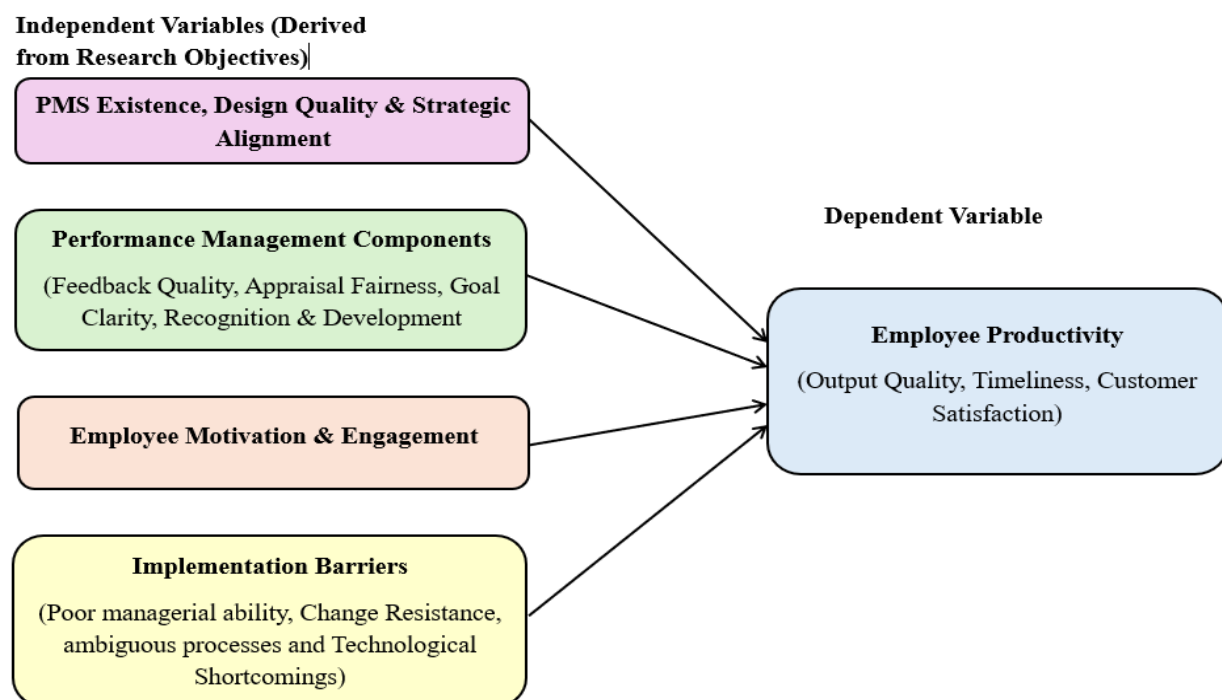
Equity Theory, introduced by (Adams , 1965), is based on the premise that employees assess fairness by comparing the ratio of their inputs (time, skills, effort) to outputs (pay, recognition, promotion) with those of their peers. When employees perceive fairness, they are more likely to demonstrate commitment and sustained motivation; however, perceived inequity—particularly under-reward—can lead to dissatisfaction, reduced effort, withdrawal, or disengagement. Research by (Colquitt & Rodell, 2021) highlights that procedural justice and distributive justice significantly influence organisational commitment and acceptance of appraisal outcomes. In the context of performance management, Equity Theory underscores the need for transparency in performance criteria, consistent application of appraisal procedures, objective rating systems, and fair reward allocation.

2.4 Conceptual Framework

The conceptual framework provides a visual and theoretical representation of the relationships between the key variables in this study. It shows how the Performance Management System (PMS) at ZSIC Life Plc influences employee productivity, while highlighting the mediating role of

employee motivation and engagement, and the moderating effect of barriers to PMS implementation. The framework is informed by Goal-Setting Theory, Expectancy Theory, and Equity Theory, integrating insights from global, regional, and local studies.

Figure 1 Conceptual Framework



Source: Author, 2025

2.4.1 Key constructs of the conceptual framework

PMS Existence, Design Quality & Strategic Alignment: The question of whether there is a formal Performance Management System and the extent to which the structure of the system is reflective of the organisational strategy and clarity and performance criteria are effective in guiding employee behaviour (Locke & Latham, 2019); (Cascio & Boudreau, 2023).

Components of Performance Management: This will include the operational mechanisms of the PMS which include feedback quality, appraisal fairness, goal clarity, recognition and

developmental support that directly influence motivation and performance outcomes (DeNisi & Murphy, 2023); (London & Smither, 2020).

Employee Motivation & Engagement: Reflects the psychological and emotional state that arouses effort, commitment, and engagement in work due to clarity of expectations, fairness and supportive work performance practices (Vroom , 1964); (Armstrong & Taylor, 2020).

Implementation Barriers: It consists of organisational barriers, including poor managerial ability, change resistance, ambiguous processes and technological shortcomings that constrain regular PMS implementation (Okonkwo & Eze, 2024); (Pulakos & O'Leary , 2023).

Employee Productivity: Refers to the efficiency and quality of employee work and their impact on organisational goals, in terms of output quality, timeliness, customer satisfaction, and the general performance measures (Armstrong & Taylor , 2020); (Mulenga , 2023).

2.5 Research Gaps

Although several global, regional, and local studies have examined performance management systems and their influence on employee productivity, notable research gaps remain. Firstly, there is a limited understanding of how the design quality and strategic alignment of Performance Management Systems influence employee productivity in Zambian organisations, especially within state-owned enterprises such as ZSIC Life Plc. While many studies have focused on appraisal processes, few have explored whether PMS structures are strategically linked to organisational objectives, leaving a gap on the effectiveness of PMS design in enhancing organisational success.

Second, the mediating role of employee motivation and engagement in the relationship between PMS practices and productivity remains underexplored in local studies. Most existing research in Zambia focuses on direct relationships between appraisal systems and performance, without examining how motivation, engagement, or perceptions of fairness influence the strength of this relationship. This gap is significant because motivation is a crucial psychological link through which PMS tools translate into actual performance improvements. The lack of such analysis limits the understanding of the mechanisms through which PMS contributes to productivity.

Third, there is insufficient empirical evidence on the barriers affecting PMS implementation within the Zambian insurance industry, including organisational culture, leadership capacity,

communication gaps, resource limitations, and employee resistance. Existing studies mostly investigate challenges in public sector institutions, leaving a knowledge gap regarding sector-specific constraints in quasi-government organisations like ZSIC Life Plc. As a result, there is limited evidence-based guidance on how insurance companies can overcome PMS-related challenges to improve organisational performance.

CHAPTER THREE

RESEARCH METHODOLOGY

3.0 Introduction

This chapter described the methodological framework that guided the study on the effectiveness of the Performance Management System (PMS) at ZSIC Life Plc Lusaka Branch. It outlined the research design, study location, characteristics of the study population, sampling techniques, instruments of data collection, administration procedures, data analysis methods, reliability and validity measures, ethical considerations, and methodological limitations.

3.1 Research Design

The study adopted a concurrent mixed-methods research design, integrating both quantitative and qualitative approaches to assess the effectiveness of the Performance Management System (PMS). The research was grounded in a pragmatist philosophical paradigm, which supports the use of multiple methods to address the research problem. A quantitative cross-sectional survey was used to capture general trends and relationships among employees regarding PMS practices, productivity, motivation, and engagement. In parallel, qualitative semi-structured interviews were conducted with managers and human resource personnel to gain in-depth insights into the existence, design quality, strategic alignment, and implementation of the PMS. This design was appropriate for comprehensively addressing the study's research objectives.

3.2 Study Location

The study was conducted at ZSIC Life Plc headquarters in Lusaka, Zambia, one of the leading life insurance companies in the country. The organization employed approximately 250 staff across functional areas including sales, underwriting, claims processing, customer service, and administrative roles.

3.3 Characteristics of the Study Population

The study population comprised all permanent employees and line managers who were directly involved in PMS processes such as goal setting, monitoring performance, providing feedback, conducting appraisals, and planning development. The total population was approximately 250 employees. The workforce was heterogeneous in terms of job roles, tenure, educational background, and exposure to PMS, which enhanced the analytical depth of the study.

3.4 Sample Size, Design, and Procedure

The sample size was determined using Yamane's formula for finite populations:

$$n = \frac{N}{1 + N(e)^2}$$

Where $N = 250$ and $e = 0.05$ (margin of error). The initial sample was 154 respondents. Adjusting for a 15% non-response rate, the final sample size was 181 respondents.

A stratified random sampling technique was used for the quantitative component to ensure proportional representation across employee categories. For the qualitative component, purposive sampling was employed to select information-rich participants, including line managers and HR managers, with varied experiences in PMS implementation.

3.5 Data Collection Instruments

Data were gathered through a self-report questionnaire, measuring support quality in PMS design and feedback, appraisal justice, motivation, engagement and productivity. The questionnaire was composed of demographic items and verified scales (Aguinis , 2019); (London & Smither, 2020); (Armstrong & Taylor , 2020).

Data of qualitative nature were gathered by a systematical interview with employees selected on purpose to explore experiences, obstacles and suggestions regarding PMS applications. Secondary data were collected from company records, HR reports, PMS documentation, engagement surveys and productivity indicators as well as from external sources like the pensions and insurance authority reports and strategic plans

3.6 Administration of Data Collection Schedule

Quantitative questionnaires were distributed both physically and online (Google Forms) over a two-week period, with reminders sent weekly. Participants were informed of the purpose of the study, the voluntary nature of participation, and confidentiality assurances.

Qualitative interviews were conducted face-to-face, lasting 45–60 minutes and supplemented by notes. Organizational records were retrieved to validate and triangulate data obtained from questionnaires and interviews.

3.7 Data Analysis/Processing Procedures

Quantitative data was cleaned and analyzed using SPSS version 26, employing descriptive statistics. Qualitative data was analyzed using thematic analysis, which involved transcription, coding, development of themes, and interpretation. Convergent analysis integrated qualitative and quantitative findings to enhance explanatory power and provide a holistic understanding of PMS effectiveness.

3.8 Reliability and Validity

Validity was ensured through literature review, alignment with theoretical constructs, expert review by two HR practitioners and three scholars, and pilot testing the data collection tools to clarify ambiguous items. Construct validity was evaluated using convergent and discriminant validity, while triangulation of mixed methods further enhanced overall validity.

Reliability was maintained through Cronbach's alpha ($\alpha > 0.70$) for internal consistency, test-retest procedures to assess stability, and inter-rater reliability for qualitative coding. Standardized procedures, careful instrument design, and interviewer training ensured consistency and accuracy in data collection.

3.9 Ethical Considerations

Ethical principles were strictly observed. Informed consent was obtained from all participants, who were briefed on the purpose of the study, their voluntary participation, and right to withdraw without consequences. Confidentiality and anonymity were maintained through coding and secure storage of data. Organizational permission and institutional ethical approval were obtained, and care was taken to avoid any psychological or social harm.

3.10 Limitations of the Methodology

The study faced potential limitations including non-response from some employees, failure to reach selected participants for interviews, and reliance on self-reported data that may introduce bias. Measures such as reminders, flexible interview scheduling, and cross-verification with organizational records were implemented to minimize these limitations.

The research was also limited in that sensitive organisational performance information was not accessible because of confidentiality issues, which inhibited a combination of hard productivity measures with perceptual ones. Time and resources were also limiting factors in sample size and qualitative exploration, although mixed methods design in part compensated for this through triangulation of quantitative and qualitative data to increase validity and completeness of the results.

CHAPTER FOUR

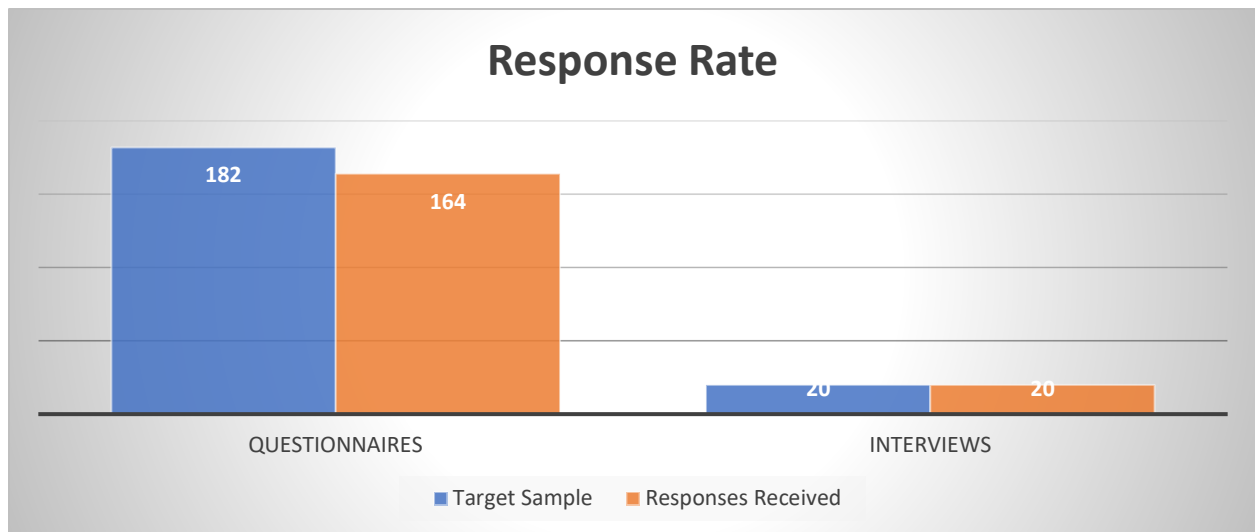
DATA PRESENTATION, ANALYSIS AND DISCUSSION OF FINDINGS

4.0 Introduction

This chapter presents the empirical findings on the effectiveness of the Performance Management System (PMS) in enhancing employee productivity at ZSIC Life Plc. The analysis integrates quantitative evidence derived from percentage-based descriptive statistics and qualitative insights obtained from interviews with key personnel.

4.1 Response Rate

Figure 2 Questionnaire and Interview Response Rate



Source: Field data (2025)

The quantitative survey obtained a good response rate of 90.1% (164/182 questionnaires) which is above the organisational research of 70% (Fowler, 2020) and assured high representativeness and little non-response bias. The qualitative element achieved a complete 100 percent response rate from 20 interview participants, which allowed for theme saturation and rich contextual data collection about goal-setting, feedback, and recognition, and developmental support. The high response rates from these studies create a solid empirical foundation which allows researchers to validate quantitative patterns through qualitative narratives. This thus strengthens both the depth and reliability and validity of the study results.

4.2 Demographic Characteristics of Respondents

Understanding the demographics of the respondents provides a foundation for interpreting the study findings on how performance management influences employee productivity and organizational success. The demographic profile covers gender, age, educational qualifications, organizational tenure, departmental affiliation, and employment level. This information helps contextualize differences in perceptions and experiences of the Performance Management System (PMS) across various employee groups at ZSIC Life Plc. The table below presents the frequencies and percentages of respondents for each demographic variable based on the 164 completed questionnaires.

Table 1 Demographic Characteristics

<i>Variables</i>	<i>Category/Group</i>	<i>Frequency (n)</i>	<i>Percentage (%)</i>
<i>Gender</i>	Male	98	59.8
	Female	66	40.2
	Total		100%
<i>Age</i>	18–30 years	46	28
	31–40 years	72	43.9
	41–50 years	36	22
	50+ years	10	6.1
	Total		100%
<i>Educational Qualification</i>	Certificate/Diploma	28	17.1
	Bachelor’s Degree	67	40.8
	Master’s Degree	32	19.5
	Professional Qualification	6	3.6
	Total		100%
<i>Organizational Tenure</i>	< 2 years	42	25.6
	2–5 years	48	29.3
	6–10 years	51	31.1
	> 10 years	23	14.0
	Total		100%
<i>Department</i>	Customer Service	43	26.2
	Sale	39	23.8
	Operations	40	24
	Administration/ Other	43	26
	Total		100%
<i>Employment Level/Position</i>	Technical/Professional	64	39.0
	Line	36	22.0
	Managers/Supervisors		
	Middle Management	26	15.9
	Administrative/Support	24	14.6
	Senior Management	14	8.5
	Total		100%

Source: Field data, 2025

4.3 Performance Management System Design Quality and Strategic Alignment.

A well-designed and strategically aligned PMS provides a foundation for enhancing employee productivity and achieving organizational success. The tables below summarize employees' perceptions regarding PMS existence, clarity, measurability, and strategic alignment.

Table 2: Descriptive Statistics of PMS Evaluation

<i>Variable</i>	<i>Response Category</i>	<i>Frequency (n)</i>	<i>Percentage (%)</i>
Clarity of PMS Communication	Strongly Agree	46	28.0
	Agree	74	45.1
	Neutral	30	18.3
	Disagree	11	6.7
	Strongly Disagree	3	1.8
	Total	164	100%
Clarity of Performance Goals	Strongly Agree	54	32.9
	Agree	71	43.3
	Neutral	25	15.2
	Disagree	11	6.7
	Strongly Disagree	3	1.8
	Total	164	100%
Measurable & Quantifiable Objectives	Strongly Agree	48	29.3
	Agree	76	46.3
	Neutral	27	16.5
	Disagree	10	6.1
	Strongly Disagree	3	1.8
	Total	164	100%
Alignment of Individual & Dept Goals	Strongly Agree	50	30.5
	Agree	78	47.6
	Neutral	25	15.2
	Disagree	9	5.5
	Strongly Disagree	2	1.2
	Total	164	100%
Understanding Performance Contribution	Strongly Agree	47	28.7
	Agree	74	45.1
	Neutral	30	18.3
	Disagree	10	6.1
	Strongly Disagree	3	1.8
	Total	164	100%

Source: Field data, 2025

Table 4.3 presents descriptive statistics of employees' perceptions regarding the existence, clarity, measurability, and strategic alignment of the Performance Management System (PMS) at ZSIC Life Plc. The results showed that a majority of employees perceived the PMS positively across all dimensions. Specifically, 73.1% of respondents agreed or strongly agreed that the PMS is well-communicated, indicating good awareness of performance expectations. Similarly, 76.2% perceive performance goals as clear, and 75.6% believed that objectives are measurable and quantifiable, reflecting a well-designed PMS structure. On the aspect of strategic alignment, 78.1% of employees agreed that individual and department goals are aligned with organizational objectives, while 73.8% understand how their performance contributed to organizational objectives.

Despite these findings, a small number of employees provided neutral or differing responses across all variables (ranging from 5.5% to 18.3%), indicating minor gaps in communication, goal clarity, and alignment in some departments. The table shows that ZSIC Life Plc has a functional PMS that aligns with its strategies. It serves as a strong platform for enhancing employee productivity and achieving organizational objectives. However, improvements in communication and consistency were noted as necessary to further strengthen the system.

4.4 Performance Management Components

The PMS components considered include feedback quality, appraisal fairness, developmental support, and recognition practices. Each component is examined for its role in enhancing productivity and organizational success.

Table 3 Descriptive Statistics of Performance Management Components

<i>Component / Variable</i>	<i>Response Category</i>	<i>Frequency (n)</i>	<i>Percent (%)</i>
<i>Receiving Regular Feedback</i>	Strongly	30	18.3
	Agree	54	32.9
	Neutral	40	24.4
	Disagree	28	17.1
	Strongly Disagree	12	7.3
	Total	164	100%
<i>Specificity & Actionability of Feedback</i>	Strongly Agree	36	22.0
	Agree	76	46.3
	Neutral	34	20.7
	Disagree	14	8.5

<i>Fairness of Performance Appraisals</i>	Strongly Disagree	4	2.4
	Total	164	100%
	Strongly Agree	40	24.4
	Agree	72	43.9
	Neutral	35	21.3
	Disagree	13	7.9
	Strongly Disagree	4	2.4
<i>Objective Evaluation Criteria</i>	Total	164	100%
	Strongly Agree	44	26.8
	Agree	74	45.1
	Neutral	32	19.5
	Disagree	11	6.7
	Strongly Disagree	3	1.8
	Total	164	100%
<i>Supervisor Help in Identifying Development Areas</i>	Strongly Agree	34	20.7
	Agree	63	38.4
	Neutral	40	24.4
	Disagree	20	12.2
	Strongly Disagree	7	4.3
	Total	164	100%
<i>Training Opportunities</i>	Strongly Agree	26	15.9
	Agree	56	34.1
	Neutral	44	26.8
	Disagree	28	17.1
	Strongly Disagree	10	6.1
	Total	164	100%
<i>Recognition of Good Performance</i>	Strongly Agree	30	18.3
	Agree	60	36.6
	Neutral	44	26.8
	Disagree	22	13.4
	Strongly Disagree	8	4.9
	Total	164	100%
<i>Appropriate Rewards for High Performers</i>	Strongly Agree	24	14.6
	Agree	54	32.9
	Neutral	46	28.0
	Disagree	28	17.1
	Strongly Disagree	12	7.3
	Total	164	100%

Source: Field Data, 2025

The descriptive statistics in Table 4.4 indicate that performance management components at ZSIC Life Plc have mixed effectiveness in enhancing employee productivity:

Only 51.2% of employees get regular feedback indicating irregularity in frequency. Nonetheless, 68.3% of employees viewed feedback as specific and actionable. This means that where feedback is provided, it is beneficial. There is an enormous difference between the frequency of feedback and the quality of feedback. This means that feedback is underused as a productivity tool.

The perception of fairness in appraisal is low, with only 68.3 percent of employees considering performance appraisals fair. Two-thirds of employees (71.9 percent) agreed that performance appraisals are based on objective criteria. A majority of employees trust the appraisal system but with 28–31% neutral or negative responses, it needs to be more transparent and consistent.

Approximately 59.1 percent of employees receive help from their supervisors to identify their developmental needs while 50 percent feel training opportunities meet these needs. The neutral and negative answers (24 – 28 %) indicated that support for development is not universally offered. That limits the chances of improving productivity.

Recognition Practices: A mere 54.9% of employees feel that good performance is recognized, while 47.5% feel that high performers are rewarded fairly. It showed that the reinforcement of this performance is weak, thus harming motivation and involvement.

According to the results of the analysis, ZSIC Life Plc has some performance management systems that are functional. However, feedback frequency, developmental support, recognition/reward practices, and others appeared to be lacking in some capacity. This means that the full potential of PMS to enhance employee productivity is not fully realized.

4.5 Employee Motivation, Engagement, and Productivity

Motivation and engagement are psychological mechanisms that translate PMS practices into productive behaviour and organizational outcomes.

4.5.1 Employee Motivation

Table 4 Employee Motivation

<i>Variable</i>	<i>Response Category</i>	<i>Frequency (n)</i>	<i>Percent (%)</i>
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<i>Motivation to Achieve Performance Goals</i>	Strongly Agree	52	31.7
	Agree	74	45.1
	Neutral	27	16.5
	Disagree	9	5.5
	Strongly Disagree	2	1.2
	Total	164	100%
<i>PMS Encouragement to Perform at Best</i>	Strongly Agree	46	28.0
	Agree	72	43.9
	Neutral	32	19.5
	Disagree	11	6.7
	Strongly Disagree	3	1.8
	Total	164	100%

Source: Field data, 2025

Table 4.5 shows that a large majority of employees (76.8%) are motivated to achieve performance goals, and 71.9% feel encouraged by the PMS to perform at their best. This indicates a generally positive motivational climate. However, neutral and disagree responses (16–26%) suggest uneven motivation, possibly linked to inconsistent feedback, recognition, or rewards.

4.5.2 Employee Engagement

Table 5 Employee Engagement

<i>Variable</i>	<i>Response Category</i>	<i>Frequency (n)</i>	<i>Percent (%)</i>
<i>Commitment to Achieving Organizational Goals</i>	Strongly Agree	54	32.9
	Agree	76	46.3
	Neutral	25	15.2
	Disagree	7	4.3
	Strongly Disagree	2	1.2
	Total	164	100%
<i>Willingness to Go Beyond Job Requirements</i>	Strongly Agree	48	29.3
	Agree	72	43.9
	Neutral	30	18.3
	Disagree	11	6.7
	Strongly Disagree	3	1.8
	Total	164	100%

Source: Field data, 2025

The findings indicate that 79.2% of employees are committed to organizational goals and 73.2% are willing to go beyond job requirements, reflecting high engagement and discretionary effort.

Neutral and negative responses (18–8.5%) reveal some variability, suggesting opportunities to strengthen engagement through improved recognition, development, and communication.

4.5.3 Employee Productivity

Table 6 Employee Productivity

<i>Variable</i>	<i>Response Category</i>	<i>Frequency (n)</i>	<i>Percent (%)</i>
<i>Consistently Completing Tasks on Time</i>	Strongly Agree	50	30.5
	Agree	80	48.8
	Neutral	25	15.2
	Disagree	7	4.3
	Strongly Disagree	2	1.2
	Total	164	100%
<i>Work Quality Meets or Exceeds Expectations</i>	Strongly Agree	56	34.1
	Agree	74	45.1
	Neutral	26	15.9
	Disagree	6	3.7
	Strongly Disagree	2	1.2
	Total	164	100%
<i>Producing High-Quality Outputs</i>	Strongly Agree	52	31.7
	Agree	76	46.3
	Neutral	28	17.1
	Disagree	6	3.7
	Strongly Disagree	2	1.2
	Total	164	100%
<i>Productivity Improvement Over Past Year</i>	Strongly Agree	46	28.0
	Agree	74	45.1
	Neutral	30	18.3
	Disagree	11	6.7
	Strongly Disagree	3	1.8
	Total	164	100%

Source: Field data, 2025

The productivity measures at ZSIC Life Plc demonstrate a generally strong performance among employees. A significant majority, 79.3%, consistently complete tasks on time, reflecting high

levels of time-based productivity, while 79.2% maintain work quality that meets or exceeds expectations, indicating adherence to performance standards. Additionally, 78% of employees consistently produce high-quality outputs, highlighting their competence and alignment with the Performance Management System (PMS). Furthermore, 73.1% report an improvement in productivity over the past year, suggesting that PMS practices, including feedback mechanisms and goal alignment, have a positive impact on employee performance and overall organizational effectiveness.

Neutral and negative responses (15–26%) highlight areas for enhancement, including targeted training, developmental support, and recognition systems, to further improve productivity outcomes.

4.6 Qualitative Findings from In-Depth Interviews

The five themes that the thematic analysis of 20 interviews based on the framework of (Braun & Clarke, 2006) produced in terms of the effects of PMS practices on the productivity and organisational success. Such themes are used to contextualise quantitative findings to identify important mechanisms, hindrances, and areas of improvement about how employees experience and feel regarding PMS components.

4.6.1 Theme 1: Goal Clarity Enables Productivity but Rigidity and Timing Issues Constrain Adaptation

Focused effort due to clear goals was stabilized as a quantitative confirmatory statement at 76.2% and was repeatedly mentioned by respondents. They observed that transparency improves prioritization and time management. Productivity is however limited due to slow cascading of goals during initiation of different cycles and hard goals that cannot adjust to the changing market environments.

"The goals themselves are excellent—very clear, specific, measurable. I know exactly what I need to accomplish each quarter and how my work contributes to departmental objectives. This clarity is why I can be productive. But we waste the first month or two of every year working without final targets while goals cascade from corporate to department to individual level. During this limbo period, productivity drops because I'm uncertain what to prioritize. By the time goals arrive, we're already behind schedule." (Respondent3)

This quotation provides an example of the productivity paradox: quality of goals is high, and the time of implementation has issues that lower the effectiveness. The other respondent raised the issue of rigidity:

"My sales targets were set in January based on market projections. By April, the market had completely changed—new competitor entered, economic conditions shifted—but my targets remained unchanged. I'm working toward increasingly unrealistic goals that demotivate rather than drive productivity. When goals become unattainable through circumstances beyond my control, they lose their motivational power and actually reduce productivity because I feel set up to fail regardless of effort." (Respondent7)

These results put the high goal clarity scores into perspective by showing that although goal content is high, implementation processes need to be refined to achieve maximum productive influence; timing and flexibility. This theme shows that in order to be productive, goals must be set effectively by not only being clear but also timely and having the appropriate adaptation mechanism.

4.9.2 Theme 2: Quality Feedback Valued but Insufficient Frequency Prevents Continuous Productivity Optimization

The quality of feedback when they received it was highly valued by the participants, with 68.3% of them being very satisfied with feedback specificity and actionability (Table 3). Nonetheless, the prevailing feeling was frustration about the fact that annual feedback processes do not allow making corrections on productivity courses in a timely manner. Employees said that they were working under ineffective methods of work months and months before they received feedback, which is a huge lost productivity that could be avoided by frequent feedback.

"When I finally receive feedback at my annual review, it's usually helpful and specific—my supervisor does a good job explaining what I'm doing well and what needs improvement. But the problem is timing. I often learn I've been doing things wrong or inefficiently for six or eight months. If someone had told me in February, I could have corrected course immediately and been more productive all year. The annual cycle wastes enormous productivity potential. I estimate I could improve my efficiency by 20-30% if I received monthly feedback instead of annual." (Respondent3)

This quote measures the costs of productivity infrequent feedback in terms of the months of poor performance that can be rectified after a prompt action. Systemic barriers were identified in one management perspective:

"I completely agree my team needs more frequent feedback to maximize productivity. I can see who's struggling and who's excelling, but I'm drowning in operational work. The system doesn't support ongoing feedback—everything is designed around annual performance reviews. We have no digital tools for documenting continuous feedback, no protected time in my schedule, and frankly, no training in how to provide effective frequent feedback. I want to do better but face significant structural barriers that limit my ability to support my team's productivity through regular feedback." (Respondent10)

This theme clarifies why there is a difference in the satisfaction of feedback quality (68.3) and frequency satisfaction (51.2), which demonstrates that structural and not individual factors do restrict productivity optimization through feedback. The results indicate that great untapped potential exists in productivity that can be tapped with higher frequency of feedback.

4.9.3 Theme 3: Training Deficiencies Create Skill-Based Productivity Ceiling Limiting Growth.

The lowest area of satisfaction involves training inadequacy, which was seen by the participants as the greatest hindrance to productivity increase. Employees have reported productivity stalls whereby they are unable to enhance their performance, unless they acquire new skills. This theme brings out the training as the determinant of productivity capacity: the existing skills position the productivity, and in the absence of training investment, employees are bound to perform at the present level no matter the motivation or effort.

"I've completely hit my productivity ceiling with my current skill set. I know I could process claims 40-50% faster if I received advanced training on the new claims management system, but those courses aren't offered to my level. I've requested training three times over two years and been told budget doesn't allow it. So I'm stuck at my current productivity level even though I'm highly motivated to improve. It's incredibly frustrating to want to contribute more to organizational success but lack the tools. The company is losing productivity by not investing in my development." (Respondent9)

This is an important perspective to note since the performance management cannot maintain the growth of productivity without the development of capability in tandem. The other participant pointed to the question of equity:

"I've noticed that training opportunities seem to go disproportionately to male colleagues. When I request training, I'm often told it requires traveling for three days or attending after-hours sessions that are difficult to manage as a mother with young children. My male colleagues don't face these barriers. This creates productivity inequality—they develop skills that enhance their performance and career prospects while I remain stuck with outdated skills. The organization loses my potential productivity contributions by not providing equitable, accessible training." (Respondent15)

This theme exposes training deficiency as a core limitation to individual productivity expansion and the success of an organization. It shows that the productivity effect of performance management has a limit set by skill development where even the ideal goal setting and feedback are not sufficient to break the productivity limit that is imposed by the lack of training skills.

4.9.4 Theme 4: Weak Performance-Reward Linkages Undermine Motivation and Threaten Productivity Sustainability

Although the existing productivity is high, the participants talked at length about poor relationships between performance and reward as the reasons why long-term motivation sustainability is in danger. This theme justifies poor satisfaction with rewards and low perceived performance-reward linkages. Employees explained that they are maintaining the productivity by being professional, driven and motivated but they ask themselves how will they continue working hard without the corresponding benefits especially in a high inflation environment as is the case with Zambia.

"Right now I'm productive because I take professional pride in my work and have high personal standards. But honestly, the financial rewards don't match the effort anymore with 20%+ inflation. My salary increases barely cover cost-of-living while my productivity has increased substantially. I consistently exceed targets, but high performers receive the same 5% raise as average performers. This breaks the effort-reward link. I'm not sure how long I can maintain this productivity knowing my extra effort isn't valued financially. Eventually, seeing colleagues who produce less earn the same affects motivation and productivity." (Respondent5)

The productivity sustainability risk is that, at the present high performance, it can run out in case the reward-effort imbalance remains. One of the top managers admitted the problem:

"We absolutely understand employees deserve better rewards for their productivity, and frankly, they've earned them. But we face severe financial constraints—operating in a highly competitive market with thin profit margins, regulatory capital requirements, and economic pressures. We can't offer the monetary rewards we'd like to. We're trying non-monetary recognition—employee of the month, public acknowledgment, development opportunities—but we recognize these don't fully substitute for financial compensation. This is an ongoing productivity risk we're managing. If our best performers leave for better-paying competitors, we lose enormous organizational productivity capacity that's very difficult to rebuild." (Respondent20)

This theme describes why there is no relationship between existing high productivity (73.1% improvement) and low reward satisfaction (47.5%) which states that productivity improvement realized with other PMS elements might not be a long-term relationship unless reward adequacy is enhanced. It shows contextual constraints such as economic and organizational limitations that restrain the reward systems even when the management is aware of the productivity implications.

4.9.5 Theme 5: Implementation Quality Gaps and Systemic Barriers Prevent PMS from Achieving Full Productivity Potential

The last theme is the inability of the PMS to achieve the theoretical productivity because of the implementation issues. The three systemic barriers identified by the participants were use of outdated technology as a source of administrative burden, lack of consistent application in different departments weakening the perception of fairness, and poor manager capability to implement performance management practices. These impediments demonstrate why the system gains only 73.1% productivity improvement as opposed to greater productivity levels- absence of implementation quality inhibits productivity in a well-designed system.

"The paper-based performance management system is a massive productivity killer. I spend 6-8 hours each quarter completing performance documentation manually—forms, reports, goal-tracking sheets. With proper software, this could be done in 30 minutes with a few clicks. That's 6-7 hours per quarter I could spend on actual productive work instead of paperwork. Multiply that across 200 employees and the organizational productivity loss is staggering. Ironically, the system

meant to enhance productivity actually consumes significant productive time through administrative burden. We desperately need technology upgrades." (Respondent11)

This is a productivity paradox: performance management is supposed to be productive but instead it eats it up with processes that are not efficient. Another respondent explained capacity problems of managers:

"My manager is technically brilliant—excellent at underwriting—but received no training in performance management when promoted to supervisor. Goals are sometimes vague, feedback lacks specificity, and appraisals feel subjective rather than evidence-based. I don't question his intentions, but he lacks skills to execute performance management effectively. This limits the system's productivity impact. With comprehensive manager training in goal-setting, feedback delivery, and fair evaluation, our department's productivity could increase 25-30%. Current implementation quality gaps prevent the system from achieving its potential to drive productivity and organizational success." (Respondent16)

This theme indicated that the quality of the PMS design (76.2% clarity of the goals) does not ensure the quality of the execution, and the implementation gaps greatly restricted productivity improvement. It indicated that the technology limitations, application standardization, and manager capability would help to greatly increase the productivity impact of the system. Existing success is a success despite the challenges in implementation; fine-tuned implementation would result in far higher productivity enhancement that can add a bigger weight to organizational success at ZSIC Life Plc.

4.7 Discussion of Research Findings (Answering Research Objectives/Questions)

It is based on research findings that are correlated with the findings that are available in literature and theories arranged in four research objectives. The discussion explains the quantitative and qualitative findings in case of the performance management theory and empirical findings of the global, African, and Zambian organization. Each of the subsections is a response to one of the objectives synthesizing results so as to illustrate how these results contribute to the understanding of the effectiveness of PMS in promoting employee productivity and organizational success.

4.7.1 PMS Existence, Design Quality and Strategic Alignment

Objective One: To determine whether a Performance Management System (PMS) exists at ZSIC Life Plc Lusaka and evaluate its design quality and strategic alignment with organizational objectives.

The quantitative data showed that ZSIC Life Plc has an established and working Performance Management System, as 76.8 percent of the employees stated that they have clear performance objectives and 73.1 percent stated that there is a structured communication of the processes in the Performance Management System. This observation is supported by qualitative interviews where managers and employees indicated that they have formal goal-setting processes, appraisal programs, and departmental objectives that are connected with the corporate strategy. All these trends point to the fact that the PMS is not just there, but strategy-oriented.

These findings are very close to world literature and African literature of PMS. (Gallup , 2024) claimed that engagement is 3.5 times higher with clear expectations, and (Betterworks , 2024) also verified that the appropriate systems lead to better performance. Similar results on continent literature by (Maphela & Cloete , 2020) allege that the transparent aim and integrated appraisal procedures contribute to engagement increase by 34 percent. The existing findings are also reflected in local studies (Bwalya & Sichoongwe, 2021); (Chileshe , 2022) where the authors indicated that the employees are more committed and accountable when PMS design is structured and the goal clarity is high. Hence, it is observed that empirical data of ZSIC Life Plc exists in line with existing literature, and it supports the pivotal role of quality of design and alignment.

The results also can be easily compared with Goal-Setting Theory, according to which goals that are specific and challenging will improve performance, focusing attention and effort. The reports of clear, measurable, and aligned goals by the employees also revealed that they were more motivated and understood organisational priorities, which confirmed the propositions made by (Locke & Latham, 2019). The results of the strategic alignment also sustain Expectancy Theory since clarity and measurability enhance the belief of the employees that their effort will result in performance (expectancy) and performance will result into meaningful outcomes (instrumentality). Lastly, the implication of fairness in objective and transparent alignment is Equity Theory in which consistency in communication of goals decreased the perception of inequity between the departments.

On the whole, there are strong indicators that the PMS in ZSIC Life Plc is well-structured and aligned strategically, but on the other hand, there are isolated instances of neutrality (15-18) indicating a need to have more coherent communication throughout all organisational levels.

4.7.2 Elements and Performance Management and Employee Productivity

Objective Two: To measure the relationship between performance management components and employee productivity.

The results show that there is a moderate-to-strong correlation between the PMS elements, that is, feedback quality, fairness in appraisal, developmental support, and recognition, and productivity in ZSIC Life Plc. Quantitatively, 68.3 percent of the employees believe that appraisal is fair, 68.3 percent report actionable feedback, and 51.2 percent of the employees affirm that they get feedback regularly. There is inconsistency in recognition and rewards as 47.5 percent confirm that it is appropriate to reward high performers. Qualitative data also indicate the gaps in the frequency of feedback and the unequal recognition practices by the different departments, in sales and underwriting in particular.

These findings are in huge agreement with international and local literature. (Betterworks , 2024) highlights that regular developmental feedback enhances performance by 24 percent, whereas (Gallup , 2024) identifies recognition as the way to boost engagement and productivity. The data presented by (Maphela & Cloete, 2020) of Africa demonstrate that transparent and developmental PMS aspects enhance productivity by 34 percent, which confirms the results of ZSIC. Similar local research by (Meddiah & Wui, 2022) and (Bwalya & Sichoongwe, 2021) also attests that the three factors feedback, fairness, and developmental support are major predictors of performance in institutions in Zambia.

The theoretical congruency is also apparent. The Expectancy Theory is evident in the connection between employee motivation and the quality of feedback, the consistency of rewards, and the intelligibility of the standards. Irregular feedback or rewards that are not regularly given out as it appeared in the 24.4% disagreement lead to employees having less belief in the effort reward linkages, which suppress performance. Equity Theory is justified or confirmed by the sensitivity of the employees to fairness whereby perceptions of appraisal fairness (68.3) enhance engagement but inconsistencies during interviews are harmful to commitment. Goal-Setting Theory is observed where specific and quantifiable objectives (76%) serve as a source of performance anchor, yet lack

of feedback prevents performance to be tracked- is a demonstration of the argument by Locke and Latham that goals should be reinforced by feedback to continue performance. On the whole, performance management elements at ZSIC Life Plc have a positive impact on productivity although its effectiveness is watered down by inconsistency in implementation- especially in feedback frequency, developmental support and recognition systems. Increasing behavioral uniformity between departments will greatly enhance the influence of productivity of the PMS.

4.7.3 Motivation and Engagement as Mediators

Objective Three: To assess the mediating effect of employee motivation and engagement in the relationship between performance management practices and productivity and organizational success. This section addresses Objective 3: to assess the mediating effect of employee motivation and engagement in the relationship between performance management practices and productivity and organizational success.

The study also reveals that motivation and engagement have a strong mediation role between PMS practices on productivity. Quantitatively, 76.8 percent of the employees are motivated to meet the performance goals and 71.9 percent are motivated to do their best with the use of PMS practices. According to qualitative data, employees realise more clarity, support, and confidence when the elements of PMS are used in a regular way- especially when supervisors focus on coaching, recognition and congruent expectations within a team.

The results are consistent with the body of literature that highlights motivation as an intervention behaviour where PMS impacts performance. (Deloitte , 2023) assumes that transparent, equitable, and supportive structures of PMS promote motivation and discretionary effort. On the same note, (Betterworks , 2024) emphasizes the fact that continuous feedback that is facilitated by coaching enhances engagement and retention. The evidence on the African continent has already indicated the fact that the relationship of the PMS elements to performance is mediated by motivation, as the study of (Maphela & Cloete , 2020) has shown that productivity is enhanced by 31 percent. Similar local studies by (Meddiah & Wui, 2022) have also determined that motivation constitutes a significant predictor of performance in the presence of good PMS factors that include clarity, fairness, and feedback. Therefore, the existing results are aligned with the previous literature.

Expectancy Theory is also highly reflected in the relationship and motivation is considered to be a role of expectancy, instrumentality, and valence. Workers in ZSIC Life Plc that have a sense of

what they expect (expectancy), receive feedback on a regular basis (instrumentality) and are either recognized or able to grow and develop (valence) are more motivated and engaged. In contrast, departments where the feedback is not consistent, recognition is slow, and rewards have a vague linkage show low levels of motivation which support the propositions made by (Vroom , 1964). Goal-Setting Theory is also present as the clarity and congruence of goals strengthens intrinsic motivation because it gives direction and meaning. The Equity Theory also proposes the differences in engagement: when perceived fairness is high, commitment is enhanced, and inconsistent recognition lowers commitment.

All in all, motivation and engagement are central behavioural channels whereby PMS practices are transformed into productivity in ZSIC Life Plc. Although the motivational climate, in most cases, is positive, the degree of performance of unequal reinforcement among departments lowers the mediating effect, which is an indicator of the importance of greater consistency in feedback, recognition, and reward practices.

4.7.4 PMS Implementation Barriers

Objective Four: To identify barriers to effective performance management implementation at ZSIC Life Plc.

Though ZSIC Life Plc has an effective PMS, there are a number of organisational and behavioural challenges which restrict its complete potential. As quantitative evidence demonstrates, 63.4% of employees note that the absence of training in supervisor to provide feedback is a moderate-severe impediment, and 24.4% observe the insufficient recognition frameworks and 23.2% note the inability to access training. These limitations are supported by qualitative results, which indicate discrepancies in the feedback loops, the lack of coaching skills in the supervisors, and the lack of correspondence between the appraisal outcomes and rewards or career advancement. Workload pressure, insufficient digital tools, and lack of clear follow-through mechanisms were mentioned by managers interviewed as additional constraints to the effectiveness of PMS.

Such obstacles are in line with the world literature and African literature. (Deloitte , 2023) cites the fact that 56 percent of organisations do not have managerial capacity to have effective performance talks, whereas (PwC, 2022) mentions the lack of analytical systems as one of the obstacles to using PMS data. A similar result was reached by (African association of public administration, 2021), as the authors concluded that just 40% of African organisations use PMS

regularly because of the lack of capabilities and resources. These findings are echoed by local studies, like (Kanyamuna , et al., 2021) and (Meddiah & Wui, 2022) by revealing that unclear standards, lagging feedback, and the absence of developmental linkages undermines the functionality of PMS. Accordingly, the obstacles ZSIC faces are consistent with the general empirical trends.

Theoretical congruence was also evident. The Expectancy Theory can be used to understand the low motivation in the conditions of inadequate feedback, poor reward associations, and inconsistent coaching: workers are not sure that their efforts have an impact on the performance or performance results in the valued consequences. The Equity Theory would describe dissatisfaction among employees in which there is appraisal bias or unfair recognition, and that diminishes commitment. According to Goal-Setting Theory, well-designed goals will not work effectively unless reinforced by feedback, development, and reinforcement-similar to the gaps in the implementation process witnessed in ZSIC Life Plc.

CHAPTER FIVE

SUMMARY, CONCLUSIONS AND RECOMMENDATIONS

5.0 Introduction

This chapter gives a summary of the findings, concludes on the usefulness of PMS in increasing employee productivity and the success of organizations, and supports the use of evidence-based recommendations. The discussion explains the results using theoretical frameworks but places the results in the context of the Zambian organizations.

5.1 Summary

The study examined the effectiveness of the Performance Management System (PMS) at ZSIC Life Plc, focusing on its influence on employee motivation, productivity, and overall organisational success. Using a mixed-method approach comprising 164 questionnaire respondents and 20 interviews, the research established that the organisation has a functional and structurally coherent PMS aligned with strategic objectives. Findings demonstrated that employees possess high levels of PMS awareness, clear performance expectations, and a strong understanding of the alignment between their individual goals and the strategic direction of the organisation. This structural clarity contributed to measurable improvements in productivity, with most employees reporting increased output, timely completion of tasks, and achievement of quality standards.

However, the study also identified critical gaps in PMS implementation. Training and development were inconsistently delivered and inadequately aligned with performance needs, while the frequency and quality of performance feedback were insufficient to sustain continuous improvement. Furthermore, dissatisfaction with rewards and a perceived disconnect between performance outcomes and compensation weakened long-term motivation. These weaknesses underscored the need for targeted organisational reforms to strengthen the developmental, motivational, and strategic functions of the PMS. Overall, the findings confirmed that while ZSIC Life Plc benefits from a well-structured PMS, optimization in training, feedback, reward systems, and performance–compensation alignment is essential for maximizing its impact.

5.2 Conclusion

The research evaluated the performance management system (PMS) at ZSIC Life Plc Lusaka Branch and its effectiveness in motivating the employees, as well as organisational success. Applying a mixed-method research design with the participation of 164 survey participants and 20

interviews, the study proved that the PMS is established, cognitively sound, and strategy-congruent. The level of awareness (76.8%) and performance goal clarity (76.2%) are high, which prove the fact that the main blocks of the successful PMS are properly established. The alignment between the individual and organisational goals (78.1) is also high making the employees placed to direct their energies towards strategic priorities.

Productivity indicators were also very positive and 73.1% of the staff indicated that they were more productive over the last year and about 79% of employees were able to finish their work on time and meet or surpassed the quality targets or targets. These results confirm the hypothesis of the study that a well-designed PMS leads to an improved employee performance and the organisational results.

Most importantly, the study has shown that employee motivation (76.8%) and engagement (79.2%) rather motivate PMS effectiveness compared to compliance. This supports Expectancy Theory and Social Exchange Theory where the employees give back what the organisation has invested in them through increased productivity in the case of fair, supportive and developmental performance systems.

Nonetheless, the study revealed new gaps in materials that could not allow the best system performance. Poor performance on training- 50 percent of employees expressed satisfaction and this poses bottlenecks in capabilities that limit the growth of productivity. Deliberation on low feedback frequency (51.2) derails the continuity of improvement, whereas pitiful reward satisfaction (47.5) endangers long-term motivation. In addition, a high level of performance-compensation disconnection in 74.3% of the employees undermines the motivation basis needed to maintain high performance.

The analysis finds that the productivity increase of ZSIC Life Plc is both astonishing and obtained in spite of the flaws of the systems. The training, feedback and reward frameworks, performance-compensation synergies would be strategically enhanced to help the organisation to transform the current productivity rates into competitive sustainable advantage. The results also promote Goal-Setting, Expectancy and Social Exchange Theories in a Zambian environment where the quality of implementation is central in the translation of theory to quantifiable results of performance.

5.3 Recommendations to the study

The paper findings determine key performance management failures at ZSIC Life Plc and proposes specific intervention to unleash performance increases and enhance organisational performance.

ZSIC Life Plc needs to expand its training and development portfolio. A considerable percentage of the workforce was not satisfied with available learning opportunities, which is an indication of an inability to achieve productivity through the lack of capability. This has to be structured in terms of an annual training budget, the flexibility of channel delivery and the equity of access across demographics and departments. The training should be based on stringent needs analysis and evaluation in order to make sure that investments result to quantifiable performance results and sustained competitiveness.

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Management at the organisation ought to entrench more frequent feedback mechanisms. Performance touch points (one-on-one) every month (with the support of digital feedback tools) would supplement annual appraisals and enable real-time corrections of the courses. Coaching, communication and training on feedback delivery is essential in strengthening the supervisory capability in order to maintain continuous improvement.

Third, the organisation will need to revamp its recognition and rewards structure. The discontent with adequacy of rewards is widespread, which explains the necessity of a more effective recognition plan including non-financial rewards like flexible working hours, extra leaves, recognition in the community, and career advancement. Open communication between the performance results and physical benefits backed by regular audits of the reward system will further motivate as well as ensure financial viability.

Fourth, policy reforms on a system-wide basis are necessary in order to eradicate structural obstacles that compromise alignment between performance and rewards. There will be a thorough analysis of promotion, compensation and performance-rating process to guarantee fairness, consistency and better line-of-sight between contribution and advancement. The consistency of application of PMS in all departments and obtaining the support of the senior management will wield organisational-wide integration.

Finally, ZSIC Life Plc ought to invest in integrated performance management to reduce administrative overheads, allow real-time analytics, and cascading goals, as well as improve productivity tracking.

Together, these actions would put ZSIC Life Plc in a better position to develop a more responsive, performance-focused culture and enhance its long-term organisational viability by a modernised, data-enabled and people-centric performance management platform.

5.4 Recommendations for Future Study

Future researchers should consider expanding the scope beyond a single branch or organisation to include comparative assessments across multiple insurance companies in Zambia. Such comparative analysis would provide broader insights into sector-wide PMS practices and facilitate benchmarking of performance management maturity levels. Additionally, future studies may employ longitudinal research designs to observe PMS implementation trends over several years, enabling deeper understanding of how policy reforms and organisational changes affect productivity outcomes over time.

Further research should also investigate the role of organisational culture in shaping PMS perceptions, acceptance, and effectiveness. A culture-focused approach could reveal how leadership behaviour, communication norms, and employee relations enhance or hinder PMS processes. Moreover, given the growing influence of digital systems, future studies could explore the impact of technology-enabled PMS tools on performance tracking, feedback delivery, and employee engagement. Finally, there is value in conducting qualitative case studies that examine employee lived experiences with PMS components such as appraisal fairness, supervisor competence, and reward equity, providing nuanced insights that quantitative studies may not fully capture.

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APPENDIX – QUESTIONNAIRE



RESEARCH QUESTIONNAIRE

EFFECTIVENESS OF PERFORMANCE MANAGEMENT SYSTEMS IN ENHANCING EMPLOYEE PRODUCTIVITY AT ZSIC LIFE PLC

RESPONDENT INFORMATION SHEET

Dear Respondent,

I am a student researcher conducting a study on the effectiveness of Performance Management Systems in enhancing employee productivity at ZSIC Life Plc. Your participation in this study is entirely voluntary and your responses will be treated with strict confidentiality. No personal identifying information will be disclosed in any reports or publications arising from this research.

The questionnaire will take approximately 20 minutes to complete. There are no right or wrong answers – we are interested in your honest opinions and experiences. Your participation will contribute valuable insights that may help improve performance management practices at ZSIC Life Plc and benefit the wider insurance industry in Zambia.

Your rights as a participant:

- Participation is completely voluntary
- You may withdraw at any time without consequence
- Your responses are anonymous and confidential
- Data will be used solely for research purposes

By completing this questionnaire, you consent to participate in this study.

Thank you for your valuable time and contribution.

Nchimunya Masoko HRM18212784

RESPONDENT INFORMATION SHEET

SECTION A: DEMOGRAPHIC INFORMATION

Instructions: Please tick (✓) or fill in the appropriate response.

A1. Gender

- ☐ Male
- ☐ Female

A2. Age Group

- ☐ 20-30 years
- ☐ 31-40 years
- ☐ 41-50 years
- ☐ Above 50 years

A3. Highest Educational Qualification

- ☐ Certificate/Diploma
- ☐ Bachelor's Degree
- ☐ Master's Degree
- ☐ Professional Qualification (e.g., ACII, CII)
- ☐ Other (please specify): _____

A4. Length of Service at ZSIC Life Plc

- ☐ Less than 2 years
- ☐ 2-5 years
- ☐ 6-10 years
- ☐ Above 10 years

A5. Department/Functional Area

- ☐ Sales
- ☐ Underwriting
- ☐ Claims
- ☐ Customer Service
- ☐ Administration/Support
- ☐ Other (please specify): _____

A6. Employment Level/Position

- ☐ Senior Management
- ☐ Middle Management
- ☐ Line Manager/Supervisor
- ☐ Technical/Professional Staff
- ☐ Administrative/Support Staff

SECTION B: PERFORMANCE MANAGEMENT SYSTEM DESIGN QUALITY AND STRATEGIC ALIGNMENT

Objective 1: To assess the existence, design quality and strategic alignment of ZSIC Life Plc's performance management system.

Instructions: Please indicate the extent to which you agree or disagree with each statement by ticking (✓) the appropriate box.

Scale: 1 = Strongly Disagree | 2 = Disagree | 3 = Neutral | 4 = Agree | 5 = Strongly Agree

B1. Goal Clarity

Statement	1	2	3	4	5
B1.1 My performance goals are clearly defined and specific					
B1.2 I understand exactly what is expected of me in my role					
B1.3 My performance objectives are measurable and quantifiable					
B1.4 The criteria for successful performance are clearly communicated to me					
B1.5 I know how my performance will be evaluated					
B1.6 My performance targets are realistic and achievable					

B2. Strategic Alignment

Statement	1	2	3	4	5
B2.1 My individual performance goals are linked to departmental objectives					
B2.2 I understand how my work contributes to the organization's strategic goals					
B2.3 My KPIs are aligned with ZSIC Life Plc's overall business strategy					
B2.4 There is a clear connection between my performance and organizational priorities					
B2.5 Performance expectations reflect the strategic direction of the company					

B3. Measurement Validity

Statement	1	2	3	4	5
B3.1 The performance measures used to evaluate me are relevant to my job					
B3.2 Performance metrics accurately reflect my actual contributions					
B3.3 The evaluation criteria cover all important aspects of my work					
B3.4 Performance measures are objective and fair					
B3.5 The performance management system uses appropriate measures for my role					

SECTION C: PERFORMANCE MANAGEMENT COMPONENTS

Objective 2: To measure the relationship between performance management components and employee productivity.

Instructions: Please indicate the extent to which you agree or disagree with each statement using the scale provided.

Scale: 1 = Strongly Disagree | 2 = Disagree | 3 = Neutral | 4 = Agree | 5 = Strongly Agree

C1. Feedback Quality

Statement	1	2	3	4	5
C1.1 I receive regular feedback on my performance throughout the year					
C1.2 The feedback I receive is specific and actionable					
C1.3 Performance feedback is provided in a timely manner					
C1.4 My supervisor provides constructive feedback that helps me improve					
C1.5 Feedback discussions focus on my development and growth					
C1.6 I receive positive recognition when I perform well					

C1.7 Feedback helps me understand my strengths and areas for improvement					
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C2. Appraisal Fairness

Statement	1	2	3	4	5
C2.1 Performance appraisals at ZSIC Life Plc are conducted fairly					
C2.2 My performance is evaluated objectively based on clear criteria					
C2.3 The appraisal process is transparent and consistent					
C2.4 I have the opportunity to provide input during my performance review					
C2.5 Performance ratings are applied consistently across employees					
C2.6 The appraisal process is free from bias and favoritism					

C3. Developmental Support

Statement	1	2	3	4	5
C3.1 My supervisor helps me identify areas for skill development					
C3.2 I receive coaching to improve my performance					
C3.3 Training opportunities are provided to address my developmental needs					
C3.4 Performance discussions include planning for my career growth					
C3.5 The organization invests in my professional development					
C3.6 I receive support to overcome performance challenges					

C4. Recognition Practices

Statement	1	2	3	4	5
C4.1 Good performance is recognized and appreciated at ZSIC Life Plc					
C4.2 I receive acknowledgment when I achieve or exceed my goals					
C4.3 High performers are rewarded appropriately					
C4.4 Recognition is provided in meaningful ways					
C4.5 The organization celebrates employee achievements					

SECTION D: EMPLOYEE MOTIVATION AND ENGAGEMENT (MEDIATING VARIABLES)

Objective 3: To evaluate the mediating role of employee motivation and engagement in linking performance management practices to organizational outcomes.

Instructions: Please indicate the extent to which you agree or disagree with each statement using the scale provided.

Scale: 1 = Strongly Disagree | 2 = Disagree | 3 = Neutral | 4 = Agree | 5 = Strongly Agree

D1. Employee Motivation

Statement	1	2	3	4	5
D1.1 I am motivated to put in extra effort to achieve my performance goals					
D1.2 The performance management system encourages me to perform at my best					
D1.3 I believe that working hard will lead to better performance outcomes					
D1.4 I am confident that good performance will lead to positive rewards					
D1.5 The rewards offered for good performance are valuable to me					
D1.6 I am motivated to continuously improve my performance					
D1.7 Performance feedback increases my motivation to work harder					
D1.8 I feel energized and driven to meet my performance targets					

D2. Employee Engagement

Statement	1	2	3	4	5
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D2.1 I am fully committed to achieving ZSIC Life Plc's goals					
D2.2 I feel emotionally attached to this organization					
D2.3 I am willing to go beyond my job requirements to help the organization succeed					
D2.4 I am proud to work for ZSIC Life Plc					
D2.5 I actively participate in organizational activities					
D2.6 I feel valued and appreciated at work					
D2.7 My work has personal meaning and purpose to me					
D2.8 I would recommend ZSIC Life Plc as a great place to work					
D2.9 I intend to stay with this organization for the foreseeable future					

SECTION E: EMPLOYEE PRODUCTIVITY (DEPENDENT VARIABLE)

Objective 2: To measure the relationship between performance management components and employee productivity.

Instructions: Please indicate the extent to which you agree or disagree with each statement using the scale provided.

Scale: 1 = Strongly Disagree | 2 = Disagree | 3 = Neutral | 4 = Agree | 5 = Strongly Agree

Statement	1	2	3	4	5
E1. I consistently complete my assigned tasks on time					
E2. The quality of my work meets or exceeds expectations					
E3. I am efficient in utilizing organizational resources					
E4. I produce high-quality outputs in my work					
E5. I effectively manage my workload and priorities					
E6. I achieve my performance targets consistently					
E7. My productivity has improved over the past year					

SECTION F: BARRIERS TO EFFECTIVE PERFORMANCE MANAGEMENT IMPLEMENTATION

Objective 4: To identify barriers to effective performance management implementation at ZSIC Life Plc.

Instructions: Please indicate the extent to which each factor represents a barrier to effective performance management at ZSIC Life Plc.

Scale: 1 = Not a Barrier | 2 = Minor Barrier | 3 = Moderate Barrier | 4 = Major Barrier | 5 = Severe Barrier

F1. Capability Barriers

Barrier	1	2	3	4	5
F1.1 Lack of supervisor training in providing feedback					
F1.2 Insufficient managerial skills in conducting performance discussions					
F1.3 Limited understanding of performance management processes					
F1.4 Inadequate coaching and mentoring capabilities					

F2. Resource Barriers

Barrier	1	2	3	4	5
F2.1 Lack of technological systems for tracking performance					
F2.2 Insufficient time allocated for performance management activities					
F2.3 Limited budget for training and development					

F2.4 Inadequate tools and resources to support performance management					
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F3. Cultural Barriers

Barrier	1	2	3	4	5
F3.1 Discomfort with giving/receiving direct performance feedback					
F3.2 Hierarchical culture that discourages open dialogue					
F3.3 Preference for avoiding conflict in performance discussions					
F3.4 Resistance to change in performance management practices					

F4. Systemic Barriers

Barrier	1	2	3	4	5
F4.1 Weak link between performance ratings and career progression					
F4.2 Disconnect between performance outcomes and compensation					
F4.3 Inconsistent application of performance standards across departments					
F4.4 Organizational policies that undermine fair performance evaluation					

SECTION G: PERFORMANCE-REWARD LINKAGE

Objective 3 & 4: To evaluate instrumentality beliefs and identify systemic barriers.

Instructions: Please indicate the extent to which you agree or disagree with each statement using the scale provided.

Scale: 1 = Strongly Disagree | 2 = Disagree | 3 = Neutral | 4 = Agree | 5 = Strongly Agree

Statement	1	2	3	4	5
G1. High performance ratings lead to promotion opportunities					
G2. Good performance results in salary increases beyond cost-of-living adjustments					
G3. Performance outcomes directly influence career advancement decisions					
G4. There is a clear connection between my performance and the rewards I receive					
G5. Employees who perform well receive better developmental opportunities					
G6. Performance appraisals have meaningful consequences for my career					

SECTION H: RECOMMENDATIONS AND OPEN-ENDED FEEDBACK

Objective 5: To propose evidence-based recommendations for improving performance management effectiveness.

Instructions: Please provide your responses in the spaces provided.

H1. What do you consider to be the THREE most important strengths of the current performance management system at ZSIC Life Plc?

1. _____
2. _____
3. _____

H2. What do you consider to be the THREE most significant weaknesses or challenges of the current performance management system?

1. _____
2. _____
3. _____

H3. What specific improvements would you recommend to enhance the effectiveness of performance management at ZSIC Life Plc?

H4. Additional comments or suggestions regarding performance management at ZSIC Life Plc:
