



**ST.MARY'S UNIVERSITY COLLEGE SCHOOL OF GRADUATE
STUDIES**

**PERFORMANCE MANAGEMENT SYSTEM AND ITS
EFFECTIVENESS IN ORGANIZATIONS:
A case study on John Snow Inc, Integrated Family Health Program JSI/IFHP**

BY

ERKALEM EJIGU, ID NO. SGS1/0128/2004

**SEPTEMBER, 2013 ADDIS
ABABA ETHIOPIA**

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**A THESIS SUBMITTED TO ST.MARRY'S UNIVERSITY COLLEGE,
SCHOOL OF GRADUATE STUDIES IN PARTIAL FULFILLMENT OF
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This thesis has been submitted to St.Mary's University College, School of Graduate Studies for examination with my approval as a university advisor.

Advisor

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DECLARATION

I, the undersigned, declare that this thesis is my original work, prepared under the guidance of Dr. Mulugeta Abebe. All sources of materials used for the thesis have been duly acknowledged. I further confirm that the thesis has not been submitted either in part or in full to any other higher learning institution for the purpose of earning any degree.

Name

Signature & Date

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LIST OF ABBREVIATIONS /ACRONYMS

JSI/IFHP – John Snow Incorporate/ Integrated Family Health program

USAID- United States Aid of International Development

PMS- Performance Management System

SNNP- South Nation Nationality of People

ACCA- Association of Certified Chartered Accountants

OPM- Office Performance Management

HR- Human Resources

HRM- Human Resources Management

SPSS- Statistical Package for the Social Sciences

CP- Contingent Pay

PDP- Personal Development Plan

IDP- Individual Development Plan

ABSTRACT

The research examines in a form of a case study on an NGO, JSI/IFHP, whether elements of Performance Management System (PMS) are practiced in the organization and their overall effectiveness in shaping employee productivity and motivation towards desired positive outcome. The findings from a field survey, staff focus group interviews and document review complements preliminary assessment of existence of a performance evaluation process that lacks some essential elements of a complete PMS. In addition, the findings also indicated that adherence to predesigned procedural steps is more commonly encouraged in the organization than making efforts to focus on improving employee satisfaction and motivation in various ways in order to enhance productivity. Required efforts to step up on recognition of the human side of managing performance, design of a formal performance management policy and orientation and training to staff members involved in direct tasks of performance evaluation are some of the vital recommendations made in this research directed to the JSI/IFHP management.

List of Tables/Diagrams

Topics	Page no.
Table 1: Performance appraisal compared with performance management -----	18
Table 2: Department and work experience background of the respondents -----	41
Table 3: Staff respondent of qualification -----	42
Table 4: Performance management focus -----	43
Table 5: Purpose of salary adjustment -----	44
Table 6: Design and implementation of PMS and JSI/IFHP -----	44
Table 7: Effects of performance management -----	45
Table 8: Basis of performance assessment -----	46
Table 9: Performance management at JSI/IFHP -----	46
Table 10: Supervisor's and Management role in PMS -----	48
Table 11: Effects of performance appraisal on productivity -----	48
Table 12: Performance planning practice -----	49
Table 13: Motivation activities by supervisors -----	49
Table 14: Staff perception of performance management -----	50
Table 15: Supervisor's capacity to conduct performance appraisal -----	50
Table 16: Process of performance management in JSI/IFHP -----	61
Table 17: Comparison of JSI/IFHP performance appraisal process in relation to an ideal performance management system -----	63
Diagram 1: Performance management framework -----	10
Diagram 2: Process of performance management -----	16
Diagram 3: Departments of staff respondent -----	41
Diagram 4: Education background of the respondents -----	45
Diagram 5: Effects of performance management -----	45
Diagram 6: Effects of performance appraisal on productivity -----	48

TABLE OF CONTENTS

ENDORSEMENT	iv
DECLARATION.....	v
ACKNOWLEDGEMENTS	vi
LIST OF ABBREVIATIONS /ACRONYMS	vii
ABSTRACT	viii
TABLE OF CONTENTS	x
Chapter One: Introduction	1
1.1 History and profile of John Snow Inc./ Integrated Family Health Program	2
1.2 Statement of the Problem	2
1.3 Research Questions	3
1.4 Objectives of the Study	4
1.4.1 General Objectives of the Study are:	4
1.4.2 Specific Objectives of the Study are:	4
1.5. Significance of the Study	5
1.6 Scope and Limitation of the Study	5
1.6.1 Scope of the Study.....	6
1.6.2 Limitation of the Study.....	6
1.7. Organization of the Study	6
Chapter Two: Literature Review	8

2.1 Introduction	8
2.2 Understanding Performance Management	9
2.2.1 The meaning of performance	9
2.2.2 The meaning of alignment of Objectives	10
2.2.3 Managing expectations	11
2.2.4 Definitions of performance management	11
2.3 Purpose of Performance Management	13
2.4 Characteristics of Performance Management	14
2.5 Performance Management Process	15
2.6 Performance Management and Performance Appraisal.....	16
2.7 Objectives of Performance Management	18
2.8 Concerns of Performance Management	19
2.8.1 Concern with Productivity	19
2.8.2 Concern with Planning of Performance	19
2.8.3 Concern with Performance Measurement and Review	20
2.8.4 Interest in Continuous Improvement	20
2.9 Benefits of Performance Management	21
2.10 Conceptualization of Performance Management System	21
2.11 The Performance Management Contribution	22
2.12 Performance Management System defined	24

2.13 The significance of implementing performance management systems .	24
2.14 The emergence of performance management systems.....	25
2.15 Aim and Role of Performance Management System	26
2.15.1 Strategic purpose	26
2.15.2 Administrative purpose	26
2.15.3 Communication purpose	27
2.15.4 Developmental purpose	27
2.15.5 Organizational maintenance purpose	27
2.15.6 Documentation Purpose	28
2.16 Effective Performance Management System includes.....	28
2.16.1 Personal development plan	29
2.16.2 Providing training to managers.....	31
2.16.3 Measuring the quality of performance appraisals.....	31
2.16.4 Incorporating the Performance Management System in all the organization's functions	32
2.16.5 The PMS driven by line managers owned by all the staff	32
2.16.6 Giving feedback/Continuous improvement	32
2.16.7. 360-degree Feedback.....	33
2.16.8 Coaching.....	34
Chapter Three: Research Design and Methodology	36
3.2. Methodology	36

3.2.1 Research Design	36
3.2.2 Target Population and Sample Size	36
3.2.3 Sample Technique	37
3.2.4 Data Collection	38
3.2.5 Data Analysis.....	38
3.3 Ethical considerations	39
Chapter Four: Data Analysis and Discussion of Findings	40
4.1 Finding and discussion	40
4.2.1. Biographic information	41
4.2.2. Analysis and interpretation of main results	43
4.2.3. Results and discussions	43
4.2.3.1. Purpose of JSI/IFHP performance appraisal process	43
4.2.3.2. Conduct of performance appraisal at JSI/IFHP	46
4.2.3.3. Effect of JSI/IFHP performance appraisal on staff productivity and motivation	48
4.2.3.4. Role of Supervisors in the performance appraisal process of JSI/IFHP.....	50
4.2.4. Focus group discussion	51
4.2.5. Findings from document review	54
4.3 JSI/IFHP’s Performance Appraisal Process	56
4.3 JSI/IFHP’s performance appraisal process in relation to an ideal PMS	60
Chapter Five: Summary of Findings, Conclusions & Recommendations	61

5.1. Summary of Findings	61
5.2. Conclusions	62
5.3. Recommendations:	64
References	68
APPENDIX 1 Survey Questionnaires	xiv
APPENDIX 2 Focus group and Interview questions.....	xviii
APPENDIX 3 JSI/IFHP Performance Appraisal Form	xix

Chapter One: Introduction

As explained by Aguinis H. (2009), performance management is a continuous process of identifying, measuring and developing the performance of individuals and teams. With the future growth aspirations of any organizations, it is vital to ensure that all employees are set up for success, with a clear understanding of what excellence is like, in their role since their success, in turned, and becomes the success of the organization.

According to him performance management is about two main components; continuous process; and alignment of strategic goals:

- (a) The performance management process involves a never-ending process of objective setting, performance review and giving and receiving of feedback on a year by year basis.
- (b) Performance Management is responsible for ensuring that the objectives, goals and aspirations of employees are aligned and are congruent with the organizational goals and objectives. This is to assist the organization in gaining competitive advantage over its competitors. Performance management is about the creation of a direct linkage between the organizational goals and employee objectives and performance.

In every sphere of an organization's evolution, there is the need to put in place a system that involves employee evaluations, at least, within a year to provide feedback and appraisal on employee performance that is aimed towards improving true performance management. The performance appraisal system is expected to make every employee and manager understand that performance is very critical aspect of organization and this guiding philosophy should be communicated in every aspect and in various ways throughout the organization.

In John Snow Inc/Integrated Family Health program (JSI/IFHP), which is the primary subject of this research, performance management is a part of all people-related activities on a daily basis, and largely performance review is contingent based within the year.

1.1 History and profile of John Snow Inc./ Integrated Family Health Program

John Snow Inc. is American based global public health service and research consulting firm named by memoriam of Dr. John Snow. Dr. John Snow is called a father of public health. John Snow observed Cholera first hand in 1983.

John Snow, Inc. (JSI), and its nonprofit affiliate JSI Research & Training Institute, Inc. (JSI R&T), are public health research and consulting firms dedicated to improving the health of individuals and communities throughout the world. There are projects managed by both JSI and JSI R&T. JSI/IFHP is managed by John Snow, Inc. within the JSI International division. It is A USAID funded five years Program (2008- December, 2013) implemented by Pathfinder International and John Snow Inc. JSI/IFHP operates 292 woredas of Amhara, Oromia, SNNP, and Tigray regions.

JSI/IFHP has a central office in Addis Ababa and four regional Program offices established in the capital of the four most populated regions (Mekele- Tigray, Bahir Dar- Amhara, Addis Ababa- Oromia and Hawassa- Southern Nations, Nationalities and People regions). The country Office houses program management, technical advisors and support units.

JSI/IFHP regional program offices are staffed by the regional program manager, technical area program officers, finance officers, and support staffs. Under these offices are cluster offices. A total of 16 JSI/IFHP cluster offices operate at zonal level in the four regions (3 in Tigray, 4 in Amhara, 6 in Oromia, and 3 in SNNP regions). There are 110 permanent employees in this organization.

1.2 Statement of the Problem

The performance management evaluation process in JSI/IFHP is mainly carried out once a year in accordance with the designed evaluation procedures which involves the communication to the staff under review by the supervisor or managers, completion of the self-assessment form by the staff under review, conducting of a review meeting, written feedback of supervisor and communication to the staff under review, and at last the supervisor produces the completed and signed performance assessment form (JSI/IFHP Performance Review documents)

The JSI/IFHP performance evaluation process is characterized by a limited basis or assessment objective (for employee compensation scheme arrangement) as well as lack of effectiveness resulting from unsatisfactory implementation in this organization. The process has been experiencing challenges because of the fact that there is no performance development plan, regular feedback, coaching appropriate measurement. Supervisors or managers in JSI/IFHP are not received training on how to observe behavior more accurately and fairly.

In JSI/IFHP there is no formal practical guideline which is used to ensure the accuracy of evaluation, the perceived fairness of the evaluation by workers, meeting legal standards for evaluation and effectiveness of performance management in JSI/IFHP.

The research study will establish whether the performance evaluation process at JSI/IFHP contributes towards enhancing the productivity of staff members. Based on a detailed review of literature, the research study will demonstrate the concept of complete Performance Management System and will describe the critical requirements for transformation of the JSI/IFHP performance evolution process in to such a system. The research process is based on the basic assumption that in order to achieve the desired efficiency and productivity levels, organizations rely on a highly engaged and motivated workforce that shares the vision and aspirations of the organizations.

1.3 Research Questions

To be able to access and find solutions to the research topic, the researcher proposed to look at and seek answers to the following research questions:

- What does the performance management system entails in its conceptual meaning and application in JSI/IFHP?
- Can effective PMS in JSI/IFHP contribute to improve productivity?
- How can performance development plan contribute to staff productivity and development at JSI/IFHP?
- What impacts do feedback and coaching have on PMS when it is conducted effectively and regularly?

- What are the supervisors activities before, during and after in PMS?
- What are the challenges facing the effective implementation of PMS in JSI/IFHP?

To respond to these questions, several research objectives are developed as below.

1.4 Objectives of the Study

In order to successfully respond to these research questions, the following are the objectives of this study are set out.

1.4.1 General Objectives of the Study are:

- ~ To analyze and critically review literature on PMS
- ~ To understand the components of PMS and existing practices in the JSI/IFHP
- ~ To ascertain whether PMS in JSI/IFHP contributes to the effective improvement of staff productivity in support of organizational objectives
- To compare established PMS models and the current PMS practices at JSI/IFHP and recommend ways of enhancing the existing system

1.4.2 Specific Objectives of the Study are:

- To conceptualize how does the performance management system have important contributions in the organization.
- To conceptualize that employee's developmental plan is an important component of the performance management system.
- To establish how often supervisors/managers give feedback to supervisees on employees performance
- To identify the impact of problems on the implementation of a performance management system and identify key performance management criteria in the organization
- To examine the existing supervisor activities in respect of performance management in JSI/IFHP and evaluate their effectiveness
- To analyze the impact of feedback and coaching on PMS and establish whether such activities are sufficiently incorporated in the PMS of JSI/IFHP

- To acquire and analyze data to identify the challenges that the PMS in JSI/IFHP faces during planning, execution and evaluation phases of the process.
- To recommend ways for the successful implementation of the performance management system in future.

1.5. Significance of the Study

The findings of this study would help to highlight those areas where there are problems among employees and their managers/supervisors and how the performance management process helps or hinders an employee's effective development and motivation, and thus, will be of great benefit to the policy makers of the organization. The results of this study would hopefully be significant in the sense that it would enable management better understand how the various performance management factors could be harnessed to inspire employees to increase their productivity.

The findings of this study will also be useful to further highlight the likely problems, or frustrations, and how driving a high performance culture within an organization can be used to either reduce or eliminate those problems among employees thereby increasing their performance and that of the organization.

Finally, it also adds to exiting literature on the subject matter and serves as a basis for further research.

Benefits of the Study

- ~ Members have an opportunity to improve continually.
- ~ Benchmarking opportunities is provided.
- ~ An important analysis involving self-evaluation is provided.
- JSI/IFHP self-evaluation provides opportunities for training and development, as members will develop a better understanding of its Excellence Model and its criteria.

1.6 Scope and Limitation of the Study

The research is specifically focused on the impact of performance management systems and the effectiveness of PM process at JSI/IFHP. The main reason for choosing this topic is to determine whether performance measurement system in JSI/IFHP can be effective without necessarily

turning goals into results, and organization goals may be achieved but may not be measured effectively in terms of its human capital. Therefore the researcher intends to link the organization design and its objectives to the framework being used for the determination of the effectiveness in JSI/IFHP.

The limitation of this study is to the extent that the effectiveness of performance management is limited to the performance of employees of JSI/IFHP and not related to all activities of all stakeholders related to JSI/IFHP.

1.6.1 Scope of the Study

The scope of the research is to study the performance management system and its effectiveness at two regional offices and central office of JSI/IFHP. The number of staffs currently available is about 110 (the research population)

1.6.2 Limitation of the Study

The following limitations are noted:

- ~ The study is focused on those who are currently working in JSI/IFHP at regional and central level and did not consider those who had left the organization due to time constraint
- Lack of generalization of the results to all employees in JSI/IFHP as the sample will only from two regional office and central office where the results would be applied.
- The questionnaires should have included a question for the respondents to indicate whether they are from the regional or central office for comparisons of responses.
- Sample size calculation will not be done as the population of the employees in the offices will too small for sampling exercise.

1.7. Organization of the Study

The study is presented in five Chapters. Chapter one will look at the introduction of the study, the statement of the problem, objectives of the study, significance of the study and scope and limitations of the study.

Chapter two goes into the review of related literature. Here the various literatures relevant to the study are dealt with adequate depth.

Chapter three is focused on the profile, practices of performance management system of JSI/IFH, research methodology and provides explanations for the data collection techniques and analytic methods are used in the study.

The fourth Chapter is on the data presentation, analysis and discussion of findings of the research. Chapter five writes conclusions, summary of the research findings as well as recommendations to be made based on the findings drawn from the study.

Chapter Two: Literature Review

2.1 Introduction

In this section, literature review is reviewed to contextualize this study with in the broad context of the field of performance management system and its effectiveness. This is consistent with the post-positivism research paradigm which acknowledges that a research problem cannot be understood without fully understanding the context in which it is taking place (Guaba E.G and Lincoln S.Y (2004). In so doing, a number of issues or dimensions are provided to guide the review of relevant literature and they include:

As stated earlier in chapter one performance management is a general term used to describe the continuous process of the identification of goals and objectives and provision of meaningful feedback as well as aligning individual goals and objectives to the strategic goals of an organization. Performance management can also be described as the process of creating a work environment or background in which people are enabled to perform to the best of their abilities. It involves a whole work system that begins when a job is defined as required and ends when an employee leaves the organization. Many scholars and proponents use the term performance management as a substitution for the traditional appraisal system (Aguinis H, 2009 p.2). In spite of the enormous growth of interest in PM, a precise definition of the concept is elusive as a result of its difficult connotations (Smith P.C and Goddard M. (2002). In their opinion, whereas the most common criteria for performance measurement are probably still financial, the traditional definition of performance management (PM) places the individual employee as the focus of attention and in that context, the definition of PM remains relatively uncontentious. According to its fact sheet on PM, the Association of Certified Chartered Accountants (ACCA) defines PM as a cyclical process organizations adopt to assess and develop employees to ensure effective contribution to organizational objectives which normally includes setting objectives for employees to achieve, rating the performance against set objectives and outlining future development activities to assist with achieving objectives. Consistent with the ACCA's definition, Smith P.C and Goddard M. (2002) also define PM as an integrated set of planning and

review procedures which cascade down through the organization to provide a link between each individual and the overall strategy of the organization.

The origin of performance management can be traced to about six decades ago when there was the need to find the source of income justifications and a basis for determining employee wages and salaries based on performance. A typical example is given by Aguinis H & Piece C (2008) where managers use their ability to influence the behaviors and outcomes of their subordinates, for both tangible and intangible outcomes, like financial rewards and recognition. This practice, however, did not go well with employees who were driven by learning and development to sharpen their skills, abilities and knowledge. This resulted in the need to put in place a firmer and more robust framework to alleviate the huge problem that the gap between the justification of pay and the development of skills and knowledge had created. This resulted in a shift to a more comprehensive move towards management of employee performance, as realized in the late 1980's in the Western and European countries. Current PM Processes have become much more sophisticated, and have evolved to encompass variations on the usual line manager-employee Nankervis R.A & Compton R.L (2006) reported that the main purpose of developing performance management systems was to revise the processes in order to achieve desirable outcomes ascertaining the current levels of use and satisfaction, and then to establish whether performance management can be used as a more effective strategic tool in the management of human resources. According to the authors , although earlier studies have shown that the use of, and satisfaction with performance management systems remain challenging, there is every indication that increasing use and integration of the available framework and theories will encourage more strategic links between individual, team and organizational results oriented outcomes.

2.2 Understanding Performance Management

2.2.1 The meaning of performance

Performance is often defined simply in output terms – the achievement of quantified objectives. But performance is a matter not only of what people achieve but how they achieve it. The Oxford English Dictionary confirms this by including the phrase carrying out in its definition of

performance: The accomplishment, execution, carrying out, working out of anything ordered or undertaken. High performance results from appropriate behavior, especially discretionary behavior, and the effective use of the required knowledge, skills and competencies. Performance management must examine how results are attained because this provides the information necessary to consider what needs to be done to improve those results. (Michael Armstrong, 2006 p, 7)

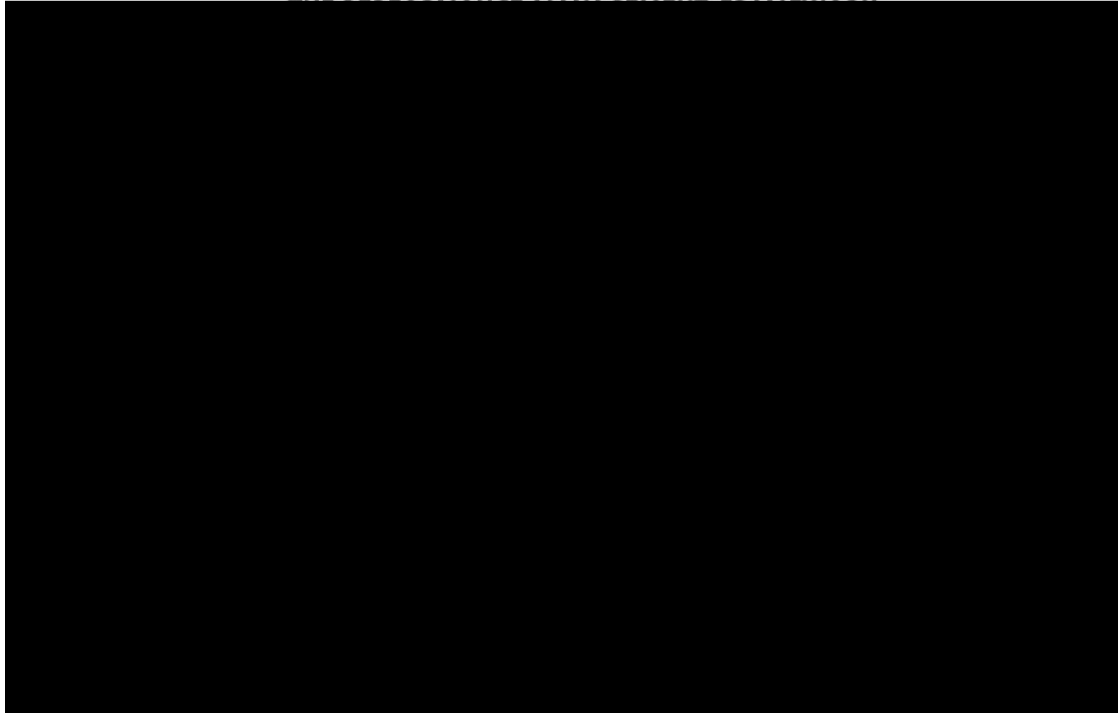


Diagram 1: Performance management framework 2.2.2

The meaning of alignment of Objectives

One of the most fundamental purposes of performance management is to align individual and organizational objectives. This means real concept of performance management is associated with an approach to creating a shared vision of the purpose and aims of the organization, helping each employee understand and recognize their part in contributing to them, and in so doing, manage and enhance the performance of both individuals and the organization. Alignment can be

attained by a cascading process so that objectives flow down from the top and at each level team or individual objectives are defined in the light of higher-level goals. But it should also be a bottom-up process, individuals and teams being given the opportunity to formulate their own goals within the framework provided by the defined overall purpose, strategy and values of the organization. Objectives should be agreed, not set, and this agreement should be reached through the open dialogues that take place between managers and individuals throughout the year. In other words, this needs to be seen as a partnership in which responsibility is shared and mutual expectations are defined.

2.2.3 Managing expectations

Performance management is essentially about the management of expectations. It creates a shared understanding of what is required to improve performance and how this will be achieved by clarifying and agreeing what people are expected to do and how they are expected to behave and uses these agreements as the basis for measurement, review and the preparation of plans for performance improvement and development.

2.2.4 Definitions of performance management

In this section, different definitions found in literature are presented

- According to Nel et al. (2008: 492) performance management can be defined as a holistic approach and process towards the effective management of individuals and groups to ensure their shared goals, as well as that organizational strategic objective are achieved”
- Pickett L. (2000: 228) defines performance management as the managerial process that links strategic planning, performance standards, individual objectives, and performance evaluation, training and individual development.
- A process for establishing a shared understanding about what is to be achieved and how it is to be achieved, and an approach to managing people that increases the probability of achieving success Weiss and Hartle (1997)
- Performance management is also regarded as an integrated process in which employees and managers work together to set the expectations, measure and review the results, and reward

performance with the intention to improve the performance of employees with the ultimate goal being to ensure organizational success (Den Hartog D.N *et al.* (2004).

Performance management is a means of getting better results from the organization, teams and individuals within an agreed framework of planned goals, objectives and standards (Armstrong, 2009).

According to H. Aguinis 2005-p 2 Performance management is a continuous process of identifying, measuring and developing performance in organizations by linking each individual's performance and objectives to the organization's overall mission and goals. Let's consider each of the definition's two main components:

1. Continuous process. Performance management is ongoing. It involves a never-ending process of setting goals and objectives, observing performance, and giving and receiving ongoing coaching and feedback.
2. Link to mission and goals. Performance management requires that managers ensure that employees' activities and outputs are congruent with the organization's goals and, consequently, help the organization gain a competitive business advantage. Performance management therefore creates a direct link between employee performance and organizational goals, and makes the employees' contribution to the organization explicit.

Note that many organizations have what is labeled a 'performance management' system. However, we must distinguish between performance management and performance appraisal. A system that involves employee evaluations once a year, without an ongoing effort to provide feedback and coaching so that performance can be improved, is not a true performance management system. Instead, this is only a performance appraisal system. Although performance appraisal (i.e., the systematic description of an employee's strengths and weaknesses) is an important component of performance management, it is just a part of the whole.

Performance management systems that do not make explicit the employee contribution to the organizational goals are not true performance management systems. Making an explicit link between an employee's performance objectives and the organizational goals also serves the purpose of establishing a shared understanding about what is to be achieved and how it is to be achieved.

According to Armstrong M and Baron D (1998), Performance Management is both a strategic and an integrated approach to delivering successful results in organizations by improving the performance and developing the capabilities of teams and individuals. The term performance management gained its popularity in early 1980's when total quality management programs received utmost importance for achievement of superior standards and quality performance. Tools such as job design, leadership development, training and reward system received an equal impetus along with the traditional performance appraisal process in the new comprehensive and a much wider framework. Performance management is an ongoing communication process which is carried between the supervisors and the employees throughout the year.

2.3 Purpose of Performance Management

Armstrong M (2004) argues that the purpose of performance management should be a means of getting better results from the organization teams and individuals, by understanding managing performance with an agreed framework of planned goals, standards and competence requirements. It is a process of establishing shared understanding about what is to be achieved and an approach to managing and developing people in a way that increases the probability that it will be achieved in the short and long term. It is owned and driven by the line management. According to Williams S. (1998), performance management is concerned with performance improvement, employee development, satisfying the needs and expectations of the organization, communication and involvement in order to achieve organizational effectiveness. Performance management is a strategic and integrated approach to delivering sustained success to organizations, which is done by improving people's performance and developing capabilities of teams, individuals and giving proper feedback on performance (Armstrong M, 2004) Argues that, performance management should be a time for the employee to discuss with the supervisor any unmet needs, for example, need for more or less supervision, more resources, more leeway for creativity, and more input decisions. Nyambegera S.M, (2005)

Performance management is used in most organizations for determining pay rises, promotion, transfers and assessment of training and development needs, demotions and discha. Fletcher (1993) holds that performance management provides an opportunity for the supervisor to restate

company job performance and behavior expectations of the employee and let the employee know what areas need improvement (if any) in order to receive a desired rise or promotion. Performance management provides a framework in which managers can support their team members rather than dictate to them. It focuses on activities like: future performance planning and improvement, clear job descriptions, selection of the appropriate people with an appropriate selection process, negotiate requirements and accomplishment based performance standards, outcomes, and measures, providing effective orientation, education and training, provide on-going coaching and feedback, conduct quarterly performance development discussions, design effective compensation and recognition systems that reward people for their contributions, (Truss & Gratton, 1994). It also provides promotional/career development opportunities for staff and assist with exit interviews to understand why valued employees leave organization rather than on retrospective performance appraisal. It provides basis for regular and frequent dialogues between managers and individuals or teams about performance and development needs, (Wright V, 1991).

They emphasize great need to build human capital within the firms through development. In Europe performance management is mainly concerned with customer satisfaction, people satisfaction, and impacts in society are achieved through leadership. This drives policy and strategy people management, resources and processes leading to excellence in business results and can be used as a basis for measuring individuals as well as organizational performance

2.4 Characteristics of Performance Management

Performance management is a planned process of which the primary elements are agreement, measurement, feedback, positive reinforcement and dialogue. It is concerned with measuring outputs in the shape of delivered performance compared with expectations expressed as objectives. (Armstrong M. 2009 p, 3)

In this respect, it focuses on targets, standards and performance measures or indicators. It is based on the agreement of role requirements, objectives and performance improvement and personal development plans. It provides the setting for ongoing dialogues about performance,

which involves the joint and continuing review of achievements against objectives, requirements and plans.

But it is also concerned with inputs and values. The inputs are the knowledge, skills and behaviors required to produce the expected results. Developmental needs are identified by defining these requirements and assessing the extent to which the expected levels of performance have been achieved through the effective use of knowledge and skills and through appropriate behavior that upholds core values.

Performance management is a continuous and flexible process that involves managers and those whom they manage acting as partners within a framework that sets out how they can best work together to achieve the required results. It is based on the principle of management by contract and agreement rather than management by command. It relies on consensus and cooperation rather than control or coercion.

2.5 Performance Management Process

Having discussed the historical development of performance management systems, in this section the focus is on describing the performance management process expected to be implemented by organization. Considering that this research focuses on problems associated with the effectiveness of a performance management system, it is important to describe the process that is expected to be followed in implementing a performance management system in the organization. It is noted that there are four key performance management process activities, and they include performance planning, performance coaching and mentoring, performance measurement and evaluation and performance feedback (Aguinis H. 2009).

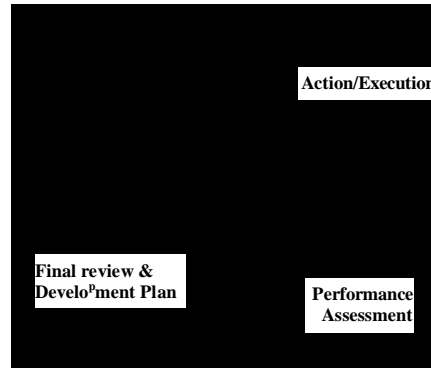
The processes of performance management consist of:

- Planning: agreeing objectives and competence requirements and producing performance agreements and performance improvement and personal development plans.
- Acting: carrying out the activities required to achieve objectives and plans.
- Performance assessment: checking on progress in achieving objectives.
- ~ Reviewing and development: assessing progress and achievements so that action plans can be prepared and agreed.

The basis upon which performance management works as a continuous process is illustrated in

Figure below.

Diagram 2: Process of performance management



Source: Armstrong M, (2004) *Human Resource Practice, Institute of Personnel and Development London*

2.6 Performance Management and Performance Appraisal

Performance management is a process for establishing a shared understanding about what is to be achieved and an approach to managing people that increases the probability of achieving success (Armstrong M, 2009).

It is about the everyday actions and behaviors people use to improve performance in themselves and others. It cannot be divorced from the management processes that pervade the organization. Performance management is the process of creating a work environment or setting in which people are enabled to perform to the best of their abilities. Performance management is a whole work system that begins when a job is defined as needed. It ends when an employee leaves your organization. The overall goal of performance management is to ensure that the organization and all of its subsystems (processes, departments, teams, employees, etc.) are working together in an optimum fashion to achieve the results desired by the organization. Performance management strives to optimize results of everyone and results of the organization. Any focus of performance management within the organization (whether on department, process, employees, etc.) should ultimately affect overall organizational performance management as well.

Achieving the overall goal requires several ongoing activities, including identification and prioritization of desired results, established means to measure progress toward those results,

setting standards for assessing how well results are achieved, tracking and measuring progress toward results, exchanging ongoing feedback among those participants working to achieve results, periodically reviewing progress, reinforcing activities that achieve results and interviewing are also measures. Organization is established to achieve certain objectives. Achievement of goals or targets depends upon the performance of individual employees.

Performance appraisal is a systematic periodic and impartial rating of employee's excellence in matters pertaining to his present job and to his potentialities for a better job. (Edwin B. Flippo 1997)

Performance appraisal is mainly used for three purposes.

- i. As a basis of reward allocation such as salary increments, promotion and other rewards etc.
- ii. Performance appraisal will point out the weaknesses of employees and will spot the areas where development efforts are needed. Performance appraisal is a tool for identification of deficiencies.
- iii. It can be used for the selection and development program. It will differentiate satisfactory performers from unsatisfactory ones. The performance appraisal will help the management to perform functions relating to selection, development, salary, promotion, penalties, lay-off and retrenchment.

It is sometimes assumed that performance appraisal is the same thing as performance management. But there are significant differences. Performance appraisal can be defined as the formal and periodical assessment and rating or ranking of individuals by their managers or immediate supervisors at, usually, an annual review meeting. Whereas performance management is a continuous, broader, more comprehensive and natural process of management that clarifies mutual expectations, emphasizes the support role of managers who are expected to act as coaches rather than judges and focuses on the future. Performance appraisal has been criticized by people because here approach is like bureaucratic and top- down under the control of human resource managers. It was often backward looking, concentrating on what had gone wrong, rather than looking forward to future development needs. Performance appraisal schemes existed in isolation. There was little or no link between them and the needs of the business. Line

managers have frequently rejected performance appraisal schemes as being time consuming and irrelevant. Employees have resented the superficial nature with which appraisals have been conducted by managers who lack the skills required, tend to be biased and are simply going through the motions. As Armstrong M. asserts, performance appraisal too often degenerated into a dishonest annual ritual.

Table 1- Performance appraisal compared with performance management

Performance appraisal	Performance Management
Top-down assessment	Joint process through dialogue
Annual appraisal meeting	Continuous review with one or more formal reviews
It is part of performance management process	It is a wider concept than appraisal
Use of ratings and ranking	Ratings less common
Monolithic system	Flexible process
Focus on quantified objectives	Focus on values and behaviors as well as objectives
Looks back to find out what has gone wrong in performance	Looks forward for further development
Often linked to pay	Less likely to be a direct link to pay
Bureaucratic – complex paperwork	Documentation kept to a minimum
It is carried out by immediate supervisors	Line managers are involved and in discussion with experts and consultants

Source: Armstrong’s Hand book of Performance Management p, 274th edition (2009), London

2.7 Objectives of Performance Management

According to Lockett J. (1992) performance management aims at developing individuals with the required commitment and competencies for working towards the shared meaningful objectives within an organizational framework. Performance management frameworks are designed with the objective of improving both individual and organizational performance by identifying performance requirements, providing regular feedback and assisting the employees in their career development. Performance management aims at building a high performance culture for both the individuals and the teams so that they jointly take the responsibility of improving the

business processes on a continuous basis and at the same time raise the competence bar by upgrading their own skills within a leadership framework. Its focus is on enabling goal clarity for making people do the right things in the right time. It may be said that the main objective of a performance management system is to achieve the capacity of the employees to the full potential in favor of both the employee and the organization, by defining the expectations in terms of roles, responsibilities and accountabilities, required competencies and the expected behaviors. The main goal of performance management is to ensure that the organization as a system and its subsystems work together in an integrated fashion for accomplishing optimum results or outcomes.

2.8 Concerns of Performance Management

Performance management is an important function of human resource management (HRM). HRM is mainly interested for proper utilization of manpower and contribute to a good extent in achieving the objectives of the organization. In nutshell, it can be said that through better performance it is to make the organization more effective in the present competitive situation.

2.8.1 Concern with Productivity

It is first of all concerned with the output per person/system/machine/group it is concerned with the results achieved, the performance of activities, competencies needed to perform these activities from every individual, group or team/ department and organization as a whole. In present uncontrollable, risky and rapidly changing environment it is difficult for everyone to survive, stabilize, grow and excel in their performance. Those who are in position to give excellent performance they are leader in business. They are only grabbing maximum opportunities. Performance management is mainly concerned for better result through processes, input and required competencies. It is possible through planning, developing, measuring and review of the performance of every one. Performance management plays an important role for effective working of HR management.

2.8.2 Concern with Planning of Performance

Performance management is concerned with planning of the performance of people at work for better result in future. This means defining expectations expressed as objectives and in business

plans. It plans the roles of everyone, standards of performance to be given in advance so that the actual performance can be compared with these standards. The performance of individual or group is aligned with the goals of the organization.

2.8.3 Concern with Performance Measurement and Review

The next concerned of it is to measure the output of individuals and systems periodically. Further it is to compare with the standards already fixed. This shows the position of the performance whether the result is in the required direction or not. If the result is as per the planning then it is to be maintained otherwise it needs the remedial action for improvement. This position must be reviewed further for better result also Though this concern many irregularities will be removed and there may be better and smooth performance of everyone concerned in achieving the objective of the organization.

2.8.4 Interest in Continuous Improvement

Performance management philosophy is based on innovation in every area of the organization. Concern with continuous improvement is based on the belief that continually striving to reach higher and higher standards in every part of the organization will provide better performance and will be in position to give competitive advantage to the organization over its competitors. This means clarifying what organizational, team and individual effectiveness look like and taking steps to ensure that those defined levels of effectiveness are achieved. As Armstrong M. said that helps in establishing a culture in which managers, individuals and groups take responsibility for the continuous improvement of business processes and of their own skills, competencies and contribution.

It follows the Japanese concept of Kaizen. Performance management is concerned with creating a culture in which organizational and individual learning and development is a continuous process. HR managers are putting their efforts for creating a healthy working environment for everyone. That is very helpful for learning and work. People learn from success and face the challenges in their routine functioning.

2.9 Benefits of Performance Management

Performance management is a very important part of human resource management. The focus of it is on development aspects of individual and organization performance. The approach of performance management is positive. In present highly competitive environment, a high degree of skill and commitment is needed to understand the environment and perform accordingly.

Everybody is benefited by actions of performance management. It is bit difficult to summarize the benefits of it in detail. It is possible to get all employees to reconcile personal goals with organizational goals. One can increase productivity and profitability for any organization and that leads to progress of the organization. It can be applied by organizations or a single department or section inside an organization as well as an individual person.

- The quickest way for career building, career development and moving up on the stepping stones of the corporate career ladder;
- The surest and fastest way for increased motivation, productivity, growth, performance and profitability for both the individual and the organization;
- The best career builder and career booster for any career; and inspirational, as it gets people moving, makes them self-starters in utilizing own talents and initiative, automatically like magic.

It helps in creating good working environment of openness, mutual trust, cooperation and team spirit. People work with their high degree of motivation and without work stress. In healthy working environment people work in team and that leads to multidimensional benefits to individuals, teams, departments, sections, divisions and organization as a whole.. The benefits of it are numerous and these are financial and non-financial both. Managing employee or system performance facilitates the effective delivery of strategic and operational goals.

2.10 Conceptualization of Performance Management System

According to Mouton (2001: 175) conceptualization has to do with the analysis of the meaning of words or concepts through clarification and elaboration of the different dimensions of meanings. Below are conceptual analyses of some of the concepts:

- Policy is a body of rules and regulations which are usually found in acts, ordinances and by-laws. The aim of policy is to provide guidelines to managers on how to manage performance
- Performance management is a holistic approach and process towards the effective management of individuals and groups to ensure that their shared goals and institutional objectives are achieved. Performance management as an approach to managing people which comprises a set of practices used by managers to plan, direct and improve performance of employees in a particular institution in order to achieve overall strategic objectives.
- Performance Management System is a system which ensures maximum performance in the institution in order to reach desired results (improved productivity)

2.11 The Performance Management Contribution

There are many advantages associated with the implementation of a performance management system. A performance management system can make the following important contributions:

1. Motivation to perform is increased.

Receiving feedback about one's performance increases the motivation for future performance. Knowledge about how one is doing and recognition of one's past successes provide the fuel for future accomplishments. Motivated employees are inclined to be more productive than non-motivated employees. Most businesses make some pains to motivate workers but this is normally easier said than done. Employees are all individuals with different like's dislikes and needs, and different things will motivate each.

2. Self-esteem is increased.

Receiving feedback about one's performance fulfils a basic need to be appreciated and valued at work. This, in turn, is likely to increase employees' self-esteem.

3. Managers gain insight about subordinates.

Direct supervisors and other managers in charge of the appraisal gain new insights into the person being appraised. The importance of knowing your employees is highlighted by the fact that the Management Standards Centre has recognized that developing productive relationships

with colleagues is a key competency for managers, standard Gaining new insights into a person's performance and personality will help the manager build a relationship with that person. Also, supervisors gain a better understanding of each individual's contribution to the organization. This can be useful for direct supervisors as well as for supervisors once removed.

4. The job definition and criteria are clarified.

The job of the person being appraised may be clarified and defined more clearly. In other words, employees gain a better understanding of the behaviors and results required of their specific position. Employees also gain a better understanding of what it takes to be a successful performer (i.e., which criteria define job success).

5. Self-insight and development are enhanced.

The participants in the system are likely to develop a better understanding of themselves and of the kind of development activities of value to them as they progress through the organization. Participants in the system also gain a better understanding of their strengths and weaknesses, which can help them better define future career paths.

6. Personnel actions are more fair and appropriate.

Performance management systems provide valid information about performance, which can be used for personnel actions such as merit increases, promotions and transfers, as well as terminations. In general, a performance management system helps to ensure that rewards are distributed on a fair and credible basis. In turn, such decisions based on a sound performance management system lead to improved interpersonal relationships and enhanced supervisor-subordinate trust.

7. Organizational goals are made clear.

The goals of the unit and the organization are made clear, and the employee understands the link between what he or she does and organizational success. This is a contribution to the communication of what the unit and the organization are all about and how organizational goals cascade down to the unit and the individual employee. Performance management systems can help improve employee acceptance of these wider goals (i.e., organizational and unit level).

8. Employees become more competent.

An obvious contribution is that the performance of employees is improved. In addition, there is a solid foundation for developing and improving employees by establishing developmental plans.

9. There is better protection from lawsuits.

Performance management systems can help document compliance with regulations (e.g., equal treatment of all employees regardless of sex or ethnic background). When performance management systems are not in place, arbitrary performance evaluations are more likely, resulting in an increased exposure to litigation.

2.12 Performance Management System defined

A performance management system is a set of interrelated activities and processes that are treated holistically as an integrated and key component of an organization's approach to managing performance through people and developing the skills and capabilities of its human capital, thus enhancing organizational capability and the achievement of sustained competitive advantage.

2.13 The significance of implementing performance management systems

Having discussed the definition of performance management in section 2.12 in this section the focus is on the significance of performance management and its effectiveness. This section aims to clarify the justification for the importance of effective performance management systems in organizations, and thus the reasons for studying problems associated with the effectiveness of a performance management system in John Snow Inc/Integrated Family Health program (JSI/IFHP).

The significance of performance management systems applies to any organization that wants to improve its performance of the organization. It is indicated that in the organization, as global and national competitiveness puts strong pressure on performance excellence and cost effectiveness at all organizational levels, integrated human resource systems, including performance management, have become an indispensable tool. According to Theron C.C (2000), performance

management plays a significant role to improve organizational processes as well as team and individual performance, and it is therefore emphasized that the improvement of employee performance is a goal of performance management in order to realize the goals of the organization.

Graham G. (2004) indicates that performance management is significant because it provides a fair way to guide employee's performance and it enables employees to know what they are expected to do, to know what is working well and to know areas that need improvement. Graham G.(2004) further argues the importance of performance management is that it enables employees to know how they are contributing to the organization and they are rewarded appropriately.

2.14 The emergence of performance management systems

Having discussed the significance of performance management systems in the above section, in this section the focus is on the emergence of performance management systems. This section provides the historical development of performance management systems, and it helps to provide the historical context of performance management systems in general and performance management.

According to Radnor Z. and McGuire M (2004: 246), there has been a revolution in performance management and measurements over the past twenty years. It is also noted that performance management systems are not new, and researchers have found reference to performance management during the third century A.D. in China, which has been confirmed by Furnham (2004). Furnham (2004) further indicates that in both America and Britain in the eighteenth and nineteenth centuries there was already evidence of early forms of performance management, whilst most Western armies did performance management in the last century. In the United States, performance management started with the industrial revolution in the late eighteenth century. In the United States, the use of performance appraisal started after World War I, and the system was not extensively used until about 1955. Literature further indicates that performance management during the industrial revolution was simple and crude. According to Furnham (2004:84) two thirds of big companies had performance appraisal systems during the 1950s in America and the same happened in the 1960s in Europe. Companies were compelled to adopt

some sort of system through legislation in Britain (1980s/1990s) and in America (1970s). Furnham (2004) notes that performance management systems were used to try to bring about change in the public service culture and ethos in the 1980s and 1990s.

2.15 Aim and Role of Performance Management System

The information collected by a performance management system is most frequently used for salary administration, performance feedback, and identification of employee strengths and weaknesses. In general, however, performance management system can serve the following purposes. (Aguinis H. 2009, p. 14-16)

2.15.1 Strategic purpose

By linking the organization's goals with individual goals, the performance management system reinforces behaviors consistent with the attainment of organizational goals. Moreover, even if for some reason individual goals are not achieved, linking individual goals with organizational goals serves as a way to communicate what are the most crucial business strategic initiatives.

2.15.2 Administrative purpose

Performance management systems are a source of valid and useful information for making administrative decisions about employees. Such administrative decisions include salary adjustments, promotions, employee retention or termination, recognition of superior individual performance, identification of poor performers, layoffs, and merit increases.

In other words, the implementation of reward systems based on information provided by the performance management system falls within the administrative purpose. If an organization does not have a good performance management system in place, administrative decisions are more likely to be based on personal preferences, politics, and otherwise biased decisions.

Having a good system in place is particularly relevant for the implementation of contingent pay (CP) plans, also called pay for performance. CP means that individuals are rewarded based on how well they perform on the job. Thus, employees receive increases in pay based wholly or partly on job performance

2.15.3 Communication purpose

A performance management system can be an excellent communication device. Employees are informed about how well they are doing and receive information on specific areas that may need to be improved. Also, related to the strategic purpose described above, performance management systems are a conduit to communicate the organization ' s and the supervisor ' s expectations and what aspects of work the supervisor believes are most important.

2.15.4 Developmental purpose

Feedback is an important component of a well - implemented performance management system. Managers can use feedback to coach employees and improve performance on an ongoing basis. This feedback allows for the identification of strengths and weaknesses as well as the causes for performance deficiencies (which could be due to individual, group, or contextual factors). Of course, feedback is useful only to the extent that remedial action is taken and concrete steps are implemented to remedy any deficiencies (Aguinis H. 2009). Another aspect of the developmental purpose is that employees receive information about themselves that can help them individualize their career paths. Thus, the developmental purpose refers to both short - term and long - term aspects of development.

2.15.5 Organizational maintenance purpose

An important component of any workforce planning effort is the talent inventory, which is information on current resources (for example, skills, abilities, promotional potential, and assignment histories of current employees). Performance management systems are the primary means through which accurate talent inventories can be assembled.

Other organizational maintenance purposes served by performance management systems include assessing future training needs, evaluating performance achievements at the organizational level, and evaluating the effectiveness of HRM interventions (for example, whether employees perform at higher levels after participating in a training program). None of these activities can be conducted effectively in the absence of a good performance management system.

2.15.6 Documentation Purpose

Finally, performance management systems allow organizations to collect useful information that can be used for several documentation purposes. First, performance data can be used to validate newly proposed selection instruments. For example, a newly developed test of typing skills can be administered to all administrative personnel. Then scores on the test can be paired with scores collected through the performance management system. If scores on the test and on the performance measure are correlated, then the test can be used with future applicants for the administrative positions. Second, performance management systems allow for the documentation of important personnel decisions. This information can be especially useful in the case of litigation.

2.16 Effective Performance Management System includes

What gets measured can be improved, but how is measured can lead to wrong decision when the measurement criteria is faulty. The indicators of effective performance management system typically involves the setting of performance objectives, setting developmental plans, providing training for managers and employees, giving ongoing feedback, coaching, the measurement criteria to be used in measuring performance outcomes against these objectives, the identification of developmental support, and a review process to develop performance and subsequent objectives” (Brewster et al.2003, p. 261). Despite the differences and variations which may exist within the PM systems designated and operated by different organizations, Cascio, W. F. (2006 believes that every effective PM system requires that the organization perform three fundamental functions very well:

~ Define the characteristics of a good performance as opposed to an average or bad performance

For example, the internal processes in JSI/IFHP must demand processes like, effective planning preparation, engaging employees in purposeful environments, appropriately differentiating instruction, accountability for employee learning, and finally commitment to professional responsibilities and meeting of deadline would be key performance measurement criteria and the scale at which these criteria’s may be measured and rated.

~ Help employees to perform well by removing obstacles

Organizations should not just set objectives for their employees to achieve but also provide the assistance and tools needed to perform at the required level. A performance management system which is only concerned with what objectives employees should achieve without concerning itself with how those objectives are going to be achieved is bound to fail. For example , an organization which expects its employees to report to work on time and also occasionally make sacrifices to work late into the night, should also concern itself with providing a good means of transport for such employees.

~ Encourage performance through reward, praise or promotion.

A good PM system requires that organizations note and reward good performance which may be monetary or non-monetary. Where performance related pay exist, a valid connection between employee performance and employee pay must be established (Armstrong M and Baron D, 1998). Verbal praises and prospects of career progression are also known to be good employee motivational techniques.

2.16.1 Personal development plan

Personal development planning is the process of creating an action plan based on awareness, values, reflection, goal-setting and planning for personal development within the context of a career, education, relationship or for self-improvement.

The PDP (personal development plan), also called an IDP (individual development plan) or PEP (personal enterprise plan), usually includes a statement of one's aspirations, strengths or competencies, education and training, and stages or steps to indicate how the plan is to be realized. Personal development plans may also include a statement of one's career and lifestyle priorities, career positioning, analysis of opportunities and risks, and alternative plans (Plan B), and curriculum vitae.

Personal development plans are often a requirement for employee CVs. Employees who are participating in business training are often asked to complete a personal development plan. A performance development plan: a work plan that specifies what needs to be done to develop and

where necessary improve performance. In addition to improved performance, inclusion of performance developmental plans and in more general terms, the identification of employees strengths and weakness as part of the performance management system have another important benefit.

Personal development planning aims to promote learning and to provide people with the knowledge and portfolio of transferable skills that will help to progress their careers. A personal development plan sets out what people need to learn to develop their capabilities, improve their performance and further their career. It provides a self-organized learning framework, indicating the actions required by individuals, their managers and the organization.

It serves as a point of reference for monitoring and reviewing the implementation of the plan. Personal development planning is carried out by individuals with guidance, encouragement and help from their managers as necessary. Individuals take responsibility for formulating and implementing the plan but they receive support as required from the organization and their managers in doing so. Performance developmental plans specify course of action to be taken to improve performance. (Aguinis H. second edition p, 1 80).Personal development plans allow employees to answer the following questions:

- How can I continually learn and grow in the next year?
- How can I do better in the future?
- How can I avoid performance problems faced in the past?

As per Armstrong M 2009, p: 35 a personal development plan is an important part of the system. It is a plan on which to record:

- ~ Where the level of competence is met but where we would like to develop further; ~ Any training and/or development needed to support the delivery of that objective;
- ~ Any gaps in skills, knowledge or behaviors that need to be overcome in order to meet our objectives.

It gives jobholders and line managers the opportunity to:

- Identify, discuss and agree development needs for the year ahead,

- Prioritize and plan how these will be addressed and achieved,
- Agree and set dates for reviewing the plan,
- If necessary, plan how poor performance might be improved,

2.16.2 Providing training to managers

This process should provide for individual development and career planning. Line managers work together with staff to prepare, implement and review individual performance development plans (PDP's). PDP's should be forward looking and integrate job goals and learning plans. Managers should use feedback sessions as foundations for providing further training, coaching and counseling. Line managers are also expected to mentor their staff. Performance related training philosophy involves relating training specifically to performance and competence requirements (Beadwell, I. & Len, H. (1997)

Training provides knowledge, skills and contributes in development of overall competencies of the persons. The training is needed for all persons working at different levels. For managers they should be trained in planning process and communication. The supervisor will be required to go through a training program for counseling, coaching, and motivation and performance appraisals. They should be trained regarding these points so that he/she can do the needful to help the employees whenever they need the help. It will solve many problems and employees can be guided and motivated to do the work so the expected results can be easily achieved.

2.16.3 Measuring the quality of performance appraisals

Performance appraisal: A good system should focus on the individual and his development, so as to make him achieve the desired performance. Performance system identifies areas where the employees need training and once the contents are identified it becomes easy to select technology, reading material and other training necessities, (OPM, 2001). Similarly, performance appraisal can also provide data to determine promotions, transfers and even demotions of an employee. Thus it has direct bearing on other personnel decisions (William S, (1998). It has also been found that supervisors are increasingly using data provided by performance appraisal as a basis for counseling the employee. The purpose is to help the employees overcome weakness and become more effective

in their job

2.16.4 Incorporating the Performance Management System in all the organization's functions

PMS should have a holistic approach. Performance management should be integrated into the way the performance of the business is managed and it should link with other key processes and functions of the business. Accordingly, its belief is that everything that people do at work at any level, contribute to achieving the overall purpose of the organization. This is also referred to as the vertical integration of the PMS which is achieved vertically with the business strategy and business plans and goals

Team and individual objectives that support the achievement of corporate goals are agreed. These take the form of interlocking objectives from the corporate level to the functional of the business unit levels and down to the team and individual level. In the human resources (HR) department specifically, the system should support and be integrated with the host of other human resource actions such as selection, disciplinary processes, training and retention efforts. This horizontal integration means aligning performance management strategy with other human resource strategies concerned with valuing, paying, involving and developing people.

2.16.5 The PMS driven by line managers owned by all the staff

The line managers carry PMS throughout the year; they ensure clarity of goals, expectations and accountabilities for achieving success. The line manager should set goals and objectives at flexible levels so that they are adapted or modified to meet changing priorities and business challenges (Campbell J.P, 1990). They should ensure the system is simple, easy to understand, use and efficient. Accountability measures must be built into the system to ensure positive performance related interactions occur and are conducted in a manner that achieves intent. Meanwhile all the other employees contribute to the development of a high involvement organization by getting teams and individuals to participate in defining their objectives and the means to achieve them. This creates ownership in them.

2.16.6 Giving feedback/Continuous improvement

Effective performance management systems have no secrets. First, performance is evaluated frequently, and performance feedback is provided on an ongoing basis. So employees are

continually informed of their performance. Second, the appraisal meeting consists of a two-way communication process, where information is exchanged and not just delivered from the supervisor to the employee. Third, standards should be clear and communicated on an ongoing basis. Finally, communications are factual, open and honest (Aguinis H 2009 p; 34).

One of the most critical parts of the appraisal process is the direct communication between supervisor and individual. The information reflecting past performance and results and given by the manager to the employee is called feedback. It improves the effectiveness and helps in decision making within the organization. The feedback directs the individual to the organization missions and objectives. In the ideal situation the employee receives information about how they are performing and where they could improve. Managers identify the weaknesses of the employees and together they make a plan for the employee's development.

The success of the feedback depends on the acceptance of the process. The source of the feedback must be perceived by the recipient as being trustworthy, credible, reliable, objective and properly motivated.

Feedback reactions are usually very different. The satisfaction with the performance appraisal is an indication of the degree to which subordinates are satisfied with the process and the feedback they have received. It serves as a report of the accuracy and fair evaluations of the performance. The outcome is that satisfied individuals after the performance appraisal will improve further working relationships with supervisors and colleagues.

The feedback can also bring negative reactions from employees. If perceived unfair, the feedback can cause behavioral changes such as absenteeism, lack of cooperation, lack of focus on priorities, unhealthy competition and even can cause staff turnover

2.16.7. 360-degree Feedback

360-degree Feedback is a process in which employees receive confidential, anonymous feedback from the people who work around them. It gives a multi-dimensional picture about the performance of an employee from their managers, supervisors, team leaders, colleagues and external and internal customers. The process works through questionnaires, which are confidential; the individual receives a summary of aggregated results. Because feedback is

anonymous providers feel safe to share their straight opinions. The feedback is also balanced because it is mirroring views of superiors, peers and subordinates. The potential problem with 360 is that after getting feedback the person should work together with his/her line-manager towards identifying improvement measures and actions. The Experience in JSI/IFHP shows that no employee use 360 effectively for developing purposes. Perhaps the reason behind is that there is no requirement for the employees to share their feedback with the line-managers and design future actions. It is left up to the employee's will whether he/ she wants to share feedback results or not.

2.16.8 Coaching

Coaching is a process that enables learning and development to occur, with the aim of improving an individual's capability and performance. Coaching provides the opportunity for an individual to work together with another person to:

- Discuss ideas

- ❖ • Problem solve specific issues or situations
- ❖ • Identify solutions or strategies
- ❖ • Enable a change in an individual's perception and/or behavior, and
- ❖ • Build individual know-how, skills, confidence and effectiveness.

❖ Coaching is a fundamental performance management activity that takes the opportunities presented by the work itself and uses them to develop the knowledge, skills, competencies and therefore the performance of people. Coaching opportunities arise in two ways: informally on a day-to-day basis and after a formal performance review that identifies learning and development needs.

Coaching is defined as a day-to-day, hands-on process of helping employees recognize opportunities to improve their performance and capabilities; a form of facilitating learning.

Coaching is a one-on-one process of professional support, guidance, challenge and development that has emerged over the years as an invaluable process in:

- ~ Facilitating learning
- ~ Enabling transfer of knowledge

- Improving staff capability for the long term
- Facilitating effective delegation of work
- Optimizing staff performance, and
- Creating a productive workplace climate.

Coaching can be distinguished from mentoring and counseling. Mentoring describes a relationship in which a more experienced individual uses his or her greater knowledge and understanding of the work or workplace to support the development of a more junior or inexperienced colleague.

Counseling addresses the employee's emotional state and the causes of personal crises and problems. It is usually conducted by trained counselors and involves short-term interventions designed to remedy problems that interfere with the employee's job performance.

Performance coaching is a continuous and continual process of providing help to your employees by analyzing their performance and other job behaviors for the purpose of increasing their job effectiveness. It is an integral part of performance development. Both informal day-to-day coaching and regular coaching sessions are recommended. These can be short update sessions to check on progress, give feedback, and address problems that have arisen. Workplace coaching is a collaborative, solution-focused, result-oriented and systematic process in which the coach facilitates the enhancement of work performance and the self-directed learning and personal growth of individuals. Coaching provides a space for profound personal development and enables managers to understand how to translate personal insights into improved effectiveness and ultimately organizational development

Chapter Three: Research Design and Methodology

This chapter provides details of the study and the methods employed in the research. It looks at the methods employed in the selection of respondents and the problems that were uncounted. It further identifies the processes used to arrive at solutions to the stated problems, and explains how data was collected and analyzed, thus providing reliable basis for actions and drawing conclusions based on interpretation of data.

3.2. Methodology

3.2.1 Research Design

The objective of this research, as pointed out in chapter one, is to ascertain how performance is managed and to relate it to the effective and efficient review of performance objectives in a consistent manner so as to ensure that employees are working at the highest level of performance and delivery of superior results. The methodologies employed in this study are both qualitative (Focus group and document review) and quantitative (Survey questionnaires) research and hence involve a triangulation approach (White B, 2000, pg.41). The triangulations approach helped examine the data and findings from several perspectives and this resulted in richer insights regarding the various research questions that have been mentioned in this research. The research was carried out using the case study approach with the researcher' place of employment (JSI/IFHP), as the subject of the case study as explained earlier. The information collected was sourced from the available appraisal processes and data at the organization and this information was complemented with views from management on the assessment of employees, as well as employees view on the process which was obtained from them using questionnaires, focus group

3.2.2 Target Population and Sample Size

The target population is the staffs of JSI/IFHP Questionnaire and focus group were used to seek information from a randomly selected sample involving forty staff across board. This approach was selected for two major reasons; they provide a true representation of the organization in terms of the total staff strength of 110. Forty of the sample size consisted of Regional Program Managers, Regional Program Officers, Central Office Advisor Specialists, Managers and others

who were randomly selected to answer questionnaires on their experiences with the performance management system.

The data obtained from the primary and some secondary methods were both quantitatively and qualitatively analyzed, where simple statistical techniques such as percentages, and frequencies were used to examine the data obtained and results presented in table formats.

3.2.3 Sample Technique

One dictionary definition of a sample is a piece or segment that is representative of a whole (Anon, 1982). The critical concept is that, portion represents the whole- if this is not true, no useful decision can be made based on properties of the sample (Legan & Vandeven, 2003).

Stratified and random methods were employed in the sampling techniques to enable the researcher to get the core targets for the study and ensure minimum sampling bias. According to Nankervis & Compton (2006) the findings from such sampling will provide a credible picture of the nature and uses of performances management in modern-day organizations, whilst bringing about the associated level of satisfaction and suggestion for the enhancement of systems. In stratified random sampling the population is split into layers in strata, which in reality are very different from one another. For example the population can be grouped according to department, work experience, and education background. Samples are then randomly picked from each stratum to form the final sample. Stratified random sampling lessens the occurrences of one-sidedness as can be present in sample random sampling

The strata used for this study were based on positions in the organizational structure. This enabled the researcher to achieve greater accuracy, since the sections of respondents were chosen so that each member of the population had chance of being selected. Since the main purpose of performance management system are the determination of training, development needs and the appraisal of current and past performances in order to determine future needs, the sampling techniques identified the gaps highlighted by the respondents, and also helped in contemplating possible reasons for the gaps.

3.2.4 Data Collection

Case study data collection is typically multi-method, usually involving questionnaires, focus group, analyzing and reviewing documents. Multiple source of information are sought and used, because no single source of information can be trusted to provide a comprehensive perspective. By using a combination of questionnaires, focus groups and documents review, the researcher is able to use different data source to validate and cross check findings.

In this study, seeking information from respondents through the use of survey questionnaires was the predominant method, supported by information from Focus group and interviews and documentary review and analysis.

Exploratory studies have shown that both primary and secondary data, including published materials have been used in past research. This is done to combine the advantages of utilizing both sources of data, in order to minimize the disadvantages of using only one source which can be detrimental to the research.

3.2.5 Data Analysis

The questionnaires that were answered and retrieved were coded, analyzed and presented with the help of tables, frequencies, graphs and percentages (descriptive statics use was also made of inferential statistics where necessary. Gall et al (1996) identify three methods for analyzing case study data, interpretational, structural and reflective analysis, the first of which is the main method used in this study. They define interpretive analysis as a process for close examination of case study data, in order to find constructs, themes, and patterns. A triangulation approach involving both qualitative and quantitative methods of investigations was employed in the analysis and interpretation of data for the study.

Based on the analysis and their interpretations, conclusions were drawn and recommendations made. The study methodology was most congruent to fulfilling the research objectives outlined in chapter one, as it provided a wide variety of subordinate and managerial perspective of performance management system whilst providing the opportunity to determine whether management and employees of JSI/IFHP maintain a different view in their operations

3.3 Ethical considerations

The researcher sought the necessary permission from the organization for this study and specifically for the questionnaires to be distributed to the sampled employees. Participants were also made aware that no information would be made public, and that the study was for academic purposes only. The final research report will be made available to any employee of the organization who expresses an interest in reading it.

Chapter Four: Data Analysis and Discussion of Findings

This chapter focuses mainly on analyzing the data gathered for the purposes of this study and also discusses the findings, as revealed by the results of the analyses. Data from the field were analyzed and results were grouped into sections as per the objectives of the study which is to assess the effectiveness of performance management process on employee performance.

4.1 Finding and discussion

The survey questionnaire contains three main sections. The first section being questions on basic relevant biographic data of the respondents, the second section includes performance management related questions and the third section includes performance management questions to be answered by supervisors. (See Appendix 1.2 for sample copy of questionnaire). The survey questionnaire has been distributed to a sample of 40 JSI/IFHP staff members. All the distributed questionnaires were completed and collected without any exceptions. The next section outlines the biographic information of the sample respondents in order to enhance the understandability of the research findings that follow.

4.2.1. Biographic information

1.1. Percent distribution of staff by work experience

Table 2: Department and work experience background of the respondents

Work experience	Technical	Ops, Fin & Admin	Supportive	Total
Less than 5	6 (33.3%)	7 (46.7%)	2 (28.6%)	15 (37.5%)
Between 5 and 10	11 (61.1%)	6 (40.0%)	4 (57.1%)	21 (52.5%)
Between 10 and 15	1 (5.6%)	2 (13.3%)	1 (14.3%)	4 (10.0%)
Total	18	15	7	40

Source: Field survey

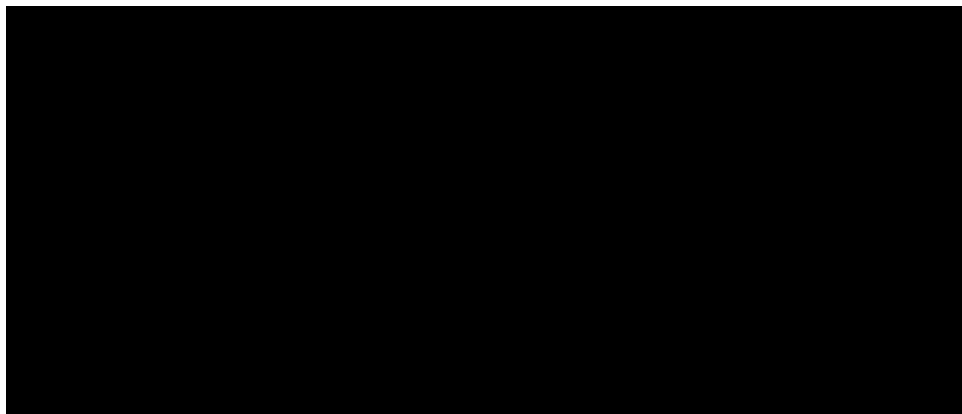


Diagram 3: Departments of the staf respondents

The majority of the 40 JSI/IFHP staff members who have participated in the survey for this study were technical staff that is 18 out of 40 (45%). Respondents from operations finance and administration sections were 15 (37.5%) and the rest 7 (17.5%) staff members were administration support staff including a receptionist and drivers. Thus the generalizations of the results can be fairly applicable at organizational level even if it will be much more applicable to technical staff in relation to the other categories in the organization.

Taking the tenure of staff respondents in to consideration, out of the 40 respondents, 21 (52.5%) of them have been with JSI/IFHP for more than 5 years that is 5 to 10 years, 15 (37.5%) of them

for less than 5 years and 4 (10%) respondents for more than 10 years. The combined number of respondents that are employed by the organization for over 5 years is 25 (62.5%). This essentially reduces the risk of depending on results based on assertions of inexperienced staff members because the main objective of the study has to do with evaluation of a specific system.

1.1 Percent distribution of staff by educational status

Table 3- Staff respondent qualification

Qualifications	Technical	Ops, Fin & Admin	Supportive	Total
Diploma	1 (5.6%)	1 (6.7%)	2 (28.6%)	4 (10.0%)
Degree	7 (38.9%)	13 (86.7%)	3 (42.9%)	23 (57.5%)
Master’s Degree	9 (50.0%)	1 (6.7%)	0 (0.0%)	10 (25.0%)
Other	1 (5.6%)	0 (0.0%)	2 (28.6%)	3 (7.5%)
Total	18	15	7	40

Source: Field survey

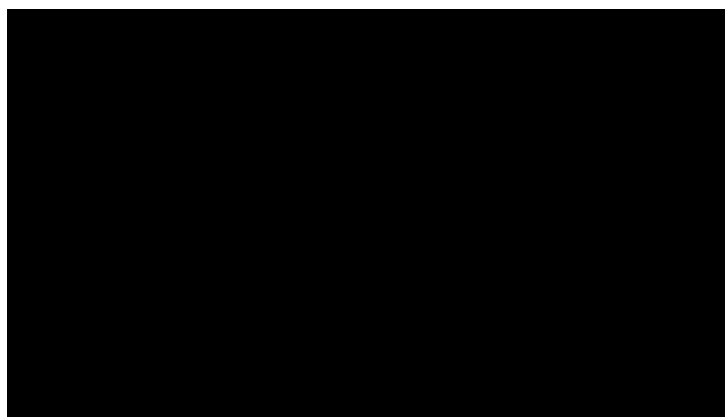


Diagram 4: Education background of the respondents

Based on the qualifications of the respondents, we have 4 categories of postgraduate level, bachelor degree level, college diploma level and high school diploma level with vocational certificate. The respondents qualified with bachelor degree were 23 (57.5%), 10 (25%) of the respondents qualified with master’s degree, 4 (10%) with college diploma and the rest 3(7.5%) with high school diploma and vocational certificate. This has contributed in the acquiescence and

understandability of the theoretical basis and the level of practical complexity of the research by the respondents, as majority of the respondents have some level of research experience.

4.2.2. Analysis and interpretation of main results

The process description of the JSI/IFHP performance appraisal mechanism included in Chapter 3 demonstrates that various staff members participate in the process. The analysis of the findings on performance management issues of the organization presented here are based on the in the last two questionnaire sections. The second section of the questionnaire was intended for all staff respondents while the third section was prepared for staff members to answer in their capacity as supervisors. The second section of the questionnaire deals with the perception and understanding of respondents on the overall performance appraisal process of the organization as well as the assessment of the contribution of the process to enhance productivity and motivation of staff members.

A descriptive analysis of the questionnaire responses was primarily conducted and summarized using the statistical analysis application SPSS. Interpretation discussions in this section are therefore based on the descriptive statistics. Further focus group discussion session has also been conducted with 6 selected respondents in order to get in depth explanations for some aspects of the original research questions and to obtain clarification and confirmation on some of the response trends obtained from the questionnaires collected.

4.2.3. Results and discussions

4.2.3.1. Purpose of JSI/IFHP performance appraisal process

Table 4: Performance Management focus

(Q4) Performance evaluation system is	Yes	No	Total
To recruit people	6 (15.0%)	34 (85.0%)	40
To determine the appropriate salary	18 (45.0%)	22 (55.0%)	40
To analyze performance gaps	33 (82.5%)	7 (17.5%)	40
To reward best performance employee	30 (75.0%)	10 (25.0%)	40

Table 5: Purpose of salary adjustment

(Q 28) JSI/IFHP salary adjustments are based on	Yes	No	Total
Performance evaluation	36 (90.0%)	4 (10.0%)	40
Cost of Living Adjustment (COLA)	32 (80.0%)	8 (20.0%)	40
Promotion	21 (52.5%)	19 (47.5%)	40

Most respondents agree that the purpose of the performance appraisal process in the organization is linked to analyze performance gap (82.5%). The next most favoured purposes were to reward staff performance (75%) and to determine appropriate salary level (45%). Furthermore, 36 (90%) respondents agree that salary adjustment is based on performance evaluation. The results show that there is no diverse staff expectation when it comes to identification of performance gap through performance appraisal and that there is a strong link between performance reward and appraisal in the organization.

Table 6: Design and implementation of PMS and JSI/IFHP

(Q5) JSI/IFHP performance management system has been properly designed and implemented	n	%
Strongly agree	7	17.5
Agree	27	67.5
Disagree	4	10.0
Strongly disagree	3	5.0
Total	40	100%

The combined number of respondents (those who strongly agree and agree) satisfied with the proper design and implementation of JSI/IFHP performance appraisal system was 34 (85%). The above result shows that the performance appraisal process is effectively implemented despite its inherent shortcomings. Further evidence from focus group discussion also confirmed the fact that the main issue is not problem of implementation of designed system. However, it is the overall

modification that the system needs to introduce in order to incorporate some elements of a complete performance management system.

Table 7: Effects of Performance Management

(Q 12) In your opinion which one of the following variables is mostly affected by performance management system?	Technical	Ops, Fin & Admin	Supportive	Total
Level of performance	7 (38.9%)	3 (20.0%)	4 (57.1%)	14 (35.0%)
Punctuality in work	2 (11.1%)	1 (6.7%)	0 (0.0%)	3 (7.5%)
Attendance	0 (0.0%)	1 (6.7%)	0 (0.0%)	1 (2.5%)
Staff motivation	9 (50.0%)	10 (66.7%)	3 (42.9%)	22 (55.0%)
Total	18	15	7	40

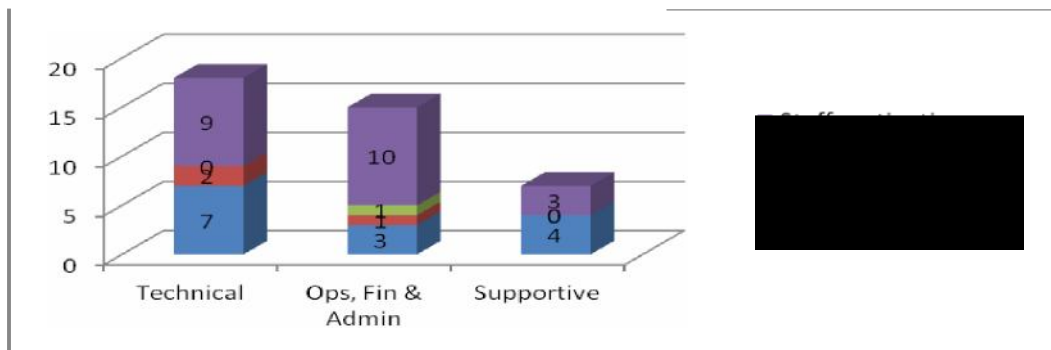


Diagram 5: Effects of performance management

On the staff respondents' perception regarding the variables affected by performance management, 22 (55%) respondents agree that staff motivation is the most affected and 14 (35%) agree that level of performance is most affected. This result is indicating that the two variables are the most affected. And out of the two staff motivation is more favoured by technical and administration staff more than support staff members. Additionally, the prevailing staff perception that links performance management and reward motivation has positive contribution towards productivity.

Table 8: Basis for performance assessment

(Q 22) Relevant performance expectations and objectives are set for staff members?	Technical	Ops, Fin & Admin	Supportive	Total
Strongly agree	6 (33.3%)	1 (6.7%)	3 (42.9)	10 (25.0%)
Agree	7 (38.9%)	8 (53.3%)	3 (42.9%)	18 (45.0%)
Disagree	5 (27.8%)	6 (40.0%)	1 (14.3%)	12 (30%)
Strongly disagree	0	0	0	0
Total	18	15	7	40

The combined number of respondents who responded that relevant performance expectations and objectives are set is 28 (70%). This result shows that respondents are convinced that performance expectations and objectives are set for staff members. This is due to the next 12 month performance goals that are set for staff members as part of the appraisal process. However, there is further evidence obtained from document review and focus group discussions that this effort lacks the characteristics of a complete performance plan and that there is no reference made by supervisors as a follow up activity subsequent to the setting of the 12 month performance goals.

4.2.3.2. Conduct of performance appraisal at JSI/IFHP

Table 9: Performance management at JSI/IFHP

Questions	Yes	No
(Q7) JSI/IFHP has orientation on performance management system	16 (40.0%)	24 (60.0%)
(Q8) If yes (Q7), do you think the orientation on performance management system has positive impact on you?	14 (87.5%)	2 (12.5%)
(Q9) JSI/IFHP has training on performance management system	7 (17.5%)	33 (82.5%)
(Q10) If yes (Q9), do you think the training on performance management system has positive impact on you?	7 (100%)	0 (0.05%)
(Q11) Do you think your job description directs you towards contributing to organizational objectives?	37 (92.5%)	3 (7.5%)
(Q13) Do you know how your supervisor rated you on your last performance appraisal?	29 (72.5%)	11 (27.5%)

(Q14) Do you get regular feedback from your supervisor on your performance?	8 (20%)	32 (80%)
(Q18) Do you think the goal of JSI/IFHP is aligned with your goal?	36 (90%)	4 (10%)
(Q23) Your performance is measured against the performance expectations and objectives previously agreed upon	9 (22.5%)	31 (77.5%)
(Q27) Are Salary adjustments and performance evaluation linked in JSI/IFHP?	27 (67.5%)	13 (32.5%)

N= 40

The above set of questions provided the study with evidence on how the performance appraisal process is conducted in JSI/IFHP. According to the reply of the majority of the respondents, 24 (60%), proper communication is not carried out in respect of the conduct of performance appraisal. In addition to this, most respondents, 33 (82.5%), agree that no training has been provided to staff members related to the conduct of performance appraisal. The majority of respondents, 37 (92.7%) agreed that their job descriptions provide direction to achievement of objectives. Staff respondents mostly agreed, 29 (72.5%), that they have some understanding on how they were rated in the appraisal process. However, most also agree, 32 (80%), they don't get regular feedback from their superiors about their performance. Out of the total respondents 36 (90%) find organizational goals are aligned to their goals. Majority of the staff agreed, 31 (77%) that appraisals conducted are not based on expectations and objectives set out previously. The understanding among most respondents, 27 (67.5%) is that appraisals have some link to salary adjustment.

Based on the above results, the organization has limited communication as far as performance expectations and the objectives of performance appraisal. The organization depends solely on job descriptions to provide performance direction to staff and no subsequent links exist between such direction and the need for continuous performance measurement. Staff members, however, relate salary adjustment to the appraisal process. Additional evidence obtained in this study from review of documents also confirms that one of the main focuses of performance appraisal at JSI/IFHP is to determine eligibility of staff for increment. Even if the staff members do have some understanding about how they are rated, there is no regular feedback provided to them as

the year goes by, which would have been more effective in terms of taking continuous corrective actions in due time and obtain better performance results.

Table 10: Supervisors/Management role in PMS

Questions	Strongly agree	Agree	Disagree	Strongly disagree
(Q 21) IFHP/JSI’s senior management is committed to successful implementation of performance management system.	7 (17.5%)	26(65.0%)	7(17.5%)	0(0.0%)
(Q 25) Supervisors use a supportive approach in the performance review.	8 (20.0%)	19(47.5%)	13(32.5%)	0(0.0%)

The combined number of respondents who agreed that senior management is committed to successful implementation of performance management was 35 (87.5%) and those who agree that their superiors were supportive during appraisal were 27 (67.5%) in total. Based on these results, we can understand that the management of the organization positively contributes towards the conduct of performance appraisal.

4.2.3.3. Effect of JSI/IFHP performance appraisal on staff productivity and motivation

Table 11: Effect of Performance appraisal on productivity

(Q 6) Which of the following affect the productivity of staff in your organization?	Technical	Ops, Fin & Admin	Supportive	Total
Salary	13 (32.5%)	12 (30.0%)	6 (15.0%)	31 (77.5%)
Appreciation	10 (25.0%)	9 (22.5%)	6 (15.0%)	25 (62.5%)
Motivation	13 (32.5%)	11 (27.5%)	5 (12.5%)	29 (72.5%)
Staff retreat	4 (10.0%)	2 (5.0%)	4 (10.0%)	10 (25.0%)
Training	6 (15.0%)	4 (10.0%)	3 (7.5%)	13 (32.5%)

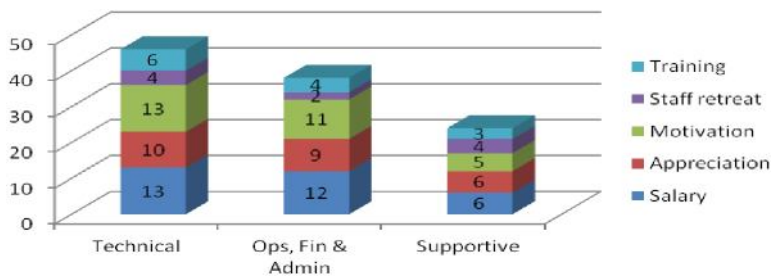


Diagram 6: Effect of Performance appraisal on productivity

According to the cross departmental (13 technical, 12 Administration and 6 support staff) and overall majority (31 or 77% for salary and 29 or 72.5% for motivation) replies, productivity of staff members is mainly affected by salary rewards and motivation provided to staff. Based on the results we can understand that reward oriented motivation is used by the management of the organization in order to increase productivity.

Table12: Performance planning practice

Questions	Yes	No
(Q16) Does your supervisor meet with you for a performance planning discussion (discussion on the how's and what's of the job)?	19 (47.5%)	21 (52.5%)
(Q17) If Yes to Q 16, Which of the following were included in your discussion:		
Performance development plan	1 (5%)	18 (90%)
Performance improvement plan	2 (11%)	17 (89%)
Areas need improvement	0 (0.0%)	19 (100%)
Set objectives and standards	17 (89%)	2 (11%)

A slight majority of 21 (52.5%) agree that no performance planning discussion is conducted. The reason for such a number of affirmative replies that performance planning exist, 19 (47.5%), is merely because of the fact that there is the 12 month performance goals set as part of the activities done during appraisals. The majority replies for the follow up question confirm this assertion. Majority of respondents confirmed that such planning neither includes performance improvement and development plans nor identification of areas needed for improvement.

Table 13: Motivation activities by supervisors

Questions	Yes	No
(Q19) Does your supervisor help in empowering you?	17(42.5%)	23 (57.5%)
(Q20) Does your supervisor recognize your achievement?	20 (50%)	20 (50%)
(Q24) Does your supervisor identify your development needs to assist you grow?	15 (37.5%)	25 (62.5%)
(Q26) Does your supervisor give adequate time and value for your evaluation?	26 (65.0%)	14 (35.0%)

Supervisors, according to the slight majority of respondents (23 for lack of empowerment and 25 for lack of identification of staff improvement needs), are not contributing towards staff empowerment. Based on the above results, we can understand that even if there is some supervisor effort appreciated in terms of empowerment and recognition of achievement of staff members, there is still some improvement needed. There is also a significant improvement needed in terms of identification of staff development needs which is a confirmation of similar evidence obtained from other sections of this survey questionnaire, focus group discussion and document review.

Table 14: Staff perception of performance management

(Q15) What impact does performance management system have on your behavior?	Technical	Ops, Fin & Admin	Supportive	Total
Do better in the future	17 (94.4%)	12 (80.0%)	6 (85.7%)	35 (87.5%)
Satisfied and don't want to improve further	0 (0.0%)	0 (0.0%)	0 (0.0%)	0 (0.0%)
No impact	1 (5.6%)	3 (20.0%)	1 (14.3%)	5 (12.5%)
Total	18	15	7	40

Performance management system, according to the majority of the respondents, 35 (87.5%), help them to do better in the future. Based on the above results, along with other factors performance appraisal is contributing towards enabling staff members to perform better in the future.

4.2.3.4. Role of Supervisors in the performance appraisal process of JSI/IFHP

Table 15L Supervisor's capacity to conduct performance appraisal

Questions	Yes	No	Total
(Q29) Have you received training in performance management system?	4 (17.4%)	19 (82.6%)	23
(Q30) Are you able to monitor your subordinates' performance?	13 (56.5%)	10 (43.5%)	23
(Q32) Do you give regular feedback and coaching to your subordinates'?	9 (39.1%)	14 (60.9%)	23
(Q34) Do you encourage subordinates' to develop their performance and personal development plan (PDP)?	13 (56.5%)	10 (43.5%)	23

N= 23 no. of supervisors

Based on the results, Supervisors are not trained to conduct performance appraisal and do not provide feedback to their subordinate staff under review. Even if, there are some supervisors who are engaged in some form of monitoring of subordinate staff and encourage them to develop their performance, these areas still require some improvement at organizational level.

4.2.4. Focus group discussion

This focus group discussion was intended to learn about the effectiveness of performance management system in IFHP/JSI office. This focus group consists of administrative, finance and technical people to make it more representative of employees in the company. The process will be that the facilitator will ask questions and the focus group will forward their understanding and opinion of the existing performance management system and its effectiveness in IFHP/JSI.

Focus group consists of: Moderator, Note taker/assistant moderator and five participants.

Questions and discussions:

1. Does your supervisor give you regular constrictive feedbacks?

In JSI the usual practice is to do performance evaluation at the end of the year. Besides feedback focuses on the technical part but misses the human element. The admin part important for performing tasks is not discussed thoroughly. If people do not present their problems, admin issues many not be discussed. Even when they are raised, the issues are not given enough attention and problems are not solved in time. All regular technical evaluations happen regularly but the operation problems are overlooked and mostly the same problem recurs causing the normal daily operation to be difficult. In addition, there is no practice of written appreciation when staff performs extraordinarily. It would be a good practice to improve. In the Operation and finance team, a new practice is taking place recently. The Operations Manager asks the people she supervises to prepare their regular plans and follows closely on the plans. This began about a year ago and has proved useful for the operation team to do their job effectively.

2. Does your supervisor have reasonable expectations from your work?

Job descriptions are clear and deliverables are clearly known. The question should be how much support is there to perform the expected duties on the job. Employees may not be able to realize

whether they are performing according to the expectation since there is no regular feedback or discussion on the duties. Supervisors do not closely follow whether employees are performing according to expectation. This is not the normal practice in IFHP/JSI.

In finance areas, it is clear that not doing the expected activities will result in loop holes which affect the normal operation of the program. The operation area is clear since there are operation manuals. However, the personality of supervisors also comes into play when doing performance evaluation. Some supervisors have their own opinions of a situation which are usually subjective and out of the job description. But in the program implementation areas, it is not clear whether it is feasible to do regular appraisal of performance based on expectations.

3. Does training contribute to the improvement of performance and productivity? If so how?

The operation and finance team has attended various trainings which have contributed to the improvement of the efficiency of the team. The operation and finance team has benefited a lot in terms of increased productivity and performance. Even short term orientations have improved their performance. But the program team has not attended much training and does not have exposure to trainings. Continuing education should be part and parcel of an organization's HR development throughout the career life of an employee. Otherwise, capacities decline which will by extension affect the operation of the organization.

4. Do you think there are challenges facing the Performance appraisal mechanism and improvement of productivity in JSI/IFHP?

Performance appraisal is done only yearly. Sometimes, issues are forgotten during the length of time and may result in misunderstanding. The fact is that there is no regular feedback before the yearly appraisal challenges the performance management system.

The mechanism does not provide room for measuring the performance of an employee. Employees list the activities they did throughout the year and these are accepted by the supervisor. This also does not give room for comparing performance between employees. Sometimes, people who have direct working relationship with an employee are not asked for their opinions. This also poses a challenge for the system.

5. Do you think that the supervisors (Directors, managers, officers, and other staff members) are not doing right? As a result, can they become constraints in successfully implementing a performance management system in the organization?

Supervisors (Directors, Managers and Officers) are not doing employees appraisal based on job description and expectations as the same time they are not recognizing and expressing their appreciation when an employee performs beyond his /her expectations. Supervisors also overlook problems that may need immediate solution.

6. What complaints have you received from employees or other managers regarding the performance appraisal mechanism in JSI/IFHP?

In some occasions, supervisors overlook the extraordinary performance of their employees who may have performed better than other employees when it is time for appraisal and awards. Some employees feel that they have performed better than other employees but have been awarded less than the poorly performing employees. And this has been perceived as an unfair practice.

7. In areas where you may foresee challenges or constraints, what do you recommend to the (Directors, managers, officers and staff or employees) should do to improve of performance appraisal mechanism in JSI/IFHP?

The management should focus on fully implementing the existing JSI/IFHP Personnel Manual. Also People who have working relationship should be involved in the performance management appraisal and be asked for their opinion during evaluation.

8. Do you think that 5% of the wage or remuneration/merit increase of the JSI/IFHP is enough for rewarding good performers?

The 5% increment is done across the board for all employees as long as their supervisor has recommended them for one step salary increment. This does not give room for evaluating performance in all areas of activities and does not help to differentiate those performing better than others. The flat rate increment does not recognize the additional burdens and responsibilities occasionally added on employees. Better performing employees do not get more motivated when

they get equal increment with those not so well performing. This is related to the fact that there is no weighted measurement system for performance management of employees in IFHP/JSI.

9. Do you face any additional issues relating to the Performance appraisal that you would like to raise?

- Hold discussions with staff about performance appraisals systems in order to get more ideas for improvement.
- Appraisal should depend on reality and be free of bias.
- The management should make efforts to provide regular feedback.
- Rewards should go beyond salary increment.
- Performance appraisals should focus on appreciating those who perform well. Feedbacks could be more effective if they focus on appreciating and recognizing performance rather than finding faults.

4.2.5. Findings from document review

The purposes of the documentation review in this study is to obtain information to address the research problem in sufficient detail, to develop further understanding on the JSI/IFHP performance appraisal practices, to identify possible ways on how to effectively implement an improved performance management system in the organization and to highlight the contribution of supervisors and other management staff who are directly involved in the appraisal process, in the overall performance appraisal process of the organization.

Documents reviewed include a random sample of completed performance evaluation forms of JSI/IFHP for the last five years and other human resource related documents that are relevant for this research. The sample size was 20 completed forms with in the five year period. Out of the 20 forms 15 were for technical staff members under review. The findings from the document review are summarized as follows:

1. Completed forms reviewed contained the supervisor and the staff signatures for some type of agreement on the results of the assessment conducted.

2. Some supervisors were not providing sufficient comments on the strength and needed improvement of the staff under review as required in the B section of the appraisal form. In those instances where they did provide comments, there is no evidence that suggests the existence of some form of performance plan against which the supervising staff conduct the performance review of the subordinates.
3. Some staff members under review were not recommended by their supervisors to get the one step annual salary increment due to their poor performance. However there is no evidence to suggest that the supervisors provided support to the poor performing staff, for example by developing performance improvement plan for the staff and to recheck whether the poor performers are making some improvement or not.
4. Supervisors, in some cases, were not providing reasons for not recommending subordinates for the one step salary increment.

Factors affecting productivity and motivation:

1. Every staff or individual is encouraged to engage in self-assessment in the organization and staff is involved very well in the jointly setting goals for the next 12 months. This practice has positive effect on productivity and motivation of staff during the performance appraisal reviewing period.
2. Another evidence for motivation of staff is that the one step salary increase letters usually include details about staff efforts, appreciations, continued dedication and results-oriented work in order to attain the organization common goals from the Technical Director. However there is no evidence that shows two or three step salary increment for those who performed exceptionally well than others during the year of review. Those staff members that performed extra ordinarily may remain more motivated if they get extra recognition and rewards than the usual one step increment done indiscriminately across the board.

Challenges of effective implementation of PMS

The following are the main challenges of JSI/IFHP to implement an effective PMS:

Performance management policy and practices:

There is little or no evidence obtained that shows the practice of formal performance planning. Prior to performance appraisal, there is no formal plan that details out the performance expectations set for a staff member that can be used as a reference for review at a later date. Additionally, there is no formal organization wide performance management policy document in the organization. This may adversely affect the implementation and development of a proper PMS. The current performance appraisal practices also lack continuous ways of improving performance management techniques in the organization. For example, the JSI/IFHP performance evaluation form has not been updated, at least for the last five years.

Feedback:

Regular feedback sessions and resulting improvement or otherwise results have not been documented. This shows that there is limited continuous feedback practice in this organization. It is merely reserved for the annual review, and feedback from this once-a-year appraisal session is not sufficient to stimulate behavioral change or improvement on performance of staff.

Management of performance review:

The researcher tried to gather evidence in the documents that shows the scope of involvement of the management of JSI/IFHP in the performance review process. The evidences indicate that there is very little management participation in the reviewing process. For example, only immediate supervisors are actively involved in the assessments. The Technical Director has a limited involvement of making oversight and approval of the assessment results documented in the performance evaluation form.

4.3 JSI/IFHP's Performance Appraisal Process

JSI's performance appraisal aims at helping employees identify their strengths or weaknesses and to take appropriate action. JSI has an established and standardized appraisal process for its employees all over the world, which is translated into local contexts depending on which country it is implemented. For its employees in Ethiopia, the appraisal has been revised and adopted to meet the cultural and local regulations of the Ethiopian government. Accordingly, JSI/IFHP has

developed a format for evaluation which focuses on the qualitative assessment of the employees, i.e. no numeral grades are given to employees.

Performance reviews are done twice in the first year of employment of a candidate. The first one is done during the probation period of the employees, which, according to the Ethiopian labor proclamation, is the first 45 days of employment. This helps the employer to determine whether the selected employee attaining the capacity, educational level and experience to the job as speculated during the recruitment period. It is also a good opportunity for the new employee to make decision on whether this is the job he has in mind. Once it is established that the employee is capable of handling the job from the first performance review, then the supervisor together with the employee highlight a set of performance goals for the for the following year until the next appraisal period. Such performance goals do not include a formal plan of action that can be referred to as a basis for future appraisal sessions. This implies that the employee has now a permanent position and is part of the yearly performance appraisal as the rest of the existing employees.

Yearly performance appraisal is done in July. Employees who have worked for six months and above before July are eligible for the yearly performance appraisal. The yearly appraisal is done to assess whether the employee has accomplished the activities agreed upon during his/her previous evaluation. First of all, the employee is notified by his supervisor that the appraisal period is due and he/she is requested to make a self-assessment, complete the organization's appraisal form and submit to the immediate supervisor in a specified period. The supervisor then reviews the employee's self-assessment and puts his assessment on the space provided. Finally, the employee and the supervisor will discuss the points and come into agreement for whether the employee should get the reward for the accomplishment during the past year. They will also jointly identify and set goals/objectives for the coming year. This is a good opportunity to determine whether the employee needs further training or mentoring in areas where he/she has difficulties. Salary increment, which is the main reward given to a good performing employee, is made after this evaluation is completed and signed by both parties.

When disagreements between an employee and a supervisor arise in relation to the appraisal, the Human Resources Manager and the Technical Director intervene and help the two employees

come into agreement. Finally the Human Resources Manager reviews the completed performance appraisal form and prepares a one-step salary increment letter and gets approval from the Technical Director.

Table 16- Process of performance management in JSI/IFHP

No	Task / process	Documents	Signing/ Authorization/ decision required	responsible staff
1	Sending performance appraisal form to staff members, and confirm the receipt of the form [Please see the attached sample in Appendix]	Appraisal form		HR department
2	Staff members complete the self-assessment section of the appraisal form	Appraisal form	Staff member signs the form after completing self-assessment	Staff under review
3	Supervisors obtain appraisal forms completed by the subordinate staff members & reviews and comments on objectivity of provided information and completeness of required information	Appraisal form	Supervisor signs the form after completion of review	Supervisor
4	Supervisor summarizes the staff member's performance during the year and comments on strengths and needed improvements.	Appraisal form	Supervisor signs the form after assessment	Supervisor
5	The supervisor and the staff under review discuss on the employee's goals for the next 12 months	Appraisal form	Supervisor signs the form after setting goals	Supervisor

6	Supervisor recommends the staff to receive annual one-step increment or may opt not to recommend the staff for annual increment and provide the reason/s for such a decision	Appraisal form	Supervisor signs the form after decision	Supervisor
7	Supervisor provides (optional) additional recommendations in relation to the appraisal of the specific staff	Appraisal form	Supervisor signs the form after recommendation	Supervisor
8	HR manager receives completed and signed forms from supervisors	Appraisal form		Supervisors/ HR manager
9	HR manager reviews the completed forms and identifies the increment decisions made by supervisors and prepare the one-step salary increment letter and submits it to the Program Technical Director (PTD) for approval	salary increment letter		HR manager
10	The PTD signs to approve the salary increment letters and returns them to the HR department	salary increment letter	authorization of salary increment	Program Technical Director
11	The salary increment letter is distributed to the respective staff members, a copy of each letter is distributed to Finance department	salary increment letter		HR manager and regional program managers
12	A copy of the completed and signed appraisal form attached to the approved salary increment letter is filed	appraisal process file		HR manager

Source: JSI/IFHP Human Resources Department documentation (2008 – 2013)

4.3 JSI/IFHP’s performance appraisal process in relation to an ideal PMS

Table 17: Comparison of JSI/IFHP performance appraisal process in relation to an ideal performance management system

Ideal performance management system (Indicators of ideal PMS)	JSI/IFHP performance management system
~Setting and agreed performance goals/objectives and must be measured against previous evaluation	~ Performance goals/objectives are setting but not measured against previous evaluation
~ Personal development plan must be developed	~ There is no performance development plan
~ Providing training for supervisors and staff on performance management system	~ Within the last five years training for supervisors and staff has not been given
~ Performance plan is vital	~ Performance plan is not planned
~ Giving ongoing feedback is vital	~ Feedback is given once a year
~ Coaching for subordinates is also vital aspect for PMS	~ Limited Coaching is done in some areas but not adequate
~ Measurement criteria to be used in measuring performance outcomes against the objectives	~ Majority of supervisors don’t follow measurement criteria to be used in measuring performance outcomes against the objectives.
~ Reviewing performance appraisal process to develop performance of staff	~ In JSI/IFHP there is a standard performance appraisal process but not that much encouraged to develop performance of staff
~ Encourage staff performance through reward, praise and promotion	~ Encourage staff performance though reward(not that much), praise, and promotion

Chapter Five: Summary of Findings, Conclusions & Recommendations

5.1. Summary of Findings

1. The main focus of the method by which JSI/IFHP management enhances productivity and motivation of staff members is through yearly salary and promotion increment scheme. This practice doesn't incorporate other forms of reward and encouragement methods in order to commend or enforce positive behavior of staff members.

Supervisors usually do not engage in empowerment of staff members as part of the performance management efforts of the organization. They rarely make efforts to recognize and appreciate positive performance results from staff members sufficiently.

2. The performance appraisal process of JSI/IFHP includes a process element where staff under review participates along with their respective supervisors to set next 12 months performance goals subsequent to review of past performance. But this is inadequate in terms of proper performance planning that should be in place as part of any Performance Management System.
3. The JSI/IFHP performance appraisal system addresses the issue of how the staff under review have performed during the relevant period of work review. But this section lacks the true element of performance rating in a number of ways:
 - a. There is no reference made during review to some predetermined past performance targets, and measurement is very subjective to the reviewing supervisor;
 - b. Performance rating ignores the need to establish a relative measurement of performance grades among staff members [who is performing better and to what extent], as no standardized means of rating is used in order to compare performances among staff members in a department or even to do organization wide comparisons.
4. The JSI/IFHP performance appraisal process includes an activity where the supervisor has to identify where the staff under review has challenges in terms of performance and suggests some form of needed improvement. However, this process falls short when we compare the

practice with a formal performance improvement and personal development plans that should have been developed for staff members as an end result of the review.

5. Supervisors at JSI/IFHP who are supposed to have direct involvement in the staff review process do not receive proper training or even orientation for the proper conduct of the performance appraisal process. There is no mechanism in place where those who are directly involved in reviewing other staff members should be made known the purposes and values of the entire process as well as the indications of best practice guidelines with the intention of guaranteeing the quality of the assessment results.
6. At policy design level, JSI/IFHP doesn't have a formal policy guideline documentation and knowledge base in order to manage performance within the organization. The current process is governed by a practical guideline document indicating the steps on how to perform the appraisal process which is part of the evaluation form [please see appendix 3] and some practices which are taken as standards by effect, which are followed during the conduct of annual performance evaluation within the organization. However, these efforts hardly replace a formal performance management policy document which is supposed to set the standards, indicate and clarify required practices and induce to create an environment where desired results can be achieved at organizational level.

5.2. Conclusions

Even if specific goals/objectives for the upcoming year is determined but areas requiring improvement shouldn't be clearly stated and performance review should not include the discussion that past year's performance, working relationship and career development. Copy of a completed review is given to staff and also placed in the HR file. JSI/IFHP doesn't undertake training for its staff on performance management to upgrade their technical skills to keep them abreast of changing their awareness and procedures. The JSI/IFHP performance appraisal form not emphasized and completely ignored developmental issues like personal development. The form is used only for administration purpose. JSI/IFHP has its performance appraisal form but the form has not edited for the last five years and performance plan is not planned by the staff

prior to the next performance evaluation period. Continued training (development) should be part and parcel of an organization's human resources efforts to enhance productivity and motivation.

At JSI/IFHP, every staff or individual is encouraged to engage in self-assessment during performance review within the entire organization and each staff is involved very well in the jointly setting goals for the next 12 months with respective supervisors. Another motivation factor for JSI/IFHP staff that is found in the document review is one-step salary increase letter that explains about staff efforts, continued dedication and results-oriented work in order to attain the organization common goals from the Director of the organization. On the other side, findings from the reviewing of document indicate that there is no two or three step salary increment for those who performed extra ordinary in that fiscal year.

In JSI/IFHP the usual practice is to do performance evaluation once a year. Besides feedback focuses on the technical part but misses the human element. In addition, there is no practice of written feedback when staff performs extraordinary. Staff may not able to realize whether they are performing according to the duties. Supervisors do not closely follow whether employees are performing according to the expectation. The fact that since there is no regular feedback working before the yearly performance appraisal of staff, the mechanism does not provide room for measuring of a staff. The staff members under review list the activities they have performed throughout the year that is subject to the approval of their supervisors. People who have direct working relationship with a staff are not asked for their opinion (3 60% feedback). Supervisors are not carrying out performance evaluation based on any previously set performance expectations. They generally do not recognize and express appreciation of staff subordinates performing beyond expectations and overlook challenges that require immediate attention.

Supervisors are not following proper measurement criteria during assessment. This becomes constraint in successfully implementing a PMS in organization. This includes not doing performance appraisal based on job description, performance plans and expectations. Additionally, supervisors do not provide adequate recognition and express their appreciation of staff members. Performances that are beyond expectations are overlooked and performance problems that need immediate solution are not properly managed for improvement.

Supervisors have been facing particular challenges in carrying out their responsibilities as performance assessors. Such as lack of finding time for performance management tasks due to excess work load as well as distance of work stations (when supervisors are assigned in a different geographic area from that of their subordinates). Additionally, supervisors are not trained on effective ways of administering performance management tasks at JSI/IFHP

5.3. Recommendations:

This study was designed with the objective of determining the extent to which JSI/IFHP management satisfied conditions that are necessary for an effective performance management system. Data was collected from staff members that comprised of managers, supervisors with subordinate staff and others. Further information was obtained from documentation of Human Resource Department in respect of performance management practice at the organization.

The following recommendations are drawn from the results of the study in an attempt to suggest ways for the management of JSI/IFHP in upgrading its system to a complete Performance Management System (PMS) and encourage staff members at all organizational levels to effectively participate in maintaining a successful PMS.

5.3.1 Critical analysis of the JSI performance appraisal process against an ideal PMS:

- Performance agreement is not drawn for staff members prior to task assignment and performance assessment. It is recommended that a formal performance agreement should be prepared that can be used as a starting point of a performance management system. This agreement should be subject to continuous adjustments to best suit particular working environment over time.
- Performance plan ahead of appraisals and performance improvement plan subsequent to assessment is not drawn. It is recommended that the practice of performance planning to be introduced at overall organizational levels. This should also be accompanied by a performance improvement plan for each staff member that is tailored according to the specific merits and weaknesses of each staff member.
- No measurement criterion is used against which individual performance is measured during assessment. It is recommended that performance assessment should be developed previously

set performance criteria that have been properly communicated to relevant staff members up on assignment to tasks.

- Performance rating is not properly conducted as there is no clear indication of the extent of relative positive or negative performance level of each staff member and assessment is subjective merely depending on supervisor assessment as opposed to objective and specific performance standards set for each staff member prior to assessment. It is recommended that, performance rating should be based on measurable targets and should be expressed in score levels that clearly indicate the extent of positive or negative performance results of each staff member.
- Performance is not managed on a continuous basis throughout the year. The dependence on annual performance appraisal creates a gap of time that results in issues that are not regularly dealt with. It is therefore recommended that performance management tasks should be carried out continuously to take advantage of timely correction of adverse effects of underperformance instead of limiting it to become an annual activity.
- Personal development plan that is related to performance assessment is not developed as a way of investing on staff members in enhancing their long term performance capacity. It is recommended that once performance assessment is conducted and results are obtained adequate focus should be made by the organization to consider factors that can help staff members to develop their capacity. This should be done by preparing a formal personal development plan for relevant staff members that can help them to direct their efforts in enhancing their capacity on a long term basis.

5.3.2. Performance management for productivity and motivation:

~ Motivation, at JSI/IFHP, is related to salary rewards only. It is recommended that in addition to salary rewards the organization should introduce other ways of motivating staff members and reinforcing positive performance results such as training, recognition of performance, specific career advancement opportunities... etc.

- Not much of training and development efforts have been carried out in the organization to enhance degree of performance and productivity. It is recommended that staff members

should be provided with adequate training and continuous development opportunities to help them perform better in their everyday tasks and achieving organizational and personal goals.

5.3.3. Effective use of a feedback and coaching mechanism:

- No regular feedback is provided to staff members in relation to their performance. It is therefore recommended that supervisors be engaged in supporting subordinate staff members to adjust their performance levels to the desired level on a continuous basis. This is also a motivating factor from the staff point of view as assessment is understood positively as a way of personal improvement that increases the individual's contribution to the organizational objectives. Contemporary feedback mechanisms also help to conduct more effective ways of feedback which can benefit the organization in various ways [for example, 360 degree Feedback].
- No coaching activities are carried out as a way of enhancing performance of staff members. It is therefore recommended that personalized performance enhancement techniques like coaching be introduced and some resources to be allocated for conduct of such techniques as the resulting benefits clearly outweigh the time and other resources that the organization is bound to invest on them.

5.3.4. Supervisor activities and the role of management in maintaining an effective PMS:

- ~ Supervisors at JSI/IFHP are not provided particular training on how to conduct performance management tasks. It is therefore recommended that the organization should at least orientate supervisors or, even better, formally train supervising staff members on how to carry out performance management activities including but not limited to performance planning, performance assessment, feedback, coaching and performance rating techniques.
- Supervisors are not currently engaged in critical performance management tasks of identifying subordinate staff areas of needed development as well as providing recognition of positive performance of subordinate staff. It is therefore recommended that supervisors should be advised and empowered to carry out assessment of development needs for subordinates. An encouraging environment should also be created to bring about an organizational culture of recognizing positive performance which will definitely result in creating staff motivation at all levels.

5.3.5. Challenges in implementation of an effective PMS.

~ The design and tools of performance appraisal process at JSI/IFHP are not subject to efforts of continuous improvement making the mechanism less suitable for improvement in terms of upgrading it to a complete Performance Management System. It is recommended that the performance appraisal mechanism of the organization be subject to review in order to ensure that it is addressing the current performance management needs of the organization. According to the findings of the study, immediate attention should be given to revise the long practiced Employee Appraisal Form.

There is no formal policy guideline for performance management at JSI/IFHP that can be used as a reference for all organizational departments and staff members actively engaged in performance management tasks. It is therefore recommended that a formal performance management document has to be developed in the organization that serves as a policy guideline. This can be viewed as a first step to upgrade the current JSI/IFHP performance appraisal process to a complete Performance Management System.

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APPENDIX 1 Survey Questionnaires

Questionnaire for Staff and management team members of JSI/IFHP

Dear respondent,

The intent of this questionnaire is to gather information about performance management system and its effectiveness of JSI/IFHP. Based on your response, the researcher is only interested to conduct a study for academic purposes only and will ensure confidentiality of any information provided herewith. You are kindly requested to put a circle on the answer of your choice. I thank you in advance for your sincere cooperation.

Note: No need of writing your name

No.	Question	Coding Categories
Part I: General Information		
Q1.	Assigned Department in the organization?	<ol style="list-style-type: none"> 1. Technical 2. Operations, Finance and Admin 3. Supportive
Q2.	Working experience in the organization (in years)	<ol style="list-style-type: none"> 1. Less than 5 2. Between 5 and 10 3. Between 10 and 15 4. Greater than 15
Q3.	Your education status	<ol style="list-style-type: none"> 1. Diploma 2. Degree 3. Master's Degree 4. Other
Part II: Performance Management System		
Q4.	Performance evaluation system is? (Select all that applies)	<ol style="list-style-type: none"> 1. To recruit people 2. To determine the appropriate salary package 3. To analyze performance gaps 4. To reward best performance employee
Q5.	JSI/IFHP performance management system has	<ol style="list-style-type: none"> 1. Strongly agree

No.	Question	Coding Categories
	been properly designed and implemented?	<ol style="list-style-type: none"> 2. Agree 3. Disagree 4. Strongly disagree
Q6.	Which of the following affect the productivity of staff in your organization? (Select all that applies)	<ol style="list-style-type: none"> 1. Salary 2. Appreciation 3. Motivation 4. Staff retreat 5. Training 6. Other (Specify)
Q7.	JSI/IFHP has orientation on performance management system?	<ol style="list-style-type: none"> 1. Yes 2. No
Q8.	If yes (Q7), do you think the orientation on performance management system has positive impact on you?	<ol style="list-style-type: none"> 1. Yes 2. No
Q9.	JSI/IFHP has training on performance management system?	<ol style="list-style-type: none"> 1. Yes 2. No
Q10.	If yes (Q9), do you think the training on performance management system has positive impact on you?	<ol style="list-style-type: none"> 1. Yes 2. No
Q11.	Do you think your job description directs you towards contributing to organizational objectives?	<ol style="list-style-type: none"> 1. Yes 2. No
Q12.	In your opinion which one of the following variables mostly affected by performance management system?	<ol style="list-style-type: none"> 1. Level of performance 2. Punctuality in work 3. Attendance 4. Staff motivation
Q13.	Do you know how your supervisor rated you on your last performance appraisal?	<ol style="list-style-type: none"> 1. Yes 2. No
Q14.	Do you get regular feedback from your supervisor on your performance?	<ol style="list-style-type: none"> 1. Yes 2. No

No.	Question	Coding Categories
Q15.	What impact does performance management system have on your behavior?	<ol style="list-style-type: none"> 1. To do better in the future 2. Satisfied and don't want to improve further 3. No impact 4. Other (Specify)
Q16.	Does your supervisor meet with you for a performance planning discussion (discussion on the how's and what's of the job)?	<ol style="list-style-type: none"> 1. Yes 2. No
Q17.	If yes (Q16) which of the following were included in your discussion? (Select all that applies)	<ol style="list-style-type: none"> a) Your performance development plan b) Your performance improvement plan c) Areas need improvement d) Set objectives and standards
Q18.	Do you think the goal of JSI/IFHP is aligned with your goal?	<ol style="list-style-type: none"> 1. Yes 2. No
Q19.	Does your supervisor help in empowering you?	<ol style="list-style-type: none"> 1. Yes 2. No
Q20.	Does your supervisor recognize your achievement?	<ol style="list-style-type: none"> 1. Yes 2. No
Q21.	IFHP/JSI's senior management is committed to successful implementation of performance management system.	<ol style="list-style-type: none"> 1. Strongly agree 2. Agree 3. Disagree 4. Strongly disagree
Q22.	Relevant performance expectations and objectives are set for staff members?	<ol style="list-style-type: none"> 1. Strongly agree 2. Agree 3. Disagree 4. Strongly disagree
Q23.	Your performance is measured against the performance expectations and objectives previously agreed upon?	<ol style="list-style-type: none"> 1. Yes 2. No
Q24.	Does your supervisor identify your development needs to assist you grow.	<ol style="list-style-type: none"> 1. Yes 2. No
Q25.	Supervisors use a supportive approach in the performance review.	<ol style="list-style-type: none"> 1. Strongly agree 2. Agree

No.	Question	Coding Categories
		3. Disagree 4. Strongly disagree
Q26.	Does your supervisor give adequate time and value for your evaluation?	1. Yes 2. No
Q27.	Are Salary adjustments and performance evaluation linked in JSI/IFHP?	1. Yes 2. No
Q28.	JSI/IFHP salary adjustments are based on? (Select all that applies)	1. Performance evaluation 2. Cost of Living Adjustment (COLA) 3. Promotion 4. Others (Specify)
Part III: Only for supervisors		
Q29.	Have you received training in performance management system?	1. Yes 2. No
Q30.	Are you able to monitor your subordinates' performance?	1. Yes 2. No
Q31.	If no (Q30), why? (Specify)	
Q32.	Do you give regular feedback and coaching to your subordinates'?	1. Yes 2. No
Q33.	If no (Q32), why? (Specify)	
Q34.	Do you encourage subordinates' to develop their performance and personal development plan (PDP)?	1. Yes 2. No

APPENDIX 2 Focus group and Interview questions

Questions

1. Does your supervisor give you constrictive regular feedbacks?
2. Does your supervisor have reasonable expectations of your work?
3. Does training contribute to improvement of performance and productivity? If so how?
4. Do you think there will be challenges facing the Performance appraisal mechanism and improvement of productivity in JSI/IFHP?
5. What do you think supervisors (Directors, managers, officers, and other staff members) are not doing right? As a result, can they become constraints in successfully implementing a performance management system in the organization?
6. What complaints have you received from employees or other managers regarding the performance appraisal mechanism in JSI/IFHP?
7. In areas where you may foresee challenges or constraints, what do you recommend the (Directors, managers, officers and staff or employees) should do to improve of performance appraisal mechanism in JSI/IFHP?
8. Do you think that 5% of the wage or remuneration/merit increase of the JSI/IFHP is enough for rewarding good performers?
9. Do you have any additional issues relating to the Performance appraisal that you would like to raise?

APPENDIX 3 JSI/IFHP Performance Appraisal Form

INSTRUCTIONS

Step 1 Supervisor completes the top block by entering the employee's name, position, duty station and your name (supervisor). The Review period is from July through June

Step 2 Employee completes Section A (questions 1 and 2). After completion submits to supervisor

Step 3 Supervisor completes Section B (question 3).

Step 4 Supervisor meets with employee to discuss.

Step 5 Employee and Supervisor complete the goals agreed upon by employee and supervisor (Section C, question 4).

Step 6 Supervisor completes section D. If the supervisor does not recommend the annual salary increment the reasons for not recommending the increment are clearly listed. The final decision to grant or withhold an increment will be made by the JSI/IFHP Technical Director/DCOP. Supervisor only recommends.

Step 7 The completed form is signed and dated by both the employee and the supervisor.

Step 8 The completed original (paper copy) is sent to the Human Resource Manager-JSI/IFHP for review and decision by the IFHP Technical Director/DCOP. After review a copy will be kept in employee's file at the Central Office, and the original will be sent to the employee.

General:

- The employee should obtain a copy of his/her previous' years JSI /IFHP Employee Appraisal Form when applicable.
- The employee and supervisor should review the employee's job description prior to starting the appraisal.
- Form can be completed electronically or by hand.

Integrated Family Health Program/JSI
Employee Appraisal Form (A)

Employee's Name: _____ Duty Station: _____

Supervisor's Name: _____ Period of Review: _____

Date of Hire: _____

A. Self Assessment

1. List your major accomplishments in the last 12 months.

2. Were you able to accomplish the work objectives you listed on your last IFHP/JSI evaluation form? If yes, how? If no, what measures do you plan to take to accomplish the objective(s)?

Employee Name: _____

B. Supervisor's Assessment

3. Summarize the employee's performance during the year. Comment on employee's strengths and needed improvements.

C. To be completed by supervisor and employee

4. Briefly summarize the employee's goals for the next 12 months.

D. To be completed by the supervisor, please check the appropriate line

I recommend the employee receive his/her annual one-step increment.

I do not recommend the employee receive his/her annual increment. List your reasons below.