



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

**HUMAN RESOURCE AUDIT: THE CASE OF St. MARY'S
UNIVERSITY**

**BY
HANA TAYE**

**June, 2016
ADDIS ABABA, ETHIOPIA**

**HUMAN RESOURCE AUDIT: THE CASE OF St. MARY'S
UNIVERSITY**

**BY
HANA TAYE**

**A THESIS SUBMITTED TO ST.MARY'S UNIVERSITY, SCHOOL
OF GRADUATE STUDIES IN PARTIAL FULFILLMENT OF THE
REQUIREMENTS FOR THE AWARD OF THE DEGREE OF
MASTER OF BUSINESS ADMINISTRATION (HUMAN RESOURCE
MANAGEMENT)**

June, 2016

ADDIS ABABA, ETHIOPIA

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

**HUMAN RESOURCE AUDIT: THE CASE OF St. MARY'S
UNIVERSITY**

**BY
HANA TAYE**

APPROVED BY BOARD OF EXAMINERS

Dean, Graduate Studies

Advisor

External Examiner

Internal Examiner

ACKNOWLEDGMENTS

I want to take this opportunity to express my sincere appreciation to all who were giving me unending support during the thesis work. To this regard my first gratitude goes to my advisor Maru Shete (Associate Professor) for the unreserved professional guidance forwarded to me in the course of the thesis. I also thank St. Mary's University for providing me the scholarship opportunity to pursue the master's program. My heartfelt gratitude also goes to the staff of SMU who showed unreserved cooperation in providing me with the needed data. I would also like to express my heartfelt thanks to my families and friends who rendered me with moral support in accomplishing the entire study.

LIST OF TABLES

	<u>Page</u>
Table 3.1: Distribution of population and samples taken from each stratum.....	25
Table 4.1: Perception of SMU's Management and Human Resource Experts on the Practices of Recruitment and Selection.....	28
Table 4.2: Perception of Employees on the Practices of Recruitment and Selection.....	30
Table 4.3: Perception of Managers and Human Resource Experts on the Practices of Training and Development.....	32
Table 4.4: Perception of Employees on the Practices of Training and Development at SMU.....	33
Table 4.5: Perception of Management and Human Resource Experts on the Practices of Performance Appraisal at SMU.....	35
Table 4.6: Perception of Employees on the Practices of Performance Appraisal at SMU.....	36
Table 4.7: Perception of Management and Human Resource Experts on the Practices of Compensation and Benefit Schemes at SMU.....	38
Table 4.8: Perception of Employees on the Practices of Compensation and Benefit Schemes at SMU.	39
Table 4.9: Staff Turnover Rate at SMU (2013-2016)	40
Table 4.10: Perception of Management and Human Resource Experts on the Practices of Human Resource Information system at SMU.....	41
Table 4.11: Perception of Employees on the Practices of Human Resource information System at SMU.....	42
Table 4.12: Perception of Management and Human Resource Experts on the strategic audit at SMU....	44
Table 4.13: Perception of Employees on the strategic issues at SMU.....	45
Table 4.14: Legal compliance Practices of St. Mary's University Perception on (Top, Middle Level managers and HR professionals)	46
Table 4.15: Perception of Employees on the Practices of Human Resource information System at SMU.....	48

LIST OF FIGURE

Page

Figure 1: HR audit flow chart..... 13

LIST OF ACRONYMS AND ABBREVIATIONS

SMU: St. Mary's University

SGS: School of Graduate Studies

CODL: College of Open and Distance and Learning

PA: Performance Appraisal

HRM: Human Resource Management

HR: Human Resource

SPSS: Statistical Package for Social Science

HRIS: Human Resource Information System

Table of Contents

ACKNOWLEDGMENTS	I
LIST OF TABLES	II
LIST OF FIGURE.....	III
LIST OF ACRONYMS AND ABBREVIATIONS	IV
<i>ABSTRACT</i>	V
CHAPTER ONE: INTRODUCTION	1
1.1. Background of the Study	1
1.2 Statement of the Problem.....	2
1.3 Objectives of the Study.....	4
1.4 Research Questions	4
1. 5 Significance of the Study.....	4
1.6 Scope and Limitation of the Study.....	5
1.7 Organization of the Study	5
CHAPTER TWO: REVIEW OF RELATED LITERATURE	6
2.1 Human Resource Management	6
2.2 Functions of Human Resource Management	7
2.3 Evaluating the Human Resource Functions	10
2.4. Concept of Human Resource Audit	11
2.5 Steps of Human Resource Audit.....	13
2.6 Scope of Human Resource Audit.....	13
2.6.1 Human Resource Function Audit.....	14
2.6.2 Managerial Compliance Audit	14
2.6.3 Human Resource Climate Audit	15
2.6.4 Service Audit	15
2.6.5 Financial Management Audit.....	15
2.6.6 Corporate Strategy Audit	15
2.8 Techniques of Human Resource Auditing.....	17

2.9 Auditing Checklists.....	18
2.10 Empirical Literature	18
2.11 Summary	21
CHAPTER THREE: RESEARCH DESIGN AND METHODOLOGY	23
3.1 Research Design.....	23
3.2 Source of Data.....	23
3.3. Sample Size and Sampling Techniques	24
3.3.1 Sample size determination	24
3.2.2. Sampling Techniques.....	24
3.4 Data Collection Tools and Procedures.....	26
3.5 Data Analysis Techniques.....	26
3.6 Ethical Consideration.....	26
CHAPTER FOUR: DATA ANALYSIS AND INTERPRETATION.....	27
4.1 Result and Discussion of Functional Audit at St. Mary's University	27
4.1.1 Recruitment and Selection Policy and Practices of St. Mary's University.....	27
4.1.2 Training and Development Policy and Practices of St. Mary's University.....	31
4.1.3 Performance Management and Evaluation Policy and Practices of St. Mary's University.....	34
4.1.3 Compensation and Benefit Policy and Practices of St. Mary's University	37
4.2 Assessment of the Strategic Audit of St. Mary's University.....	43
4.3 Compliance Audit	45
CHAPTER FIVE: SUMMARY, CONCLUSION AND RECOMMENDATIONS	49
5.1 Summary of Major findings.....	49
5.2 Conclusion	50
5.3 Recommendations.....	52

Reference

Appendix

ABSTRACT

Human resource audit is concerned with the systematic verification of recruitment and selection, orientation and placement, training and development, performance appraisal, job evaluation, compensation and benefit, job analysis and design, human resource information system, safety and healthy, and industrial relation. The research focuses on the study of human resource audit at St. Mary's University. In a bid to identify areas of strengths and weaknesses, an in depth analysis on selected human resource functions such as recruitment and selection, benefit and compensation, performance management, and human resource information system was conducted. Descriptive research design was adopted, and primary and secondary data were collected. Purposive and stratified sampling techniques were used to select the subjects of the research. A total of 35 middle- and top-level managers and human resource professionals of the University were purposively selected. Stratified sampling procedure was adopted to choose 81 employees and the response rate was 89.4%. Content analysis was done on the different human resource policies and guidelines of the University against accepted human resource principles and country laws. The data obtained through questionnaire were analyzed using simple descriptive analysis such as frequency and percentage. The findings of the study illustrated that the University's human resource polices and procedure comply with current labor law of the country but lack comprehensiveness when compared with accepted principles. Furthermore, the human resource functions contributed to the achievement of the strategic objectives of the university. The University need to make further analysis on the human resource policies and procedures so as to make them comprehensive.

Keywords: *Human resource audit, human resource functions, St. Mary's university, Ethiopia.*

CHAPTER ONE: INTRODUCTION

1.1. Background of the Study

Human resource is one of the most important assets that provide a competitive advantage to organizations. In order to respond to the changing work environment, human resource management determines ways to justify the performance and operational workload of employees. Top managements should have tangible and measurable data for all activates of HR functions. Human resource audit enables an organization to review and critically analyze the effective performance of employees and human resource functions. A human resource audit is a methodical process that aims to investigate the underlying policies, strategies, systems, techniques, documents, functions, and practices of an organization with respect to its human resource management (Minhajul, 2015).

According to Hercus and Oades (1982, p. 43), Human resource audit is “a systematic, formal evaluation of all human resource policies and programs in an organization”. Through proper human resource audit organizations can acquire and retain best performing employees who contribute to the attainment of organizational goals. In order to secure the operative efficiency and user or client satisfaction, an appraisal of the results of the human resource function is necessary. A human resource audit reviews the full range of HR activities including recruitment/selection, compensation and benefits administration, performance management, training and development HRIS, and record keeping (Aquinas, 2006). All human resource functions should be performed in line with strategic objective of the university. Identifying “gaps” can not only increase legal compliance but also increase efficiency and productivity of the organization’s HR activities. This can significantly contribute to the quality improvement processes and employee satisfaction. Human resource is a source of competitive advantage for the company and it is the most valuable assets in the organization. The company’s management must aware of the true important of its employees by identifying the key resource worth optimizing. This valuable asset should be periodically evaluated on the contribution of university objective. If the department fails to contribute to the company bottom line, it has no reason to function. Similarly, if the expenses incurred on the HR department far exceed its benefit to the organization, they must be pruned drastically to make the department economically viable.

According to Aswathappa (2005), Human Resource (HR) audit is broad in its scope which covers different human resource functions that should be accomplished by Human Resource (HR) departments. Human resource managers believe that auditing HR activities is a difficult though not impossible task because of its subjective nature and abstractedness while some others argue that reports generated from HR auditing will not be much useful.

Functional audit focuses on the analysis of the effectiveness of all HR functions while strategic audit analyzes how the HR functions are linked with strategic objectives of organizations and examines how well the HR functions contribute to the achievement of the strategic goals of organization. On the other hand, compliance audit involves how well policies and procedure are complied with legal provisions and HR principles (Kandula, 2004). Human resource (HR) plays a critical role in the success of any organization. A company or organization is a creation of employees. HR departments are given the responsibility of ensuring the contribution of employees toward business objectives through their different functions. They ensure such contribution by measuring how well functions of HR are performing. HR audit is an instrument for evaluating the contribution of HR activities to organizational strategies and goals. In short HR audit is an overall control check on HR activities in a division or a company and evaluation of how these activities support organization's strategy.

1.2 Statement of the Problem

St. Mary's University (SMU) is an academic institution that practices different human resource functions while running its academic programs. It is one of the pioneer private higher education institutions in Ethiopia with more than 20,000 students enrolled in post-graduate and undergraduate regular and distance education programs. The total number of both academic and administrative staff is more than 800. Since HR plays a critical role in the execution of academic and administrative business SMU, the Human Resource (HR) office of the university is responsible to manage and control the effective utilization of the human resource of the university with the aim of attaining institutional goals and objectives. For this end, the university has a centralized HR office, which is constantly engaged in employment process, training and development, compensation, performance appraisal and other Human Resource Management

(HRM) functions. All these activities should be assessed in order to know about their effective implementation and follow up.

SMU's human resource office constantly engaged in the implementation of different HRM activities. The institution developed different human resource policies and procedure that are thought to drive to the achievement of the organization's objectives and comply with national law. Despite this claim, there were twenty five legal issues raised by terminated employees in the court in the past four years. This necessitates the need to conduct a more comprehensive HR audit so as to assess whether the HR policies and procedure comply with current labor law of the country and implemented consistently and impartially among all members of the staff. In addition, HR audit is an important task for the HR Office and administrators of the university since it provides important information if the human resource functions are performed in line with strategic objectives of the university.

In 2015, SMU conducted a HR audit which is not comprehensive (SMU, 2015). It analyzed only the integration of work force and their responsibility. Similar research activities were conducted by Meron (2012) in Macro General and Contractor PLC and Solomon (2012) in Laboua International Trading PLC. The findings of both studies were not comprehensive. The researchers did not analyze human resource functions in detail and the HR auditing were not well identified based on literature. In addition, the contextual differences of the two cases with SMU makes it difficult to extrapolate findings from these studies to an institution which focuses on teaching, research and community services. This research is therefore an endeavor to do a more comprehensive HR auditing exercise at SMU by including functional, compliance and strategic audit. Therefore, this research will conduct more in-depth analysis on the HR function and the linkage on strategic objective of the University by examining different human resource auditing approaches.

1.3 Objectives of the Study

The general objective of this study is therefore to conduct an in depth analysis of the HR functions to identify areas of strengths and weaknesses. It has the following specific objectives:

1. to evaluate the HR polices and procedure of SMU against acceptable standards and/or HR principles;
2. to evaluate HR policies and procedures of SMU if they comply with country laws; and
to evaluate the contribution of HR functions to the strategic objective of the university.

1.4 Research Questions

This research will attempt to address the following specific research questions:

1. To what extent HR functions (Recruitment and Selection, Compensation and Benefit, Performance Management and Evaluation, Training and Development, human resource information system) fulfill acceptable standards?
2. To what extent HR policies and procedures developed for HR functions mentioned above contribute to the attainment of the university's strategic goal.
3. To what extent do policies and procedure comply with current labor law?
4. To what extent policies and procedures are implemented consistently among staff members?

1.5 Significance of the Study

The output of this research discloses the extent of the adequacy of each functional process and practice of HR office of St. Mary's University and indicates its level of quality, fairness, transparency and consistency. The study also identifies strengths, weaknesses and gaps together with possible remedies for addressing weaknesses and gaps. The results of the study are thus expected to provide important information to the management of the university to take appropriate decisions to improve the functional processes, their alignment and contribution to the university's strategies and goals. The tools and approaches adopted to conduct this study can also serve for other similar academic institutions since HR auditing is not commonly done by academic institutions in Ethiopia.

1.6 Scope and Limitation of the Study

This study is delimited with conceptual scope. While HR audit includes all types of HR functions, this study examines only functional, compliance and strategic audit; and hence it will not examine service audit, human resource climate audit, financial management audit, staff socialization, termination and transfer, promotion, job analysis, and health and safety. Functional audit focuses on the functional aspects of the HR office and further investigates the extent of the alignment of the different activities and practices of the office to the overall policies and procedures of the University. In this respect, the research examines recruitment and selection, compensation and benefit, performance management and evaluation, training and development, human resource information system.

Strategic audit generally analyzes how well the different HR functions are aliened and linked to the strategic goals of organizations, and seeks to determine how much the functions contributed to the attainment of the strategic goals of organizations. Such sort of analysis requires to go beyond descriptive analysis and requires to use a causal analysis. In this study, however, the second dimension of strategic audit which seeks to determine the contributions of the HR functions to the competitiveness of SMU is not done using a causal design. The study only tried to examine, descriptively, how well the activities of SMU's HR office are linked to the strategic goals of the institution, and thus the findings of this study should be accepted given this methodological limitation.

1.7 Organization of the Study

The thesis is organized in five chapters. Chapter one deals with the background of the study, statement of the problem, significance, delimitation and limitation, and organization of the study. The second chapter presents review of related theoretical and empirical literature that sheds light to the study. The third chapter discusses the research methodology used in this study. The fourth chapter presents the major findings and discusses them by relating them with the literature chapter. Finally, chapter five gives a brief summary, and then conclusion and recommendations are presented in the same chapter following the major findings of the study.

CHAPTER TWO: REVIEW OF RELATED LITERATURE

In this section major human resource audit issues as presented by various scholars are reviewed. Accordingly, definitions of human resource management and human resource audit, management functions of human resource, objective of human resource audit, framework and process of human resource audit, approaches of human resource audit, and scopes of audit are reviewed. The literature review resolves many of the 'what' questions of human resource auditing. The detail of 'how' to conduct a future orientated human resource management audit are also discussed.

2.1 Human Resource Management

Human resource management (HRM) is a strategic, integrated and coherent approach to the employment, development and well-being of the people working in organizations (Armstrong, 2009). Top managers started realizing that the most spirited and costly assets of an organization are their human capitals and other resources are useless without human resources (Aquinas, 2006). In the post-industrial economy, many countries of the advanced world believes intellectual properties and human resources are the core assets while plants and equipment were pondered to be the core assets in the industrial economy (Flamholtz, 1999). Robert Owen, the father of personnel management, viewed that the returns from investment in human resources would be much higher than that of machinery. The evolution in productivity of an organization mostly depends on the abilities of human resources how they respond to the innovations in technology and environment (Aquinas, 2006).

The society for human resource management, describe human resource management as the formal structure within an organization responsible for all the decisions strategies, factors, principles, operations practices, functions, activities and methods related to the management of people (SHRM, 2007). In relation to human resource management it is observed that every manager is a human resource manger (Huselid, 1998) and human resource management involve all management decisions emphasizing those human resource activities can also be undertaken by line managers.

2.2 Functions of Human Resource Management

Human resource function is a key part of the process of managing organizations. Human resource functions enable organizations to get things done through people. Human resource function includes human resource planning, recruitment and selection, compensation and benefit, training and development, performance appraisal and so on. According to Armstrong (2009), human resource planning is the process including forecasting developing and controlling by which a firm ensures that it has the right number of people and the right kind of people, at the right places at the right time, doing work for which they are economically most useful.

Recruitment is “the process of identifying the source for prospective candidates and encouraging them to apply for particular jobs in an organization whilst selection concerns the assessment and identification of the suitability of such all applicants from this pool” (Goitom, 2012, p.180). Recruitment is the attraction of capable candidates to a vacancy. Recruitment and selection offer key opportunity for an organization to alter the type of staff it employs. The two common sources of recruitment are internal and external. According to Goitom (2012) internal sources are promotions, transfer and Re-employment of Ex-employees while external sources are advertisement, employee’s recommendations labour union list, employment agencies, campus visits, casual callers and gate hiring. Selecting the most suitable candidate from among the applicants is significant impact to the organization. Selection process differs from one organization to another.

Goitom (2012) suggests seven steps involved in the selection process. The first one is screening interview the purpose is to eliminate the unsuitable candidate in the beginning itself the second one is application blank, it is a format filled by the candidate. Commonly sought information in application blank includes biographical detail, recreation, educational qualification, occupation and experience. The third step is selection test, this evaluates the skill knowledge, experience, aptitude, personality and interest of the applicant. The fourth step is selection interview and the fifth step is use of reference. The objective of using reference is to obtain frank opinion about the candidate either on specified points or in general. The sixth step is physical examination; the purpose is to discover the physical fitness of a candidate for the job. The last step is final selection; all those applicants who cross all the hurdles are finally considered. Those who got highest scores are finally selected.

Recruiting and selecting high potential doesn't guarantee they will perform effectively. For one thing, people who don't know what to do or how to do it can't perform effectively even if they want to therefore, employees know what to do and how to do it. Employees have to get orientation and training (Dessler, 2003). Training and development refers to the methods used to give new or present employees, the skills they need to perform their jobs, provision of training to the management members as well as to employees, with the aim of enhancing their knowledge, skill, and ability in making them always competent and responsive in performing their duties, is considered to be one of the key strategies that enhance the organizations efforts to achieve its objectives (Goitom, 2012). Development is a long term educational process of improving the overall personality of an employee. It is career oriented. Training and developments helps employees to acquire more knowledge of the job and to learn or sharpen the need skills, attitude and values associated with efficient performance of the job. Goitom (2012) further suggested the factors that need to be considered when organizing training. This includes clearly defining and specifying the objectives of each training program, designing the training program in a way that meet the needs of jobs , job holder and the organization, making sure that the training programs have functional and practical benefit to employees who attend it, and reviewing and evaluating the training program at periodic intervals to ascertain the extent of its effects on the job behavior and performance of those who have undergone training.

Once employees have been on the job for some time, you have to evaluate their performance.

Performance appraisal is one of the functions of HRM. According to (Goitom, 2012, p.204) performance appraisal is “the process of determining and communicating to an employee how he/she is performing the job”. It is periodic and impartial. Performance appraisal helps employees to achieve better operational results, improved work performance. It also provides back up of data for making decision about employee compensation. According to Dessler (2003), appraisal involves setting work standard, assessing actual performance relative to these standards and providing feedback to employee with aim of motivating that person to eliminate deficiencies or to continue to perform above par.

Managers usually conduct the appraisal using a predetermined and formal method. The most popular performance appraisal method used by most organization is graphic rating scale method. This method is simple and most popular technique for appraising performance it comprises a list

of performance factors such as quantity and quality of work, job knowledge, cooperation, loyalty attendance honesty and initiative (Goitom, 2012). The supervisor rates the person on each job duty.

Once employee have done their jobs and been appraised, they expect to be paid. Employees compensation and benefit refers to “all forms of pay or rewards going to employee and arising from their employment, and it has two main components: direct financial payment (in the form of wages, salaries, incentive, commission and bonus) and indirect payments (in the form of financial benefit like employer-paid insurance and vacations)” (Dessler, 2003, p. 302). Managers should established pay policy. The policy helps how employees are paid uniformly. Dessler suggests five steps to establish pay rates these are conduct salary survey, evaluate jobs, develop pay grade, use wage curve, and fine-tune pay rates. According to him it is difficult to set pay rates if you don't know what others are paying, so the first step salary survey play a big role in pricing. Salary survey helps for manager to benchmark the jobs pay rate.

The second step job evaluation is aimed at determining a job's relative worth. It compares jobs to one another based on their content, which is usually defined in terms of compensable factors like skill, effort, responsibility, and working conditions. Jobs can evaluate through ranking, job classification, point method or factor comparison method. Through ranking method we can evaluate jobs by ranking each job relative to all other jobs, usually based on some overall factor like job difficulty. Job classification is widely used method in which raters categorizes jobs in to groups. The groups have similar jobs and grade. Point method is a more quantitative technique it is based on breaking down jobs in to factor or key elements. Factor comparison method is a widely used method of ranking jobs according to a variety of skill and difficulty factors, then adding up these ranking at arrive at an overall numerical rating for each given (Dessler, 2003).

The third step is developing pay grade, it is comprised of jobs of approximately equal difficulty. After job evaluation determined the relative worth of each job, in order to assign pay rate to each job it usually wants to first group jobs in to pay grades. After jobs are graded the next step is assigning pay rates to your pay grade. It shows the relationship between the value of the job and the average wage paid for this job. The last step is fine-tuning pay rates involves developing

pay ranges and correcting out-of-line rates (Dessler, 2003). Each step is crucial for estimating the value of each job and its appropriate compensation

2.3 Evaluating the Human Resource Functions

HR functions are concerned with the management and development of people in organizations. “They are involved in the development and implementation of HR strategies and policies and some or all of the following people management activities: organization development, human resource planning, talent management, knowledge management, recruitment and selection, learning and development, reward management, performance management, compensation and benefit, employee relations, health and safety, welfare, HR administration, fulfillment of statutory requirements, equal opportunity and diversity issues, and any other matters related to the employment relationship” (Armstrong, 2009, p. 53).

It is necessary to evaluate the contribution of the HR function to ensure that it is effective at both the strategic level and in terms of service delivery and support. In evaluation it is useful to remember the distinction made by Tsui and Gomez-Mejia (1988) between process criteria – how well things are done and output – the effectiveness of the end-result. Huselid et al (1997) believe that HR effectiveness has two dimensions the first one is strategic HRM, it shows the delivery of services in a way that supports the implementation of the firm’s strategy; and the second one is technical HRM, it shows the delivery of HR basic function such as recruitment, compensation and benefits, performance appraisal etc.

According to Armstrong (2008), the internal customers of HR (the users of HR services) can provide important feedback on HR function. Users can be asked formally to assess the extent to which the members of the HR function demonstrate that they: understand the business strategy; anticipate business needs and produce realistic proposals on how HR can help to meet them; are capable of meeting performance standards and deadlines for the delivery of HR initiatives and projects; provide relevant, clear, convincing and practical advice; provide efficient and effective services with regard to response and delivery times and quality; generally demonstrate their understanding and expertise. He also emphasizes the most sensible and important indicator of HRM effectiveness will be the judgments of key stakeholders. The political, stakeholder, perspective on organizations acknowledges that it is the interpretation placed on effectiveness in

organizations and the attributions of credit and blame that are derived from them that matter most in judging effectiveness. In other words, at the end of the day, it is always the qualitative interpretation by those in positions of power that matters most.

2.4. Concept of Human Resource Audit

It is necessary to evaluate the contribution of the HR function in order to ensure that it is effective at both the strategic level and in terms of service delivery and support. The prime criteria for evaluating the work of the function are its ability to operate strategically and its capacity to deliver the levels of services required (Armstrong 2009). It can be understood that in order to secure the operative efficiency and user or client satisfaction an appraisal of the result of the HR function is necessary. Within the field of Human resource management a human resource audit is one method of evaluating or assessing activities. The word “audit ” comes from the Latin verb *audire*, which means, to listen. The auditor’s role was to ‘listen’ to the records and the notion of an independent outsider ‘looking in’ is central to auditing (Burrowes & Persson , 2000). Human resource audit is a process of examining policies, documentation, system, and practice with respect to an organization’s HR functions (Fossas & Sastre, 2002) . The purpose of the audit is to reveal the strength and weakness in the human resource system, and all issues which need resolution. It traces its current state and determines the ways to improve its HR functions (Dessler & Varkkey, 2011, p. 395).

Human resources audit can be defined as a systematic assessment of the strengths, limitations, and developmental needs of its existing human resources in the context of organizational performance (Flamholtz, 1987). Arain (2001) also defined human resources audit as the process of measuring the degree of utilization of human resource outputs and effectiveness under the given circumstances and the degree of utilization of the human resources in the best possible manner conducive to the organization. The audit of human assets is analytical rather than prescriptive. It aims, to encourage professional managers and executives to develop their own ways of measuring performance against targets and objectives developed from the experience and needs of their own particular unit, department and section. Executives should revise, adapt and apply the various diagnostic methods which are best suited to their own circumstances (Werther & Davis, 1996). It is most useful when an organization is ready to act on the finding,

and to evolve its HR function to a level where its full potential to support the organization's mission and objective can be realized. As the financial audit deals with various monetary transactions and issues, human resource audit deals with programs and issues related to the people, their functions and the human resource philosophy of an organization (Durai, 2010).

Human resource audit is an exploratory, problem-solving and comparative activity which examines and evaluates the policies, procedures and practices to administer the effectiveness of human resource management. The audit reviews current human resource policies and procedures to identify needs for improvement and enhancement of the HR function as well as to ensure compliance with ever-changing rules and regulations. The audit helps to realize organizational goals; and also is a vibrant tool that supports in assessing the effectiveness of various HR functions of an organization (Aswathappa, 2008). The value of the audit is that it provides feedback both to the HR managers and the organization as to how well the HR department is meeting its duties and responsibilities. In short, the audit is a quality control check on the HR activities in a division or company and as to how well the activities support the organization's overall strategy.

The basic objectives of a human resource audit is to measure how efficiently human resource functions are implemented by the HR department, to uncover the strengths and weaknesses of the human resource systems, and to gain competitive advantage by rocketing effectiveness and efficiency of an organization (Durai, 2010, p. 566). The audit evaluates the established policies and strategies are realized, to help the organizations in isolating gaps between set objectives and actual outcomes, and to devise corrective action plans. Moreover, HR audit helps to ensure uniform HR policies and procedures, identify various HR problems, find the contribution and inspire superior responsibility and professionalism among HR people to the organization, and ensure convenient compliance (Aswathappa, 2008).

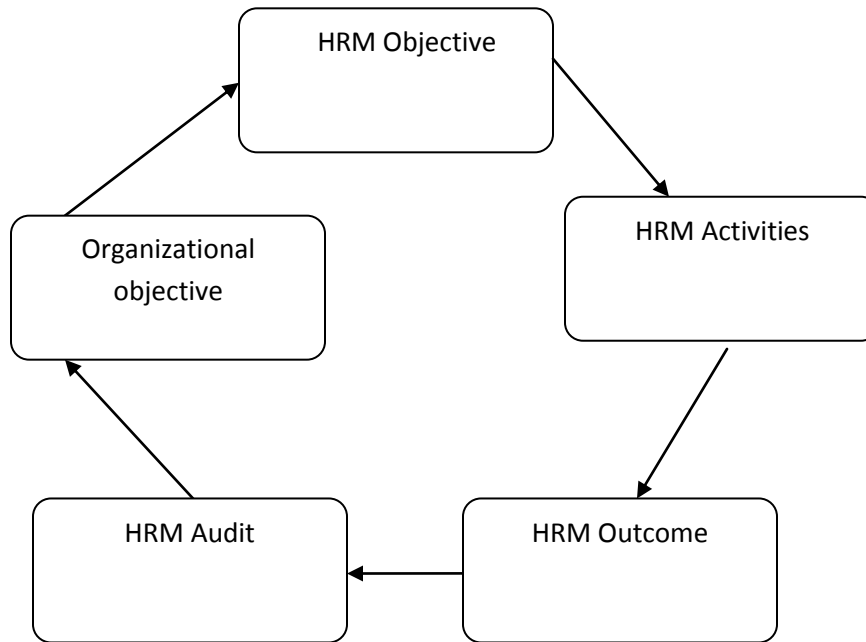


Figure 2.1: Human Resource Audit Flow

Source: Adopted from Aswathappa (2008, p. 612)

2.5 Steps of Human Resource Audit

The purpose and process of HR audit varies from organization to organization depending upon its size, geographic exposure and nature of activity (Evans et. al., 2011). Organization can exercise its own system to conduct a HR audit depending on its size, objectives, location and end users. Though the extent and scope of human resource audit varies, a number of steps are followed in undertaking the different activities of HR audit. Scholars suggests different steps among this the most commonly used steps offered by Durai (2010) are : determining the audit objectives, constructing a rough audit plan, collecting background data, setting the standards and techniques of data collection, finalizing the audit plan, collecting complete audit data, generating audit report, and instituting actions based on report .

2.6 Scope of Human Resource Audit

According to Aswathappa (2005), an HR audit must cover the activities of the department and extend beyond, because the people’s problems are not confined to the Hr department alone. Thus, the audit should be broad in its scope. It must evaluate the human resource function, the

use of its procedures by the managers and the impact of these activities on the employees. Therefore according to him the scope of the HR audit covers the corporate strategy, the human resource function, managerial compliance and Human resource climate. According to (Yadav & Sabhade, 2013), the scope of HR audit includes functional audit, service audit, compliance audit, financial management audit and strategic audit.

2.6.1 Human Resource Function Audit

This involves audit of all HR activities. It includes HR planning, selection and staffing, training and development, performance management, job design, compensation and benefit, HR record keeping, employee relation. The audit examines the strength and weakness of all the above activities (Yadav and Sabhade 2013). Evaluation of HR function is useful to justify the existence of the department and the expense incurred on it. If the department fails to contribute to the company's bottom line, it has no reason to function. Similarly, If the expense incurred on the HR department far exceed its benefits to the organization, they must be pruned drastically to make the department economically viable (Shaban, 2012).

2.6.2 Managerial Compliance Audit

This audit assesses the degree to which HR is compliant with the relevant legislation Labor law and company policy procedure and guide line. This part of the audit will assess whether the required policies practices and procedure exist. And to what extent management and labor have been trained to enact these codes of best practices (Yadav & Sabhade, 2013). Audit of managerial compliance this involves audit of managerial compliance of personnel policies, procedure and legal provisions. How well are these complied with, should be uncovered by the audit so that corrective action can be taken. Compliance with the legal provision is particularly important as any violation makes the management guilty of an offence (Ssama, 2012). Thus, this concept is centered on the verification that the current labor laws are being fulfilled. The audit should verify if the firm's policies, practices, and documents regarding employee hiring, retention, discipline, termination, and post-employment are both fair and legal. This audit prohibited discrimination by offering equal employment opportunities; protect the employment seeker from being discriminated against on the basis of age; carry out minimum wages; and contain provisions regarding mental disabilities and reasonable accommodations for disabled workers. .

2.6.3 Human Resource Climate Audit

The HRM climate has an impact on employee motivation, moral, and job satisfaction. This involves assess HRM climate has an impact on employee motivation, moral and job satisfaction. “The quality of this climate can be measured by examining employee turnover, absenteeism, safety records and attitudes surveys” (Shaban 2015, p. 124). According to him employee turnover refers to the process of employees leaving an organization and required to be replaced. Absenteeism refers to the failure on the part of employees to report to work though they are scheduled to work, Safety records are records relating to accident . It reflects the prevailing organizational climate .The management must have a safety plan, implement it and evaluate its effectiveness. Attitude surveys are the most powerful indicator of organizational climate. Attitudes determine an employee’s feeling towards the organization, supervisor, peers and activities.

2.6.4 Service Audit

This aspect of the audit activity looks at the service responsiveness and reliability of the Hr function. This will include an assessment of such things as response times, willingness to help line managers /staff, and the knowledge of the HR staff etc. (Yadav & Sabhade 2013).

2.6.5 Financial Management Audit

A comprehensive audit of HR systems and procedure needs to go beyond the inspection level. Basic financial ratios/ scorecard measures appropriate for a staff function like HR need to be put in place audit the efficiency of the various HR functions (Yadav & Sabhade, 2013). All the scopes includes the major areas, such as HR panning, job analysis, compensation administration, discipline, recruitment, selection, training & orientation, career development, performance appraisals and labor management relations.

2.6.6 Corporate Strategy Audit

Understanding the organization strategy has strong implication for HR planning, staffing, remuneration, industrial relation, and other HR activities (Werther & Davis, 1996). Besides functions and compliance audit may extend to corporate strategy also. HR professional set corporate strategy to help the organization and gain competitive advantage. Each organization should have an overall people management strategy that aims to increase the value of employees to the business. The strategic audit will examine whether the HR strategy, policies and process

are aligned with and support the achievement of the business's mission and objective (Yadav & Dahade, 2013).

2.7 Approaches to Human Resource Audit

The methods or approaches of HR audit can be classified from different perspective. Durai (2010) endorsed two approaches on the basis of role and usefulness of HR audit such as internal and external approaches. "Internal approach focuses on the cost-benefit of the various HR functions measured in terms of productivity and overall costs of an organization, while external approach emphasizes on evaluating the contribution of the HR functions to the organization external performance" (Durai, 2010, p. 576). Human resource audit can also be categorized in three ways based on the individuals accompanying with audit processes: the self-directed team approach, the task force approach and the external consultant approach (Ibid, 2010). The self-directed team approach refers to a team within the organization, which audits different activities of HR. In task-force approach, a task force is formed in combination of people from different departments with diverse expertise to undertake HR audit activities and in external consultant approach, an organization hires external HR specialists to conduct HR audit .

Aswathappa (2005) advocate five methods or approaches of HR audit that are most commonly used in conducting HR audit, such as comparative approach, outside authority approach, statistical approach, compliance approach and management by objectives (MBO) approach. Auditors can apply any one of these approaches while conducting a human resource audit.

1. **Comparative approach:** In comparative approach, the auditors choose and use another department or company as the model (Aswathappa, 2005,) that has sound and better practices. Comparative method is typically used to contrast the results of specific programs or activities. This method, also branded as 'best practices' approach it is frequently used in respect with HR planning, compensation management, turnover and absence. It supports in identifying the areas where improvement is required.
2. **Outside authority approach:** The HR audit approach in which the auditors apply earlier research findings or the standards set by an outside consultant as a benchmark to conduct audit is defined as outside authority approach (Evans et. al., 2011). The standard or research findings may help diagnose the cause of the problem.

3. **Statistical approach:** Statistical approach of HR audit depends on statistical measures of performance that are drawn from the current information about the functions of an organization (Aswathappa, 2005). This method relies on performance measure drawn from the organization existing information system. For example, by following absenteeism and turnover rate of an organization from one period to another, the auditors can communicate and analyze the data to determine how well human resource or operating managers control these matters. These data help auditors to appraise the performance.
4. **Compliance approach:** In compliance approach, the auditors review early practices of an organization to determine if those practices comply with legal requirements, strategies, policies, documentations and procedures of the organization (Deb, 2009). In this approach, the auditors often measure a sample of employment, discipline, compensation, and appraisal systems of employees. By sampling elements of the human resource information system, the HR audit look for deviations from laws and organization policies and procedure. The team then determines the degree of compliance achieved (Aswathappa, 2005).
5. **Management by objective (MBO) approach:** Operating managers and specialists set objectives in their area of responsibility in MBO approach. They constitute unambiguous goals against which the performances would be assessed (Aswathappa, 2005). And the auditors measure the actual performance and compare it with the set objectives.

2.8 Techniques of Human Resource Auditing

According to Raja and Dhamodharan (2014), there are four methods of conducting HR audit. For HR audit, either combination of methods or all the methods are used. This includes the following individual interview method, group interview method, workshop method and questionnaire method. In the individual interview method the top level management and senior managers are interviewed, individually. Group interviews and discussions with the employees and/or executives of large companies for HR Audit facilitate collection of information about effectiveness of existing systems. In some cases of HR Audit, instead of Individual and Group Interviews, Workshop methods are employed. Under this more than 30 participants can be asked to gather in a room are divided in small groups. They are asked to work either around systems,

subsystems or around different dimensions of human resource development and do SWOT analysis. All the groups thereafter give presentation. The HR auditor compiles the views of all groups, makes own observation, conclusions and prepares a report. The HR auditor announces the audit Results. Feed back about various dimensions of human resource development, including the competency base of HRD staff, the styles of line managers, the implementation of various human resource development systems etc are obtained through a detailed questionnaire from individuals or groups for HR audit. This method helps in benchmarking.

According to Ghazala and Habib (2012), there are five methods of conducting HR audit. This includes, interview, document review, questioners, sampling and paper preparation. Interviews are more appropriate than observation for collecting information on departmental strength and weakness. Document reviews was not limited merely to publication intended for broad distribution. Examples of document review include HR policy and procedure departments file, budgets, letters, memoranda, and meeting agenda. Questioners used for data gathering. It is a means for providing feedback to a group or department about others perceive its activities or its performance. Information gained from above mentioned steps studied and analyzed in details to formulate recommendations.

2.9 Auditing Checklists

There are also generic checklists available for conducting an evaluation of many human resources activities. These checklists are often either universal or industry based and can be used as a useful starting point for either a review or an audit of human resource activities. Once a checklist of activities is identified human resource practitioners can use the information as a diagnostic tool to assist the evaluation of human resources under a management assurance paradigm. They can also be adapted by auditors to formulate audit questions or to base inquiries in areas not covered in management reporting.

2.10 Empirical Literature

Regarding of the Human resource audit a number of empirical studies have been conducted by researcher in different parts of the world. However, only few studies are found across Africa and in Ethiopia. The methodologies adopted by the researchers are different and they cover different time periods. A brief review of the studies is presented below.

Yadav and Dahade (2013) conducted a study on human resource planning and audit in Switzerland by employing a Chi-square analysis. The article also showed that conducting an audit involves a review of current practices, policies and procedure. Their results showed that establishing HR audit practice is a major achievement that enables an organization to ensure how best to use its human resource to achieve outputs and outcomes. Findings suggests that it is difficult to assess accurate HR planning and adopting accurate audit practice because practice itself does not produce right or wrong answers, but it produces a series of alternative from which the right course of action can be chosen.

Ukil (2015) undertaken a study on the essence of human resource audit in Bangladesh. The desk research was conducted based on secondary data. He tried to review the existing literature of human resource audit from different view point. The study showed that human resource audit has a diverse area such as human resource function, managerial compliance, employee satisfaction, corporate strategy and human resource climate. The conclusion of the study revealed that organizations should conduct human resource audit regularly to generate information necessary to the successful improvement of the entire human resource of an organization.

Ishrat and Habib (2012) conducted a study on the impact of HR audit in an educational institution in India in order to gain insight into the present scenario and future prospects so that it can set a bench mark for educational sector. The objective of the research was to gain in depth knowledge of the human resource and the effectiveness of HR functions within an organization. To conduct the human resource audit extensive study on various aspects related to faculties, students and staff were analyzed. Data collected through interview observations questionnaires and documents. The study investigated human resource audit helps to link the long term purpose, goals and objectives of the HR functions/HR plans.

Andrews (2007) conducted a study on “Developing and conducting a human resource management performance audit: case study of an Australian university” in Austria. This study assessed a human resource management performance audit can be a suitable method for evaluating the contribution of human resource activities to organizational objectives, assessed on the basis of value for money. The case study demonstrated that a human resource management performance audit can identify areas where additional value can be obtained from an already valued, well regarded and award winning human resource department. The human resource

management performance auditing methodology is set down in the Australian auditing standards. The literature on human resource auditing reviewed to ensure that it is firmly grounded in auditing. The paper clarifies the key elements of a human resources management performance audit and then demonstrating the audit in a case study.

Genga (2014) undertaken a study entitled “Perceived effect of Human Resource Audit on the effectiveness of the Human Resource Function at Alterrain service group Kenya Limited” in Kenya. The study is based on Human capital theory and resource based theory. The study utilized a case study research design. Primary data & secondary data used to collect data. Response from questioners was analyzed using frequency, percentage measure of central tendency and measure of variation. The study investigate human resource audit have impact on the effectiveness of the human resource functions. He concludes that the practice such as recruitment and selection, performance management, training and development, compensation management, Health & safety of workers, employee relation had a perceived effect attributable to human resource audit.

Meron (2012) conducted a study on “human resource audit : case study of Macro General and Contractor PLC” in Ethiopia . This study assessed a human resource practice of macro general and contractor PLC. Primary data & secondary data used to collect data. Response from questioners was analyzed using frequency, percentage measure of central tendency and measure of variation. This paper examine concept of HR audit and management audit. The study concludes that there should be a continuous HR audit practice in the organization.

Solomon (2012) undertaken a study on “human resource audit : in the case of Laboua International Trading PLC , Ethiopia”. The objective of the research was to assess the existing practice of HR audit. Primary data & secondary data used to collect data. Response from questioners was analyzed using frequency, percentage measure of central tendency and measure of variation. The conclusion of the study revealed that organizations should conduct human resource audit regularly to generate information necessary to the successful improvement of the entire human resource of an organization.

2.11 Summary

HR audit helps take a look at how effectively all Hr activities have been carried out. HR audit research provides necessary data for auditors to assess the effectiveness of personnel activities and employee satisfaction. The HR audit comprises HR functions, managerial compliance of policies and procedures, organizational climate, and corporate strategy. The auditors may adopt any one or more of the five strategies: comparative approach, outside authority approach, statistical approach, MBO approach, and compliance approach. Organizations can choose audit steps based on size, objective & scope. Develop audit plan, select audit team, collect HR data, and analyze the data, concluding the report are commonly used steps. To conduct HR audit information data may collect through interview, document review, questionnaire & Workshop. Human resource audit can be carried out by the internal HR specialists of an organization or external specialists with expertise in HRM, fundamental knowledge in law and auditing and high credibility. The organization should also negotiate with the auditor in how the audit functions and report will be communicated to the respective stakeholders. The HR auditor should categorize who is liable for each activity, define the objectives required by each activity, analyze the policies and procedures used to attain these objectives and prepare a comprehensive report.

Establishing a HR planning frame work and audit practices is a major achievement that enables an organization to ensure how best to use its human resource to achieve out puts and outcomes. Human resource auditing is still not well known or understood as a method of evaluation by human resource practitioners but the topic is an emerging area of interest in the context of evaluating the contribution of human resources to the achievement of an organization's objectives. It is imperative that human resource practice should correspond with your business plans. Human resource practice is an ongoing process. Organizations must continually monitor and forecast personnel needs and concerns. Human resource planning is something that you can learn and improve on through experience and effort. Similarly a human resource audit is a comprehensive method to review current human resource policies, procedure, documentation and systems to identify needs for improvements and enhancement of the HR functions as well as to ensure compliance with ever changing rules and regulations. An Audit involves systematically reviewing all aspects of human resource. HR audit helps to link the long term purpose, goals and objectives of the HR functions/HR Plans. It also examines what people are presently doing in

their jobs in the organization. Employee's plays crucial role in the success of the business organization, it is important that organization should put consideration and careful planning into human resource practices. It examines and analyzed what kinds of people are doing the work at present strength and weakness of the HR policies.

CHAPTER THREE: RESEARCH DESIGN AND METHODOLOGY

In this chapter the overall research design and methodology is explained. Hence, the type of research design, population, sample size and sampling techniques, data source, data analysis techniques and data gathering tools are presented in detail.

3.1 Research Design

There are several research designs and the researcher must decide in advance of collection and analysis of data as to which design would prove to be more appropriate for the research project. According to Kothari (2004) research design is the conceptual structure within which research is conducted; it constitutes the blueprint for the collection, measurement and analysis of data. This research paper assesses the extent to which human resource functions of SMU fits into the organization objectives. Consequently, the study employed a descriptive research design which is relevant to describe the characteristics of the human resource activities of SMU. According to Kothari (2004, p. 37), descriptive research design is relevant in "explaining the characteristics of a particular individual, group or a situation". Saunders et al. (2007) also argues that the object of descriptive research is to portray an accurate profile of persons, events or situations. Thus, the objective and nature of this research can be at best achieved through descriptive research design.

The research pursued a mixed research approach in which both qualitative and quantitative data are generated and analyzed to achieve the objectives. This is also relevant that the research involved measurement of quantities where the responses of employees obtained through questionnaire was analyzed and interpreted quantitatively. Hence, the data secured through questionnaire are summated, tabulated and converted to percentage for interpretation. The research also deals with qualitative phenomena where issues like the analysis of human resource function, responses from human resource audit checklist in the questionnaire interpreted qualitatively.

3.2 Source of Data

Primary and secondary data sources were used to generate relevant information for this study. SMU's human resource policies, guidelines and manuals, previous survey results of the HR

department of SMU and HRM statistical record and documents served as secondary data sources. Primary data were gathered from employees using the survey method of data collection.

3.3. Sample Size and Sampling Techniques

3.3.1 Sample size determination

The target population of the study is permanent employees of SMU who are working in the different campuses of the University located in Addis Ababa. There are 507 permanent employees who work in SMU at different position. To ensure representativeness of the sample, sample size is determined following the formula suggested by Nasiuma (2000).

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

Where,

n is the sample size;

N is the population;

C is the coefficient of variation, which is set at 0.5; and

e is the level of precision, which is set at 5%.

Accordingly, the sample size that represent a population of 507 is 84. But, since non-response rate is expected in a self-administered questionnaire survey, the researcher increased the total sample size to . Finally, with 89.3% response rate a total of 75 questionnaires were completed and returned.

3.2.2. Sampling Techniques

The objective of this study is to conduct an in depth analysis on the HR functions and HR polices of SMU. Primary data were generated from two groups of employees using the survey method (i.e structured and semi-structured questionnaire). The first group of employees include top management, middle level management and HR professional working in the HR department of SMU. This group was selected using purposive sampling technique. Based on this all members of the University's top management (five in number), all members of the University's middle level managers (they are 25 in number) and all HR professional (they are 5 in number) were

purposively selected as the subject of the study. The second group of employees include non-management staff who are working at different capacities in the academic and administrative wings of the university. Stratified sampling method is relevant to draw respondents from a population which is constituted by heterogeneous group (Kothari, 2004).

First, the entire population is grouped into two strata such as academic and administrative group. The two strata are further classified five strata based on campuses. The campuses more or less capture the type of jobs the employees are engaged in (see Table 3.1). Then, by using the method of proportional to the size of each stratum, the total sample is allocated to each stratum. Finally, the samples from each stratum were selected using simple random techniques.

Table 3.1: Distribution of population and samples taken from each stratum

Stratum	Sub-stratum	Population in each stratum	Sample taken from each stratum
Academic	Undergraduate	118	19
	SGS	23	4
	Head Office	18	3
	CODL	21	4
	Academic total	180	30
Administrative	Undergraduate	56	9
	SGS	11	2
	Head Office	98	16
	CODL	162	27
	Administrative total	327	54
Grand Total		507	84

Data Source: SMU HR Department (2016)

3.4 Data Collection Tools and Procedures

A structured and semi-structured questionnaire was developed for the two groups of employees (management and HR professional group and non-management group). When pre-coding is not possible, open ended questions were added to allow respondents to freely include their comments and responses to the questions put (see Annex 1 and Annex 2). The survey was administered in two ways: (1) for those group of respondents (all of the first and some from the second group) who have better level of understanding, the survey was self administered by distributing the questionnaire and collecting it back after some period; and (2) for those group of respondents who are in the second group (i.e non-management) the survey was administered with the help of HR expert working in the HR Department of the university. While there was a 100% response rate for the first group of respondents (i.e management and HR professionals), some academic staff of the university did not returned back the questionnaire despite several efforts were made to get it back. As a result, the researcher decided to do the analysis based on the data collected. The total response rate was 89.4%.

3.5 Data Analysis Techniques

The data collected from primary and secondary sources were analyzed using qualitative and quantitative methods. Data gathered from employees through questionnaire were organized, tabulated and analyzed using frequency and percentage. The qualitative data obtained through documents were analyzed thematically and following content analysis approach.

3.6 Ethical Consideration

This research work strictly adheres to the ethical principles with respect to the data used in the study. First, revisiting the literature all the ideas and concepts taken from other scholars are acknowledged. Second, primary data were collected from employees after getting their prior consent, and as promised, the identities of the respondents were not disclosed and remained confidential. Moreover, the information collected is used only for the purpose of this research and the records and written notes are not passed to any third party at any circumstances.

CHAPTER FOUR: DATA ANALYSIS AND INTERPRETATION

This chapter deals with data presentation, analysis and interpretation. Thus data obtained on the practices of recruitment and selection, compensation and benefit , performance evaluation, training and development , human resource information system, was presented and interpreted,. The data obtained from questionnaire and content analysis was treated in combination. The university recruitment and selection, compensation and benefit, performance evaluation, training and development, human resource information system policy would be analyzed based on literature.

4.1 Result and Discussion of Functional Audit at St. Mary's University

4.1.1 Recruitment and Selection Policy and Practices of St. Mary's University

SMU has a recruitment and selection policy, which was revised in June 2014 (SMU Administrative Council, 2014a). The recruitment and selection policy of SMU states the general objective of the process of recruitment and selection. The policy has the goal of enhancing the university's capacity to utilize the knowledge, skills, and competence of its employees to achieve its strategic goals. The policy states the standard practices to be pursued including application and registration, screening, testing, interviewing, notifying successful candidates, job offer, and induction and/or training.

But, when we evaluate the recruitment and selection policy of SMU with the standard practices suggested by human resource scholars (cf. Dessler, 2003; Armstrong, 2008; Goitom 2015), there are areas of weaknesses and strengths. According to the scholars, the best recruitment and selection policy should encompass the following key components: planning recruitment and selection process, job analysis, recruitment process, preliminary screening, employment tests, employment interview, reference checking, selection decision, medical test, evaluation, and induction/Orientation. The recruitment and selection policy of SMU incorporates detailed procedures of most of these elements, but fails to explicitly incorporate some basic components. These are planning recruitment and selection process, job analysis and reference checking about the skill, knowledge and capability of the candidate and medical test are not stated in the recruitment policy of the university. The policy has given good emphasis to the description of different kinds of tests (written exam and interview) to be offered to candidates.

The policy sets a clear direction as to who prepares the tests, how to administer them and who evaluates it. The procedures to undertake interviews are comprehensively elucidated as to what preconditions to fulfil, who takes responsibility in interviewing the candidates, and what criteria to use to evaluate them. The policy has also given good emphasis in the description of different kinds of job advertisement. The policy also states about probation period of consecutive 45 days at the time of employment before the employee's contract is changed to permanent. This is in compliance with the Ethiopian labour proclamation no. 377/2003 (Federal Negarit Gazeta 2004).

The study further inquired how much the recruitment and selection policy of the university is implemented in practice based on the perception of top and middle level managers, human resource experts and non-management employees of the university. The results are presented and discussed below.

Table 4.1: Perception of SMU's Management and Human Resource Experts on the Practices of Recruitment and Selection

Statement	Strongly Agree		Agree		Neutral		Disagree		Strongly disagree		Total	
	F	%	F	%	f	%	F	%	f	%	f	%
Recruitment at SMU is done proactively to implement plans	3	8.3	14	38.9	1	1	9	25	1	2.8	35	100
The recruitment procedure of SMU ensures selection of best candidate who contributes to achieve your department /division goals	5	14.3	18	50	3	3	5	13.9	3	8.3	35	100
The recruitment and selection policy of SMU helps to minimize complains	9	25.7	15	41.7	2	2	3	8.3	2	5.6	35	100
The recruitment procedure of SMU helps to match capabilities of candidates with competency requirement of the positions	4	11.4	16	44.4	2	2	4	11.1	2	5.6	35	100
The recruitment procedure of SMU helps to attract desirable workers for positions	5	13.9	11	30.6	3	3	8	22.2	3	8.3	35	100

Source: Own computation of survey data (2016)

As presented in Table 4.1, most respondents (47.2%) believed that recruitment was done proactively from planning mode despite the fact that the recruitment and selection policy of the university did not explicitly mentioned planning recruitment and selection process as an important component of the policy. This shows that there are unwritten practices at SMU. On the contrary, a quarter of the respondents believed that recruitment and selection at SMU is done reactively when job openings are created and to fill replace terminated employees.

This group of respondents agree with the result presented above on the basis of document analysis that recruitment and selection is not done proactively from planning mode. According to Goitom (2015), recruitment and selection is a key instrument of organizations in translating strategic goals to actions. This is possible when recruitment and selection is done proactively to implement plans that ensures the linkage of human resource with the implementation of strategic objective.

The recruitment and selection policy of SMU emphasizes the selection of best/capable candidates who have the potential to contribute to the achievement of department/division goals. As presented in Table 4.1, 66.7% of the respondents agreed that the practices of recruitment and selection at SMU ensures the selection of capable candidates. In line with the policy document, the practice of employee selection is done by providing different types of written exams and interviews in a more transparent ways, which is reflected by the responses of the majority of the managers (69.5%) that revealed complains in recruitment and selections process are minimal at SMU. The responses of the management is also consistent with the assessment of employees in that 81% of the respondents revealed that they were interviewed before selected for the positions they assumed that time after their documents are reviewed (see Table 4.2).

The assessment of the management of SMU about the selection of candidates that matches their capabilities with the competency requirement of the positions was also positive. This is reflected by the majority of the respondents (68.3%) who agreed that the selection and recruitment procedure ensures selection of capable candidates. From the open ended responses, some of the respondents mentioned that the job specification of each position helped to match capabilities and desirable worker for positions.

Employees were asked to respond to different statements that were not included in the questionnaire distributed to the management (Table 4.2). The statements are relevant to evaluate the practices of recruitment and selection at SMU. Despite the fact that the policy document explicitly discusses about job advertisement using different media, the employees response is something different.

Almost half of the employees (49%) were recruited based on recommendations than looking at job advertisements. But, this is not to rule out the benefits of recruiting employees on the basis of recommendation, which is also supported by literature (cf. Goitom, 2015). However, SMU's recruitment and selection policy should acknowledge selection by recommendation as part of its strategy.

Table 4.2: Perception of Employees on the Practices of Recruitment and Selection

<i>Statements</i>	<i>Responses</i>	<i>F</i>	<i>%</i>
How did you learn about the availability of job opening the first time you were recruited?	By looking at advertisement by SMU	22	29.3
	By recommendation (Referral system)	37	49.3
	Announcement made on job boards	12	16.0
	Job announcement in SMU website	4	5.3
	Total	75	100.0
There was first round screening based on document review	Yes	37	49.3
	No	38	50.7
	Total	75	100.0
There was written exam	Yes	12	16.0
	No	63	84.0
	Total	75	100.0
There was an interview session	Yes	61	81.3
	No	14	18.7
	Total	75	100.0
After you are selected to be recruited by SMU, did you get a formal offer letter?	Yes	72	96.0
	No	3	4.0
	Total	75	100.0
Do you sign/fill up a formal contractual agreement immediately after you were selected?	Yes	66	88.0
	No	9	12.0
	Total	75	100.0
Did you receive job description for the position?	Yes	50	66.7
	No	25	33.3
	Total	75	100.0
Was the job description related to the job advertized?	Yes	44	86.3
	No	7	13.7
	Total	51	100
Did you receive induction/orientation before commencing your job?	Yes	41	54.7
	No	34	45.3
	Total	75	100.0
Do you know if SMU has a policy on recruitment and selection?	Yes	33	44.0
	No	42	56.0
	Total	75	100.0

Source: Own computation based survey data (2016)

Employees were also asked to evaluate the practices recruitment and selection at SMU in terms of receiving formal contractual agreement, job descriptions, and induction/training. Although the proportion is small (12%), there are employees who did not fill up any contractual agreement, which is against the principle of human resource management and the Ethiopian labour law proclamation no. 377/2003 article no. 4-7 (Federal Negarit Gazeta 2004). The recruitment and selection policy of SMU underscores that employees should receive job description that reflect their duties and responsibilities related to the position (SMU, 2014). Based on the policy, all those candidates who are selected to assume the positions should receive a job description (SMU Administrative Council, 2014a). However, only close to 67% of the employees received a job description immediately they assumed the positions. Among those who received, close to 14% of the employees stated that the job description was not related to the job advertized. Providing induction for newly selected staff is recommended by HR scholars (Armstrong, 2008), and the policy of SMU also acknowledged the need to orient new staff about the mission, vision and goals of the institution, core values, organizational structure, benefit packages, working hours, work standards, etc among others (see Administrative Council, 2014b). However, close to 45% of the employees never received any orientation/induction, which reflect the problem of implementing what is stated in the policy (Table 4.2).

4.1.2 Training and Development Policy and Practices of St. Mary's University

St. Mary's University has a training and development policy, which was revised in 2014. The training and development policy have an objective to eliminating performance problems of employees which ultimately results in enhancing individual, department and overall institutional performance and efficiency (see SMU Administrative Council, 2014c).

The principles of training and development recommends to include five major processes/steps such as training needs assessment, instructional design, validation of the training program with a small number audience, implementation of the training and follow-up and evaluation of the training program (Dessler, 2003; Armstrong, 2006). The document analysis of the training and development policy of the university reveals that there are major gaps in explaining the major steps/process of training and development. The policy only explains slightly about the need to assess the training and development needs of employees working in the different units of the university, which should be forwarded by their respective supervisors to the HR Department of

the University (see SMU Administrative Council, 2014c, p.8) Therefore, it is possible to claim that the training and development policy of the university lacks comprehensiveness. Own compilation of secondary data from the SMU's HR Department shows that the university offered 28 short term training for about 788 employees between 2012 and 2016 who are working at different levels. In addition, the university has awarded long-term trainings ranging from diploma to PhD for 393 employees between 1995 and 2016. The short-term training programs did not follow the five steps suggested in the HR literature.

Evaluation of the training and development practices of SMU was done based on the perception of management, HR experts and non-management employees of the university, and the results are presented and discussed below.

Table 4.3: Perception of Managers and Human Resource Experts on the Practices of Training and Development

Statement	Strongly Agree		Agree		Neutral		Disagree		Strongly Disagree		Total	
	<i>f</i>	%	<i>F</i>	%	<i>f</i>	%	<i>f</i>	%	<i>f</i>	%	<i>f</i>	%
Short-term training provided to staff are relevant to their needs	12	34.3	13	37.1	5	14.3	4	11.4	1	2.9	35	100
Short term training provided to staff helped to fill up the skill gaps of the employees	8	22.9	19	54.3	3	8.6	5	14.3	-	-	35	100
The university's sponsorship scheme for long-term studies helped to retain your staff	13	37.1	10	28.6	5	14.3	5	14.3	2	5.7	35	100

Source: Own computation from survey data (2016)

As presented in Table 4.3, 71.4% of members of the management agreed that short-term trainings provided to the staff under their supervision are relevant to the needs of their employees. In addition, 77.2% of the respondents claim that the short-term trainings provided to their staff helped to fill up the skill gaps of their employees. The long-term training sponsorship scheme of the university was also argued to retain staff of the university as agreed by the majority (65.7%) of members of the management.

As argued by Armstrong (2006) training and development programs are the key strategies to enhance the organizations efforts to achieve its objective, and the responses of the management about the practices of training and development at SMU agrees with the claim made of the scholar. When the assessment of the members of the management is compared with that of the employees, there are discrepancies. Despite the fact that 56% of the employees believed to have received short-term training, the majority of them (about 79%) felt that the training topics were not able to equip them with new methods/processes of accomplishing their daily tasks. This implies that training needs assessment is seldom done by the university, and this result is consistent with the findings from the document analysis (Table 4.4).

Table 4.4: Perception of Employees on the Practices of Training and Development at SMU

<i>Statements</i>	<i>Responses</i>	<i>f</i>	<i>%</i>
Did you receive any short-term training so far?	Yes	42	56.0
	No	33	44.0
	Total	75	100.0
Do you receive regular training about new methods/processes and/or procedures of accomplishing your duties?	Yes	16	21.3
	No	59	78.7
	Total	75	100.0
Do you think that the short-term training provided to you helped to minimized the skill gaps you have?	Yes, to a very great extent	8	10.7
	Yes, to a great extend	18	24.0
	Yes, somehow	28	37.3
	Not at all	21	28.0
	Total	75	100.0
SMU's sponsorship scheme for long-term studies motivated me to stay with the organization	Strongly agree	14	18.7
	Agree	36	48.0
	Neutral	19	25.3
	Disagree	4	5.3
	Strongly disagree	2	2.7
	Total	75	100.0

Source: Own computation of survey data (2016)

On the other hand, the assessment of the employees about the practices of long-term training is somehow positive. The majority of the respondents (50%) felt that the long-term training sponsorship scheme was the reason that drive them to have long term engagement with the institution. A similar assessment was provided by the management in which about 65% of the respondents replied that the long-term training sponsorship scheme helped to retain their co-workers. Therefore, it can be implied that the scheme may serve as an instrument to reduce the staff turnover rate of the university, which is one of the challenges that the institution is facing these days.

4.1.3 Performance Management and Evaluation Policy and Practices of St. Mary's University

SMU has a performance evaluation policy, which was developed in 2014 (SMU Administrative Council, 2014d). The policy has the objective of increasing employees' work performance by identifying their skill gap. The university evaluates employees' performance twice a year at the end of December and June. In order to evaluate employees' performance the university uses graphic rating scale technique. The literature said this system as the most popular performance appraisal method used by most organization (Dessler, 2003). Accordingly, the evaluator rates the employee from 1- 5 on each factors using an incremental scale, which are rated on a five-point scale. The format adopted by SMU for employees' appraisal constitutes ten factors (criteria) for non-supervisory employees and twelve factors for employees who have supervision roles (see Annex 3 for SMU's appraisal factors). Dessler (2003) listed down six general factors for graphic rating techniques such as quality, productivity, job knowledge, reliability, availability and independence. SMU's factor lists to appraise employees captures all the six factors suggested by Dessler, and can be contended that the appraisal factors are comprehensive. All employees are appraised by their immediate supervisor. On the other hand, teaching staffs are appraised by their students. The policy states that employees who get below 2.5 cannot get annual increment.

In addition to this, for supervisory managers the additional criteria include leadership ability, performance with respect to plan and the ability to lead work division (team). Therefore, the criteria tries to assess employees' performance in a uniform manner. The criteria established were standard for all job positions. On the other hand criteria are applied for teaching staff to evaluate their performance. Personal attribute, learning facilitation and quality of feedback are the major criteria to evaluate the performance of the instructor.

Similarly, the researcher evaluated the practices of performance appraisal based on the perception of members of the management, human resource experts and non-management employees. The results are presented and discussed below.

Table 4.5: Perception of Management and Human Resource Experts on the Practices of Performance Appraisal at SMU

Statement	Strongly Agree		Agree		Neutral		Disagree		Strongly Disagree		Total	
	<i>f</i>	%	<i>f</i>	%	<i>f</i>	%	<i>F</i>	%	<i>f</i>	%	<i>f</i>	%
The university's performance appraisal system is linked to the job specification	11	31.4	13	37.1	2	5.7	8	22.9	1	2.9	35	100
The performance appraisal system helps to identify employees' knowledge and skills gaps	6	17.1	16	45.7	4	11.4	7	20	2	5.7	35	100
Employees' pay increase is decided on the basis of their performance	4	11.4	9	25.7	7	20.0	11	31.4	4	11.4	35	100
The performance management system has a constructive feedback mechanism	9	25.7	9	25.7	6	17.1	7	20.0	4	11.4	35	100

Source: Own computation from survey data (2016)

As presented in Table 4.5, 68.5% of members of the management and HR experts responded that the university's performance appraisal system is linked to the job specifications of employees. This implies that employees are evaluated based on their duties and responsibilities. The reflection of the respondents is consistent with the content analysis of the policy, which was discussed earlier. The result also indicates that 62.8% of the respondents agreed that performance appraisal system helps to identify employee's skill gaps. Nevertheless, as presented in the preceding section, training programs offered by SMU are not necessarily designed to fill the skill gap, which implies the mismatch between performance appraisal schemes and training and development programs.

This may undermine the effectiveness of the performance appraisal system. Another challenge that jeopardize the effectiveness of the performance appraisal system of the university is the

rhetoric view of the appraisers that resulted in careless filling up of the factors with little effort to measure the actual performance of the appraise. It is a common encounter that supervisors give closer to five for their fellow workers, but again complain about their poor performance. To triangulate the claim by the management and HR experts, survey was conducted with non-management employees to assess the performance appraisal system of the university. The results are presented in Table 4.6 and discussed in the subsequent paragraph.

Table 4.6: Perception of Employees on the Practices of Performance Appraisal at SMU

<i>Statements</i>	<i>Responses</i>	<i>f</i>	<i>%</i>
Does the performance appraisal system of SMU helped you to identify your performance gaps?	Yes	26	34.7
	No	49	65.3
	Total	75	100.0
Are the university's performance evaluation system and performance measurement criteria linked to the job specification?	Yes	35	46.7
	No	40	53.3
	Total	75	100.0
Does the performance appraisal system of the university help you to identify and improve your performance gaps?	Yes	29	38.7
	No	46	61.3
	Total	75	100.0
Have you received short-term training based on the gaps identified through the performance evaluation system, which helped you to fill up the skill/knowledge gap you have?	Yes	22	29.3
	No	53	70.7
	Total	75	100.0
Are you informed/ communicated about the performance gap you have immediately the evaluation is filled up?	Yes	42	56.0
	No	33	44.0
	Total	75	100.0

Source: Own computation of survey data (2016)

The descriptive analysis of the perception of non-management employees revealed that the majority of the employees (65%) were not able to identify their performance gaps despite they are immediately notified by their supervisors about their gaps. They believed that the factors included in the performance appraisal system do not reflect their duties and responsibilities, and as it has been discussed earlier, short-term training programs were not designed to them in a way that can fill their gaps (Table 4.6). This is perhaps because of the fact that supervisors assess the performance of appraises in a careless manner which do not reflect their actual gaps at all.

4.1.3 Compensation and Benefit Policy and Practices of St. Mary's University

According to Dessler (2003) employees' compensation and benefit refers to all forms of pay or rewards going to employee and arising from their employment, and it has two main components: direct financial payment (in the form of wages, salaries, incentive, commission and bonus) and indirect payments (in the form of financial benefit like employer-paid insurance and vacations. Employee's turnover is becoming the most hectic phenomenon in every business environment of Ethiopia. SMU Administrative policy tries to prolong the tenure of employees with different mechanisms. Scholarship scheme, medical, life and accident insurance, annual salary increment, provident fund (pension scheme) and different allowance are among the widely practiced benefit strategies. Despite the fact that such benefit practices are done in various ways, there is no well-organized and comprehensive policy document that elaborates the criteria of awarding these benefit packages.

SMU has a pay rate document. It was revised in 2016. The document shows that there are 26 job grade and 8 incremental steps. All the job positions have defined salary and allowance. Dessler (2003) suggests five steps to establish pay rates. These are: conduct salary survey, evaluate jobs, develop pay grade, use wage curve, and fine-tune pay rates. When we evaluate SMU's pay document with the steps suggested by Dessler, it fails to incorporate some basic steps; most importantly the absence of salary surveys and job evaluation in determining pay-scale. At SMU, each job position is not evaluated based on the content of the job (volume of work). Absence of these important steps may have negative impact on the pay rate because each step is crucial for estimating the value of each job and its appropriate compensation. For example, at SMU there are 18 director position with different content of job. But, all the directors receive equal amount of pay-scale and allowance, which shows the lack of consideration of the institution in taking into account job content when determining pay-scale (see Annex 4 for the director positions).

A similar assessment of the compensation and benefit schemes of the university was done based on the perception of management, non-management and HR experts. The results are presented in Table 4.7 and 4.8, and discussed in the subsequent paragraphs.

The majority of management and HR experts (57%) believed that the compensation system of the university does not help to retain employees, and about 45% of the respondents viewed the compensation and benefit packages of the university do not allow attracting qualified personnel.

The majority of the respondents (51%) also believe that the compensation system is not competitive compared to the market rate, which further strengthen the analysis done on the basis of document review in the preceding paragraph (Table 4.7).

Table 4.7: Perception of Management and Human Resource Experts on the Practices of Compensation and Benefit Schemes at SMU

Statement	Strongly Agree		Agree		Neutral		Disagree		Strongly Disagree		Total	
	<i>F</i>	%	<i>F</i>	%	<i>F</i>	%	<i>F</i>	%	<i>f</i>	%	<i>F</i>	%
The compensation system of SMU helps to retain employees of the university	1	2.9	9	25.7	5	14.3	12	34.3	8	22.9	35	100
The compensation & benefit policy of the university helped departments /divisions to attract qualified staff	-	-	7	20.0	12	34.3	8	22.9	8	22.9	35	100
The compensation/reward system of the university is linked to performance related criteria of employees	4	11.4	10	28.6	8	22.9	9	25.7	4	11.4	35	100
The compensation and benefit system of the university is reviewed periodically	2	5.7	11	31.4	12	34.3	6	17.1	4	11.4	35	100
The compensation system of the university is competitive and comparable to market rates	3	8.6	2	5.7	12	34.3	8	22.9	10	28.6	35	100

Source: Own computation of survey data (2016)

A similar assessment on the compensation and benefit schemes of the university was done based on the perception of non-management staff of SMU. Although the majority of the staff (56%) knew the presence of compensation/benefit scheme, most of them (72%) are not clear about the details and the criteria.

Table 4.8: Perception of Employees on the Practices of Compensation and Benefit Schemes at SMU

<i>Statements</i>	<i>Responses</i>	<i>F</i>	<i>%</i>
Is there any compensation/benefit scheme at SMU?	Yes	42	56.0
	No	33	44.0
	Total	75	100.0
Are you aware of the university's compensation philosophy?	Yes	21	28.0
	No	54	72.0
	Total	75	100.0
Does SMU's compensation and benefit system enable you to perform your duty effectively?	Yes	27	36.0
	No	48	64.0
	Total	75	100.0
How satisfied are you with the University's compensation and benefit scheme?	Strongly satisfied	3	4.0
	Satisfied	16	21.3
	Neutral	21	28.0
	Dissatisfied	19	25.3
	Strongly dissatisfied	16	21.3
	Total	75	100.0
Do you think that the compensation system/schemes of the university implemented consistently among different employees?	Yes	40	53.3
	No	35	46.7
	Total	75	100.0
Do you think that SMU's compensation scheme help to retain employees?	Yes	19	25.3
	No	56	74.7
	Total	75	100.0
Is there a bonus system at SMU?	Yes	5	6.7
	No	70	93.3
	Total	75	100.0

Source: Own computation based on survey data (2016)

The staff viewed that the compensation system is not attractive and do not retain staff members. This is evident in the high rate of turnover, which is estimated at between 21– 31% for the years 2011 and 2016 (Table 4.9).

Table 4.9: Staff Turnover Rate at SMU (2013-2016)

Year	Total Employee	Terminated	Turnover (%)
2011	843	258	30.6%
2012	884	207	23.4%
2013	855	221	25.8%
2014	809	222	27.4%
2015	756	179	23.6%
2016	729	151	20.7%

Source: Own computation based on HR data

Note: The turnover rate for 2016 is calculated for 9 months

4.1.4 Assessment of the Human Resource Information System of St. Mary's University

In 2014, SMU launched customized software called St. Mary's University HRIS software that facilitates the day to day operation of the HR Department. The system enables the HR Office to generate more than forty integrated reports which are important for decision making. It is user friendly and all SMU's permanent staff can access their personnel data such as leave, performance evaluation results, academic credentials, job description, etc from anywhere. Middle level managers have the privilege to access the system to check important information about employees under their supervision. Prior to this period, employees' records were maintained without the use of customized software. The system supported the HR Department to register and store employees-related records in time and correctly, and retrieving them easily whenever needed.

As defined by Armstrong (2006, p. 789), a computerized human resource information system consists of 'a fully integrated, organization-wide network of HR-related data, information, services, databases, tools and transactions'. Such a system can be described as 'e-HR', meaning the application of conventional, web and voice technologies to improve HR administration, transactions and process performance. He argued that adopting e-HR improves HR services, reduces costs, improves operational efficiency, changes the nature of relationship of HR Department with employees and line managers, transforms HR functions into customer-focused

and responsive services, makes the services offered by the HR Department fit well to the world of work.

While the human resource information system put in place at SMU brought significant advantages, it is still important to address some gaps observed in the HRIS software. At present, the system is not integrated to with payroll system, and does not have online recruitment system. In addition, a user’s manual is absent for the HRIS software.

Evaluation of human resource information system at SMU was done based on the perception of management, HR experts and non-management employees of the university, and the results are presented and discussed in Table 4.10 and 4.11.

Table 4.10: Perception of Management and Human Resource Experts on the Practices of Human Resource Information system at SMU

Statement	Strongly Agree		Agree		Neutral		Disagree		Strongly Disagree		Total	
	<i>f</i>	%	<i>f</i>	%	<i>f</i>	%	<i>f</i>	%	<i>f</i>	%	<i>f</i>	%
I know that some of the human resource management activities are automated	21	60.0	8	22.9	3	8.6	2	5.7	1	2.9	35	100
Mangers are continuously updated about HRIS and HR policies and procedures.	10	28.6	13	37.1	7	20.0	5	14.3	-	-	35	100
The HRIS supported me to follow up important information about staff members under my supervision.	13	37.1	14	40.0	4	11.4	3	8.6	1	2.9	35	100
HRIS of the university helped me to manage my staff efficiently.	11	31.4	16	45.7	4	11.4	4	11.4	-	-	35	100

Source: Own survey data (2016)

The majority of members of the management and HR experts knew that the university’s human resource system is automated. They believed that the HRIS software enabled them to update themselves about HR policies and procedures, to check important information about their subordinate work-related information, and thus facilitated the management of their co-workers

(Table 4.10). According to Armstrong (2006), the benefits of a computerized human resource management system are increases access to HR data, streamlines and standardized processes, and help to maintain consistent and accurate data, which are enjoyed by the different levels of managers at SMU. Contrary to the responses of the management and HR experts, the majorities of non-management employees do not know about the customization of the different HR functions, and rarely used the service (Table 4.11).

Table 4.11: Perception of Employees on the Practices of Human Resource information system at SMU

<i>Item</i>	<i>Responses</i>	<i>f</i>	<i>%</i>
Do you know that SMU has automated its human resource management activities?	Yes	29	38.7
	No	46	61.3
	Total	75	100.0
Are you continuously updated about the human resource information system of the university?	Yes	17	22.7
	No	58	77.3
	Total	75	100.0
Are you continuously updated about the human resource policies of the university?	Yes	17	22.7
	No	58	77.3
	Total	75	100.0
The human resource information system of the university helped me to check important information about my employment status. What is your level of agreement?	Strongly agree	15	20.0
	Agree	26	34.7
	Neutral	20	26.7
	Disagree	8	10.7
	Strongly disagree	6	8.0
	Total	75	100.0

Source: Own survey data (2016)

The descriptive analysis of the perception of non-management employees revealed that the majority of the respondents (61%) have no information about SMU human resource system is automated. When the assessment of the members of the management is compared with that of the employees, there are discrepancies. Majority of the respondents (77.3%) believed that there is no continuously updating program about human resource information system, despite the fact that the majority of them (55%) felt that the system helped them to check important information about their employment status. This is perhaps due to the unfamiliarity about the system, which

implies to introduce the system to employees properly. Huselid (1998) argues that managers at different levels should play as a human resource manager's role, and they should update and make aware their subordinate staff about HR policies and regulations. Nevertheless, the situation at SMU is while managers knew about the policies and regulations, they did not relay what they know to their subordinate staff.

4.2 Assessment of the Strategic Audit of St. Mary's University

Strategic auditing is aimed at examining whether the HR strategy, policies and process are aligned with and support the achievement of the business's mission and objective (Yadav & Dahade, 2013). The second objective of this research was to undertake evaluation of the contribution the different human resource activities to the strategic goals of the university. This section is therefore dedicated to the discussion of as to how much the different HR functions contributed to achieve the goals of the university. Similarly, evaluation of strategic audit at SMU was done based on the perception of management, HR experts and non-management employees of the university, and the results are presented and discussed in the subsequent paragraphs.

As presented in Table 4.12, most respondents (62%) believed having a recruitment and selection policy contributed to the achievement of the strategic goals of SMU. This policy's contribution was made possible because when it was formulated it is linked with strategic objectives of the university, i.e, it is formulated to address the mission, vision and strategic goals of the university. It is however, discussed earlier that the policy of the university did not explicitly mention important elements as suggested in the literature.

Similarly, 71% of the management respondents believed that the training and development policy of SMU helped their department/division to achieve their annual plans and their department/division goal. The response of the non-management employees corroborates with this view in which case 61% of them agreed that the training and development policy of the university helped them to contribute their part to the achievement of department's /division's goals (Table 4.12). The training and development policy of SMU states that training programs need to be aligned with the strategic objective of the university and should aim at enhancing the university's capability to utilize the knowledge, skills, and competence of its employees to

achieve its objectives. Despite the fact that, the document analysis of the training and development reveals that there are major gaps in explaining the major steps/process of training and development.

Table 4.12: Perception of Management and Human Resource Experts on the strategic audit at SMU

Statement	Strongly Agree		Agree		Neutral		Disagree		Strongly disagree		Total	
	<i>f</i>	%	<i>f</i>	%	<i>f</i>	%	<i>f</i>	%	<i>f</i>	%	<i>f</i>	%
The recruitment and selection policy of SMU is linked with strategic objectives of the university.	8	22.9	14	38.9	0	0	3	8.3	0	0.0	35	100
The training and development policy of SMU helped to achieve the goals of the university	7	20.0	18	51.4	7	20.0	3	8.6	0	0	35	100
Performance appraisal system of the university helped departments to achieve objectives/goals	4	11.4	14	40.0	8	22.9	6	17.1	3	8.6	35	100
The compensation and benefit system of SMU motivated employees to perform their duties effectively	2	5.7	10	28.6	9	25.7	11	31.4	3	8.6	35	100
The compensation plans of the university are developed to support strategic goals of the university	4	11.4	14	40.0	9	25.7	3	8.6	5	14.3	33	100

Source: Own survey data (2016)

The results from non-management employee's survey indicated that 51% of them agreed that the performance appraisal system of the university helped their department/division to achieve objectives/goals. The policy has the objective of increasing employee's work performance by identifying their skill gap. Nevertheless, as presented in the preceding section, training program offered by SMU are not necessarily designed to fill the skill gaps. The result also indicates that (51%) of the respondents believed that the compensation plans of the university are developed to support strategic goals of the university despite the fact that (40%) disagreed that the

compensation and benefit system of SMU enabled employees to perform the department's /division's activities effectively. The perception of management and non management also demonstrate the same fact.

Table 4.13: Perception of Employees on the strategic issues at SMU

<i>Statement</i>	<i>Response</i>	<i>f</i>	<i>%</i>
The training and development policy of SMU helped me to contribute to the achievement of department's /division's goal. What is your level of agreement?	Strongly agree	10	13.3
	Agree	39	52.0
	Neutral	17	22.7
	Disagree	5	6.7
	Strongly disagree	4	5.3
	Total	75	100.0

Source: Own survey data (2016)

4.3 Compliance Audit

Armstrong (2006) states that HR policies and procedure provide frameworks within which consistent decisions are made, and promote equity in the way people are treated. A policy that cannot help for consistent decision making can be considered as having problem of compliance.

The third objective of this research is to evaluate the HR functions of the university on the basis of its compliance to available national laws and regulations, and in terms of its consistent implementation among different employees. This objective was addressed by considering court cases raised by terminated and transferred employees and on the basis of the perception of employees and the management. According to the Ethiopian labor proclamation No. 377/2003 article 27, employment contracts can be terminated without notice when employees breach some of the labor laws (E.g. absent from work without notice for five consecutive working days, fraudulent conduct, etc). For example, in the last four year, there are 20 legal issues raised against St. Mary's university. Out of these, 18 cases are related to termination of employment and two cases were related to transfer of employee's work places. SMU terminated employee's contract when they violet the labor law, and thus won all the 18 terminated court cases. It can be argued that the operational activities of the HR Department of the university complied with the labor law of the country. The commonly raised legal issues by terminated employees are: severance payment, compensation, provident fund and other related cost.

Evaluation of compliance audit at SMU was also done based on the perception of management, HR experts and non-management employees of the university, and the results are presented and discussed below.

Table 4.14: Legal compliance Practices of St. Mary's University Perception on (Top, Middle level managers and HR professionals)

Statement	Strongly Agree		Agree		Neutral		Disagree		Strongly Disagree		Total	
	<i>f</i>	%	<i>f</i>	%	<i>f</i>	%	<i>f</i>	%	<i>f</i>	%	<i>f</i>	%
HR Policies and procedures are applied consistently to all employees	8	22.9	12	34.3	8	22.9	4	11.4	3	8.6	35	100
Polices and procedure of human resource at SMU are implemented fully	4	11.4	12	34.3	13	37.1	4	11.4	2	5.7	35	100
HR professionals perform their activities in line with the policies and procedures	7	20.0	16	45.7	10	28.6	1	2.9	1	2.9	35	100
There is no impartiality in implementing the different HR policies at SMU	10	28.6	8	22.9	10	28.6	3	8.6	4	11.4	35	100
There is no discrimination in providing opportunities to employees	11	31.4	11	31.4	3	8.6	6	17.1	4	11.4	35	100
There are clear procedures put in place by SMU that ensures the University's compliance with all applicable payroll laws of the country	9	25.7	13	37.1	9	25.7	3	8.6	1	2.9	35	100.0

Source: Own survey data (2016)

As presented in Table 4.14, most respondents (57%) believed that SMU's HR policies and procedures are applied consistently to all employees. Non management employees perception also demonstrate the same fact (48%) see table 4:15. But some of non management staff (27%) still dissatisfied. This shows that HR Policies and procedures are applied consistently to all employees. In addition, (45%) of the respondents claim that polices and procedure of human resource at SMU are implemented fully. Employees were asked to evaluate the HR polices and procedure are applied consistently to all employees. The proportion is equal (33%), there are employees who disagreed on the statement and who agreed the statement.

The above two statements shows that there are cases whereby the HR policies and procedures are not applied fully. Therefore the polices should be applied consistently and fully to all employees.

HR professionals and management argue that they perform their activities in line with available the policies and procedures in which 65.7 % them agreed that their decisions are made uniformly by following regulations. In addition, the majority of non-management employees (54%) of the respondents agreed that the human resource policies and procedures of SMU are developed in line with the country's labor law. These show that there is a positive practice on performing HR practice.

As presented in Table 4.14, most respondents (51%) believed that there is no impartiality. The perceptions of employees in this regard also the same. Majority (49%) agreed on the statement. Although the proportion is small (29%) of management level and HR professional believed there is impartiality. This shows that there is somehow impartiality in implementing the different HR policies. Furthermore 4.14 shows that most respondents (63%) believe there is no discrimination in providing opportunities to employees. The same is true for non management staff (53%) believed that there is no discrimination. Armstrong (2006) states HR polices and procedure provide frameworks, within which consistent decisions are made. There for SMU HR polices and procedure helps for consistent decision. There are clear procedures put in place by SMU that ensures the University's compliance with all applicable payroll laws of the country. Table 4:14 depicts (62.8%) of the respondents are agree on the statement (Table 4.15). The above statements depicts that there is a clear procedure in place that ensure the university compliance with all applicable payroll law of the country.

According to Armstrong (2006) HR policies may explicitly or implicitly refer equity it means treating employees fairly and justly by adopting an 'even handed' approach. This includes protecting individuals from any unfair decisions made by their managers, providing equal opportunities for employment and promotion, and operating an equitable payment system. Generally, the results presented above can reflect the fact that there is limited gap in implementation of HR polices and procedure at SMU.

Table 4.15: Perception of Employees on the Practices of Human Resource information system at SMU

<i>Statement</i>	<i>Responses</i>	<i>f</i>	<i>(%)</i>
The human resource policies and procedures of SMU are applied in the same way to all employees.	Strongly agree	11	14.7
	Agree	24	32.0
	Neutral	20	26.7
	Disagree	12	16.0
	Strongly disagree	8	10.7
	Total	75	100.0
The human resource policies and procedures of SMU are implemented fully in practice.	Strongly agree.	5	6.7
	Agree	20	26.7
	Neutral	25	33.3
	Disagree	22	29.3
	Strongly disagree	3	4.0
	Total	75	100.0
The human resource policies and procedures of SMU are developed in line with the country's labor law.	Strongly agree	21	28.0
	Agree	19	25.3
	Neutral	22	29.3
	Disagree	8	10.7
	Strongly disagree	5	6.7
	Total	75	100.0
There is no discrimination in providing employment opportunity at SMU	Strongly agree	17	22.7
	Agree	20	26.7
	Neutral	25	33.3
	Disagree	8	10.7
	strongly disagree	5	6.7
	Total	75	100.0
There is no discrimination in promoting employees at SMU	strongly agree	18	24.0
	Agree	22	29.3
	Neutral	22	29.3
	Disagree	5	6.7
	Strongly disagree	8	10.7
	Total	75	100.0

Source: Own survey data (2016)

CHAPTER FIVE: SUMMARY, CONCLUSION AND RECOMMENDATIONS

This research work has attempted to do human resource audit at SMU. Hence, based on the data discussions, analysis and interpretation the following summary of major finding, conclusion and recommendations are presented hereunder.

5.1 Summary of Major findings

This research was initiated with the objective of evaluating the different HR functions by comparing them with HR principles and theories. It has also evaluated the contribution of the implementations of the HR functions to the strategic goals of the university. It has considered functional audit, compliance audit and strategic audit.

Functional audit of major HR activities such as recruitment and selection, training and development, performance appraisal, compensation and benefit, human resource information system were done on the basis of content/document analysis and perception of two groups of employees (management and non-management employees). The key findings of the study can be summarized as follows:

- ✓ The recruitment and selection policy of SMU incorporated detailed procedure, but fails to explicitly incorporate basic components as suggested in the theory. Recruitment is not done proactively to implement the strategic plans of the university. Selection by recommendation is widely used method of attracting new employees, which is not incorporated in the policy.
- ✓ The training and development policy of SMU fails to explicitly incorporate basic training and development processes as explained in theory, and short-term training are designed with limited due concern to needs assessment.
- ✓ The institution conducts performance appraisal twice a year by using graphic rating scale method. However, the performance appraisal system of the university did not help much employees to identify and improve their performance gaps since evaluations are filled up carelessly by supervisors.

- ✓ The existing pay scale of the university is not prepared based on acceptable standards, and it is not reviewed periodically. The compensation system of the university is not competitive and not comparable to market rates.
- ✓ SMU HRM office has been delivering most of its services based on HRM information system since 2014. While middle level managers knew and use the system, employees are not aware about the automated HR systems.
- ✓ The respondents believed that the recruitment and selection policy, and the training and development policy and practice of the university contributed to achieve strategic goals of the university.
- ✓ Human resource policies and procedures of SMU are developed in line with the country's labor law. However, there are cases in which the HR policies and procedures are not applied consistently and fully among employees.

5.2 Conclusion

To achieve the objective of the study four basic research questions were set. To address these research questions descriptive surveys was employed and eventually the following conclusion were reached.

- ✓ The Recruitment and Selection practice of SMU is not comprehensive enough to include all the accepted recruitment and selection principles. According to Armstrong (2009) the best recruitment and selection policy encompass planning recruitment and selection process, job analysis, recruitment process, preliminary screening, employment test, evaluation, and induction. The recruitment and selection policy of SMU fails to explicitly incorporate basic components such as planning recruitment and selection process, job analysis and reference checking. Missing important principles limits the capacity to recruit best candidate and ensure best employer brand.
- ✓ The training and development policy of SMU lacks comprehensiveness in explaining the major steps of training and development. According to Dessler (2003) training programs consist five steps such as training needs assessment, instructional design, and validation of the training program with a small number audience, implementation of the training and follow-up and evaluation. SMU training and development policy did not follow the five

steps suggested in literature. Missing important steps may limit the relevance of the training programs to the expected targets in human resource development and limit the expected performance improvement of the trained employees.

- ✓ Although SMU conducts performance evaluation and appraisal twice a year by using graphic rating scale method, the appraisal system did not help to identify and improve the performance gaps of employees because of lack of proper implementation of the appraisal scheme by supervisors. According to Goitom (2015) performance appraisal is the process of determining and communicating to an employee how he/she is performing the job.
- ✓ The pay scale policy of SMU is not comprehensive enough to include all the accepted standards. Dessler (2003) suggests five steps to establish pay rates. These are conducting salary survey, evaluating jobs, developing pay grade, using wage curve, and fine-tuning pay rates. The existing pay scale of the university fails to incorporate most of the basic steps and it is not reviewed periodically. Each step is crucial for estimating the value of each job and its appropriate compensation. Missing one step may lead to inappropriate estimation on the value of each job and make the pay rate incompetent with the prevailing market rates.
- ✓ SMU human resource office facilitates the day to day operation through customized software called HRIS since 2014. It is user friendly and all SMU's permanent staff can access from any ware else to check important personal and work-related information. According to Armstrong (2009) computerized human resource management system increased access to HR data, and help to maintain consistent and accurate data. Although the system is accessible to all employees, only managers are aware of the existence of the system while other employees lack awareness. This lack of awareness limited the utilization of the system by the wider university community for accessing pertinent personal and work-related information including policies, manual, job descriptions, etc.

- ✓ Human resource functions enable organizations to get things done through people (Armstrong, 2009) and contribute to the achievement of the strategic goals of the university. SMU HR policies and procedure has an objective to achieve strategic goal of the university. The management and non management employees believed that the recruitment and selection policy, the training and development policy and practice of the university contributed to the achievement of the strategic goals of the university.

- ✓ Compliance with the legal provision is particularly important as any violation makes the management guilty of an offence (Ssama, 2012). SMU HR policies and procedures are developed in line with the Ethiopian labor law. HR policies and procedures provide framework within which consistent decision are made, and developed in line with the country's labor law and promote equity in the way people are treated. However, there are cases in which the HR policies and procedures are not applied consistently and fully among employees.

5.3 Recommendations

Depending on the findings of the study the following recommendations were made:

- SMU should incorporate basic steps of recruitment and selection process including planning, job analysis and reference checking.
- The existing training and development system of SMU should incorporate important components of delivering effective training programs including need assessment, instructional design, validation, follow-up and evaluation.
- SMU should work towards changing the attitudes of supervisors on performance appraisal through continuous awareness creation, training, discussion, etc. so that they implement the appraisal system according to the procedure of the university.
- The existing SMU's pay scale document need to be revised by conducting salary survey, evaluating jobs, developing pay grade and using wage curve in order to make the compensation system more competitive and comparable to market rates.
- SMU should increase the use of Human Resource Information System by employees through continuous training on the system and awareness creation sessions. In addition, the system should be upgraded to include payroll integration and online job application.

- Although HR policies and procedures are compliant with the Ethiopian labor law, it is found that there is inconsistency in the implementation of the policies. Therefore, SMU should ensure the full and consistent implementation of all HR policies and procedures.

Reference

- Aquinas, P.F (2006) Human resource Management principles and Practice. Noida , India : Vikas publishing house PVT .LTD
- Ashley Burrowes, Marie person (2000) managerial auditing journal vol 15 issue 3 pp 85-97
- Boudreau, J W (1988) Utility analysis, in Human Resource Management: Evolving roles and responsibilities, ed. L Dyer, Bureau of National Affairs, Washington, DC
- Dessler .G and Varkkey.B(2011) Fundamentals of human resource management : content, competencies and applications noida, India :dorling Kinderlsey (India) PVT. LTD)
- Durai, P (2010) Humman resource management. Noida, India: Dorling Kindersley (India) PVT .LTD
- Evans, N.camp Bell & Sotne House, G (2011) strategic management for travel and tourism. new York, NY : Routledge
- Flamholtz , E.G (1987) Human resource Accounting : Advance in concepts , methods and applications, Massachusetts , USA . Kluwer Academic Publisher
- Gary Dessler (2003), Human Resource Management , United States of America (9th Edition)
- George E.Biles, Randall S. Schuler, Audit hand book of human resource practices: auditing the effectiveness of the human resource functions, 1986. Published by American society for personnel administration.
- Ghazala Ishrat, Javed Habils, Impact of HR Audit on an educational institution in order to gain insight in to the present scenario and future prospects so that it can set a bench mark for educational sector. Journal of Business and management Vol 6 Issue 2 (Dec 2012)
- Goitom Abraham (2012) , Human Resource Management , Addis Ababa : SMU (2nd Edition)
- Human resource and personnel Management text and cases (Third Edition) New Delhi, India : Tata MC graw-Hill
- Huselid, M A, Jackson, S E, Schuler, R S (1997) Technical and strategic human resource management effectiveness as determinants of firm performance, Academy of Management Journal, 40(1) pp 171–88
- Kothari C.R (2004) Research methodology methods and techniques new age international publisher , PP 233-238

- Marta Fossas Olalla and Miguel Angel 2002, Human resource Audit Vol . No 1 Page 58
Universidad complutense de Madrid Spain.
- Michael Armstrong (2009) Human resource management practice 11th edition. Printed and bound
in India by Replika PVT.LTD
- Minhajul U (2015) Essence of human resource Audit: An Analytical study. Journal management
and science Vol 15. No.1
- Federal Negarit Gazeta (2004). Labour Proclamation No. 377/2003, the Federal Democratic
Republic of Ethiopia, Addis Ababa, Ethiopia.
- Osama Shaban (2012) Auditing human resource as a method to evaluate the efficiency of human
resources functions and to control quality check on HR activities. International
Business Research. Vol 5, No 3
- Pajak, w.(2012) Personel audit process .Business management and education , 10(1) , 25-37
- Philips, J.J, Stone, R.D, & Philips, P.P(2001) The Human resource scored card: measuring the
return on investment
- Rajesh K. Yadav, Nishent Dabhade. (2013) Human resource planning and audit – A case study
of HEG limited International letters of social and Humanistic science Vol .16 (2014)
PP 44-62
- Nobert leo raja & K. Dhamondaran (2014) Quality control trough HR Audit . International
Journal of Human resource research review. Volume 2 Issue 6
- Shashi Hapur (2004) a comprehensive Hand Book for Personnel managers 1st edition. Published
by infinity books, Shivam Town, New Delhi
- SMU Administrative Council (2014a). Employees' Administrative Policy, St. Mary's University
(SMU), Addis Ababa, Ethiopia.
- SMU Administrative Council (2014b). Employees' Induction Manual, St. Mary's University
(SMU), Addis Ababa, Ethiopia.
- SMU Administrative Council (2014c). Employees' Training and Development Policy, St. Mary's
University (SMU), Addis Ababa, Ethiopia.
- SMU Administrative Council (2014d). Performance evaluation policy, St. Mary's University
(SMU), Addis Ababa, Ethiopia.
- SMU Administrative Council (2014e). Scholarship guideline policy, St. Mary's University
(SMU), Addis Ababa, Ethiopia.

Tsui, A S and Gomez-Mejia, L R (1988) Evaluating human resource effectiveness, in Human Resource Management: Evolving roles and responsibilities, ed L Dyer, Bureau of National Affairs, Washington, DC

William B. Werthr, Keith Savis (1995) Human resource and personnel management Published by MC Graw- Hill Companies.

Zikmund Babin , Carr.Grittin Business Research method (8th Edition)

DECLARATION

I, the undersigned, declare that this thesis is my original work, prepared under the guidance of Associate. Professor Maru Shete . All sources of material 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 institutions for the purpose of earning any degree.

Name

St. Mary's University, Addis Ababa

Signature

June, 2016

ENDORSEMENT

This thesis has been submitted to St. Mary's University, School of Graduate studies for examination with my approval as a university advisor.

Maru Shete

Advisor

Signature

St. Mary's University, Addis Ababa

January, 2016

Appendixes

Appendix –1

St. Mary's University

School of Business

This questionnaire is purely for academic purpose. Your genuine responses on this questionnaire are very valuable for the quality and validity of the data to be used in the course of this study. Therefore, I kindly request you to voluntarily participate in completing this questionnaire which contributes to my thesis.

Purpose of the study

The questionnaire is about the study of human resource audit which is defined as a process of investigating policies, strategies, systems, documentations and practices with regard to the functions of human resources of an organization. The purpose of this survey thus to assess how efficiently human resource functions are implemented by the HR department in St. Mary's University. I therefore, would like to assure you that the data collected will not be misused in any way. Thank you in advance for your sincere cooperation

Part I: - General Information

Instruction: - Please put a thick (√) mark on the answer of your choice and write your idea on the space provided

1. Gender

1. Male

2. Female

2. Educational Background

1. Degree

2. Masters

3. PHD

3. Division

1. Academic

2. Administrative

4. Work experience _____

5. Work place/campus

1. Under graduate 2. CODL 3. SGS 4. Head office

6. Management Level

1. Top management 2. Middle level Manager 3. HR Professional

PART II QUESTIONS RELATED TO HUMAN RESOURCE AUDIT

Guidelines - below are list of statements used to get relevant information for the accomplishment of the research objectives. Please indicate your level of agreement with each statement by ticking (√) on the spaces provided under each option. The options range from strongly agree to strongly disagree.

Perception of HR audit raters (Top management, Middle level managers and HR Professional)

Please use the following rating scale for the items listed below:

1= Strongly agree; 2= Agree; 3=Neutral; 4=Disagree; 5=Strongly disagree

Human resource functions					
1 Recruitment and Selection					
	1	2	3	4	5
1. The recruitment and selection policy of SMU is linked with strategic objectives of the university.					
2. Recruitment at SMU is done proactively to implement plans					
3. The recruitment procedure of SMU ensures selection of best candidate who have the potential to achieve your department /division goals					
4. The recruitment and selection policy of SMU helps to minimize complains in recruitment and selection process					
5. The recruitment procedure of SMU helps to match capabilities if candidates with competency requirement of the positions					
6. The recruitment procedure of SMU helps to attract desirable workers for positions					
State the reason why you rated in that way for item No 3					

2 Compensation, Reward and Benefit					
	1	2	3	4	5
1 The compensation and benefit system of SMU enabled employees to perform the department's/division's activities effectively					
2 The compensation system of SMU helps to retain employees of the university					
3 The compensation & benefit policy of the university helped departments /divisions to attract qualified staff					
4 The compensation/reward system of the university is linked to performance related criteria of employees					

5	The compensation plans of the university are developed to support strategic goals of the university					
6	The compensation and benefit system of the university is reviewed periodically					
7	The compensation system of the university is competitive and comparable to market rates					

State the reason why you rated in that way for item No 1

3 Performance Management and Evaluation		1	2	3	4	5
1.	The university performance evaluation system is linked to the job specification					
2.	The performance appraisal system help to identify employees' knowledge and skills gaps					
3.	Employees' pay increase is decided on the basis of their performance					
4.	Performance appraisal system of the university helped your department/division to achieve objectives/goals					
5.	The performance management system used at SMU has a constructive feedback mechanism to increase employees' performance					

Any comment on the current performance appraisal system

4 Training and Development		1	2	3	4	5
1.	Short term training provided to staff under your supervision are relevant to the needs of your employees					
2.	The training and development policy of SMU helped your department /division to achieve your annual plans and/or department/division goal					
3.	Short term training provided to staff under your department/divisions helped to fill up the skill gaps of the employees					
4.	The university's sponsorship scheme for long term studies helped to retain your staff					

State the reason why you rated in that way for item No 3

5 Human resource Information system (HRIS)	1	2	3	4	5
1. I know that some of the human resource management activities are automated					
2. Managers are continuously updated about HRIS and HR policies and procedures					
3. The HRIS supported me to follow up important information about staff members under my supervision					
4. HRIS of the university helped me to manage my staff efficiently					

Any comment on the current HRIS system

6. Human resource compliance	1	2	3	4	5
Part Two Compliance Audit Questions					
1. HR Policies and procedures are applied consistently to all employees					
2. Policies and procedure of human resource at SMU are implemented fully					
3. HR professionals perform their activities in line with the policies and procedures.					
4. There is no impartiality in implementing the different HR policies at SMU					
5. There is no discrimination in providing opportunities to employees					
6. There are clear procedures put in place by SMU that ensures the University's compliance with all applicable payroll laws of the country					

Any other information that you want to add about human resource management at SMU

THANK YOU FOR YOUR TIME IN FILLING THIS QUESTIONNAIRE AND HELPING ME WITH YOUR VALUABLE INPUT

Appendix –2
St. Mary's University
School of Business

This questionnaire is purely for academic purpose. Your genuine responses to the different questions included in this questionnaire are very valuable for the quality and validity of the data to be used in this study. Therefore, I kindly request you to voluntarily participate in completing this questionnaire which contributes to my thesis.

Purpose of the study

The questionnaire is about the study of human resource audit which is defined as a process of investigating policies, strategies, systems, documentation and practices with regard to the different functions of human resources management at St. Mary's University. Its purpose is therefore to assess how efficiently human resource functions are implemented by the HR department in St. Mary's University. I therefore, would like to assure you that the data collected will not be misused in any way. Thank you in advance for your sincere cooperation

Part I: General Information about the respondent

Instruction: Please put a thick (√) mark on the answer of your choice and write your idea on the space provided

1. Gender
 2. Male
 2. Female
2. Educational Background
 2. Diploma
 2. Degree
 3. Masters
 3. PHD
3. Work experience
4. Division
 1. Academic
 2. Administrative
5. If you are academic, which program?
 1. Undergraduate
 2. SGS
 3. CODL
 4. Testing Center
 5. IGNOU
6. If you are in the administrative division, in which campus/program?
 1. Undergraduate
 2. SGS
 3. CODL
 4. Testing Center
 5. Head office

PART II QUESTIONS RELATED TO HUMAN RESOURCE FUNCTIONS

Guidelines - below are list of different human resource function related statements. Please provide the appropriate response to each of them.

A. Recruitment and Selection

1. How did you learn about the availability of job opening you assumed at SMU the first time you were recruited?
 1. By looking at advertisement by SMU
 2. Through recommendation of a person working at SMU (Referral system)
 3. Looking at announcement made on job boards
 4. Looking at job announcement in social network/ SMU's website
2. How was the selection process for the position you compete for during time of recruitment? (Multiple responses are possible)
 1. There was first round screening based on document review
 2. There was written exam
 3. There was an interview session
3. After you are selected to be recruited by SMU, did you get a formal offer letter?
 1. Yes
 2. No
4. Do you sign/fill up a formal contractual/ employment agreement immediately after you were selected to take the position?
 1. Yes
 2. No
5. Did you receive job description for the position?
 1. Yes
 2. No
6. If your answer is "Yes", was the job description clear/ related to the job advertized?
 1. Yes
 2. No
7. Did you receive induction/orientation before commencing your job?
 1. Yes
 2. No
8. If "Yes", how was the induction? -----

9. Do you know if SMU has a policy on recruitment and selection?
 1. Yes
 2. No
10. How do you evaluate the recruitment and selection policy of SMU in terms of minimizing complains in recruitment and selection process?-----

B. Compensation and Benefit

1. Is there any compensation/benefit scheme at SMU? 1. Yes 2. No
2. Are you aware of the university's compensation philosophy? 1. Yes 2. No
3. If your answer is "Yes" how was the compensation and benefit schemes of the university communicated to you?-----

4. Does SMU's compensation and benefit system enable you to perform your duty effectively? 1. Yes 2. No
5. How satisfied are you with the University's compensation and benefit scheme?
1. Strongly satisfied 2. Satisfied 3. Neutral 4. Dissatisfied 5. Strongly dissatisfied
6. Do you think that SMU's compensation scheme help to retain employees?
1. Yes 2. No
7. Do you think that the compensation system/schemes of the university implemented consistently among different employees? 1. Yes 2. No
8. How is your salary determined?
9. Is there a bonus system at SMU? 1. Yes 2. No

C. Performance Management and Evaluation

1. Does the performance appraisal system of SMU help to identify employees' knowledge and skills gaps? 1. Yes 2. No
2. Are the university's performance evaluation system and performance measurement criteria linked to the job specification? 1. Yes 2. No
3. Does the performance appraisal system of the university help you to identify and improve your performance gaps? 1. Yes 2. No
4. Have you received short-term training based on the gaps identified through the performance evaluation system, which helped you to fill up the skill/knowledge gap you have? 1. Yes 2. No
5. How often is your performance measured per year?-----

6. Who fills up your performance evaluation?-----
7. Are you informed/ communicated about the performance gap you have immediately the evaluation is filled up? 1. Yes 2. No

D. Training and Development

1. Did you receive any short-term training so far? 1. Yes 2. No
2. Do you think that the short term training provided to you helped to minimized the skill gaps you have?
 1. Yes, to a very great extent 2. Yes, to a great extend 3. Yes, somehow (average)
 4. Not at all
3. SMU's sponsorship scheme for long-term studies (MA/MSc and PhD) helped to retain employees. What is your level of agreement?
 1. Strongly agree 2. Agree 3. Neutral 4. Disagree 5. Strongly disagree
4. The training and development policy of SMU helped employees to contribute to the achievement of department's /division's goal. What is your level of agreement?
 1. Strongly agree 2. Agree 3. Neutral 4. Disagree 5. Strongly disagree
5. Do you receive regular training about new methods/processes and/or procedures of accomplishing your duties? 1. Yes 2. No

E. Human resource Information system (HRIS)

1. Do you know about the human resource management activities that are automated?
 1. Yes 2. No
2. If "Yes" please mention the activities that are automated by software.
 1. -----
 2. -----
 3. -----
3. Which of the HR activities you use while you are in your Office?-----

4. Are you continuously updated about the human resource information system of the University? 1. Yes 2. No
5. Are you continuously updated about the human resource policies of the University?

1. Yes 2. No

6. If "Yes", what do you know about existing policies? Please mention

1. -----

2. -----

3. -----

7. The human resource information system of the university helped me to check important information about my employment status. What is your level of agreement?

1. Strongly agree 2. Agree 3. Neutral 4. Disagree 5. Strongly disagree

F. Compliance

Please rate the following questions in five-scale point scale as follows:

1. Strongly agree 2. Agree 3. Neutral 4. Disagree 5. Strongly disagree

Compliance Audit Questions	1	2	3	4	5
1. The human resource policies and procedures of SMU are applied in the same way to all employees.					
2. The human resource policies and procedures of SMU are implemented fully in practice.					
3. The human resource policies and procedures of SMU are developed in line with the country's labor law.					
4. There is no discrimination in providing employment opportunity at SMU					
5. There is no discrimination in promoting employees at SMU					

THANK YOU FOR YOUR TIME

Appendix -3

የአስተዳደር ሠራተኞች የስራ አፈፃፀም መመዘኛ ቅጽ

/Performance Appraisal Form/

የሠራተኛው ሙሉ ስም _____

የሚሠራበት የስራ ክፍል _____

የስራ መደብ _____ የቅጥር ዘመን _____

ከ _____ እስከ _____ ላለው ወቅት የተሞላ

አጠቃላይ መመሪያ

- በዚህ የስራ አፈፃፀም መገምገሚያ ቅጽ ማንኛውም የዩኒቨርሲቲው ሰራተኛ ይገመገማል።
(የኮንትራት፣ የትርፍ ሰዓት እንዲሁም የ45 ቀን የሙከራ ጊዜያቸውን ያላጠናቀቁ ሠራተኞች በዚህ ቅጽ አይገመገሙም።)
- ባለሙያው ለገምገማው አስተያየቱን በመስጠት መፈረም ይኖርበታል።
- በአጠቃላይ ግምገማ ውጤት ከግማሽ በታች ማግኘት ልዩ ልዩ ጥቅማጥቅም፣ እድገት ዓመታዊ የደመወዝ ጭማሪ ያሳጣል።

የነጥብ አሰጣጥ መግለጫ = 5 በጣም ከፍተኛ 4 ከፍተኛ 3 መካከለኛ 2 ዝቅተኛ 1 በጣም ዝቅተኛ

5 = በጣም ከፍተኛ

- ሰራተኛው/ዋ በሚገመገሙበት መስፈርት ከሌሎች በተለየ ሊጠቀስ የሚገባ የስራ አፈፃፀም አስመዘግቦዋል።

4 = ከፍተኛ

- ሰራተኛው/ዋ በሚገመገሙበት መስፈርት ኃላፊነታቸውን በብቃት ሊወጡ በሚችሉበት ደረጃ ውጤታማ ናቸው።

3 = መካከለኛ

- ሰራተኛው/ዋ በሚገመገሙበት መስፈርት በቂ ሊባል የሚችል የስራ አፈፃፀም አስመዘግቦዋል።

2 = ዝቅተኛ

- ሰራተኛው/ዋ በሚገመገሙበት መስፈርት ከአማካይ (Average) በታች ውጤት አስመዘግቦዋል።

1 = በጣም ዝቅተኛ

- ሰራተኛው/ዋ በሚገመገሙበት መስፈርት እጅግ አነስተኛ ውጤት በማስመዘገባቸው ኃላፊነታቸውን በብቃት ለመወጣት ይቸገራሉ

በመመዘኛው መሰረት ሠራተኛው ያገኘው ነጥብ በክብ ምልክት በሰንጠረዥ ይሞላ። ሆኖም ግን በተራ ቁጥር 11 እና 12 የሠፈረው መስፈርት የኃላፊነት ስልጣን ላልተሰጣቸው ባለሙያዎች አያገለግልም።

- እያንዳንዱ የመገምገሚያ ነጥብ ከአምስት ውጤት መሰጠት አለበት።
- እያንዳንዱ ሰራተኛ ያገኘው ጠቅላላ ድምር ለ37 ወይም ለኃላፊዎች ለ44 በማካፈል ከ5 የሚገኘው ነጥብ ይታወቃል።

1. በስራ ኃላፊው የሚሞላ						
ተ. ቁ	መመዘኛ	የተሠጠ ነጥብ				
በስራ ላይ የሚያሳዩት ትብብር						
1	- የስራ ባልደረቦቻቸውን ለመርዳት የሚያደርጉት ጥረት	5	4	3	2	1
	- ተደጋጋሚ የሆኑ ስራዎችን ያለመሰልቸት ለማከናወን የሚያደርጉት ዝንባሌ	5	4	3	2	1
	- የሚረዱ የአሰራር ለውጦችን ለመቀበል የሚያደርጉት ቅድመ ዝግጅትና ጥረት	5	4	3	2	1
	- አስፈላጊ ሆኖ ሲገኝ ከመደበኛ የስራ ሰዓት ውጭ ስራ ለመስራት የሚያሳዩት ፍቃደኝነት	5	4	3	2	1
የስራ ሠዓት አጠቃቀማቸው						
2	- የስራ መግቢያ ሠዓት ያክብራሉ	5	4	3	2	1
	- የስራ መውጫ ሠዓት ያክብራሉ	5	4	3	2	1
	- በስራ ሠዓት የመ/ቤቱን ስራ ብቻ ያከናውናሉ	5	4	3	2	1
	- ያለበቂ ምክንያት ከስራ አይቀሩም	5	4	3	2	1
	- ያለ ስራ ከቢሮ ቢሮ አይዘሩም	5	4	3	2	1
በተመደቡበት የስራ መደብ ያላቸው ዕውቀት						
3	- በትምህርት /በስልጠና/ ያገኙትን ዕውቀት በተግባር የማዋል ችሎታ	5	4	3	2	1
	- የተሠጣቸውን ስራ በሚገባ በጥረት የማከናወን ብቃት	5	4	3	2	1
	- የተሠጣቸውን ስራ ተከታትለው በኃላፊነት ያስፈጽማሉ	5	4	3	2	1
	- በስራ ሂደት የሚገጥማቸው ችግሮች ራሳቸው ለመፍታት ጥረት ያደርጋሉ	5	4	3	2	1
	- በስራ አከባቢ የሚደረጉ የአሰራር የቴክኖሎጂ ለውጦችን ቶሎ የመቀበል ችሎታ	5	4	3	2	1
በስራ ላይ ያለው ዝንባሌ						

4	- ለስራ ክፍሉ አጠቃላይ የስራ እንቅስቃሴ ላይ የሚያበረክቱት በጎ አስተዋጽኦ	5	4	3	2	1
	- የሌሎች ሰራተኞች ስሜት በቅንነት ለመጠበቅ የሚያደርጉት ጥረት	5	4	3	2	1
	- በስራ ላይ የሚሰጣቸውን ሂሰና ግምገማ ፈጥኖ ለመቀበል ያላቸው ዝግጁነት	5	4	3	2	1
በስራ ላይ ያላቸው የስራ ግንኙነት						
5	- ከስራ ባልደረቦቻቸው ጋር ተግባብቶ በቅንነት የመስራት ሁኔታ	5	4	3	2	1
	- ከስራ ኃላፊዎች ጋር ተግባብቶና ትዕዛዝ ተቀብሎ የመስራት ሁኔታ	5	4	3	2	1
	- በቡድን በሚሰጡ ስራዎች ላይ ያላቸው በጎ ተሳትፎ	5	4	3	2	1
	- ያከናወኑትን ተግባር በሪፖርት ወቅቱን ጠብቆ የማቅረብ ችሎታ	5	4	3	2	1
የተሰጣቸውን የስራ ድርሻ በተደራጀና ስርዓት ባለው መልኩ የማጠናቀቅ ብቃት						
6	- የተሰጣቸውን የስራ ድርሻ በተደራጀና ወጪ ቆጣቢ በሆነ መንገድ በብቃት የማጠናቀቅ ችሎታ	5	4	3	2	1
	- የተለያዩ ስራዎችን በአንድ ጊዜ በመቆጣጠር የማከናወን ብቃት	5	4	3	2	1
	- የተሰጣቸውን ስራ በተያዘለት /በተጠየቀበት/ የጊዜ ገደብ ያጠናቅቃሉ	5	4	3	2	1
የፈጠራ ችሎታቸው						
7	- የተሰጣቸውን የስራ ድርሻ በተደራጀና ወጪ ቆጣቢ በሆነ መንገድ በብቃት የማጠናቀቅ ችሎታ	5	4	3	2	1
	- በየጊዜው ስራዎች በተሻለ የአሰራር ዘዴ የማከናወን ብቃት	5	4	3	2	1
	- አዲስ የአሰራር ዘዴዎችን በመቀየስ ተግባራዊ እንዲሆን የማድረግ ችሎታ	5	4	3	2	1
የንብረት አጠባበቅ ሁኔታ						
8	- የዩኒቨርሲቲውን ንብረት በጥንቃቄ የመያዝና የመጠበቅ	5	4	3	2	1
	- ለዩኒቨርሲቲው ሃብትና ንብረት ጥበቃ በየጊዜው የሚያሳዩት ተቆርቋሪነት	5	4	3	2	1
የየደንበኞችን ፍላጎት ለሚሟላት የሚያደርጉ ጥረት						
9	- የዩኒቨርሲቲውን የውስጥና የውጭ ደንበኞች ለማስተናገድና ፍላጎታቸውን ለማሟላት የሚያደርጉት ከፍተኛ ጥረት	5	4	3	2	1
	- የደንበኞች ጥያቄና ፍላጎት በትግስት የማዳመጥ ብቃት	5	4	3	2	1
	- የማንኛውም ደንበኛ ቅሬታና አቤቱታ በትግስት በማዳመጥ በቅንነት የማስተናገድ ብቃት	5	4	3	2	1
	- በጽሁፍና በቴሌፎን የሚመጡ የደንበኞችን መልዕክት ፈጥነው የመቀበልና ምላሽ የመስጠት ብቃት	5	4	3	2	1

	በስራ አካባቢ ሰራተኞች ያላቸው አጠቃላይ ፕሮሰናልቲ					
10	- በስራ ላይ ለስራ ምቹ የሆነ የአለባበስ ስርዓት ያላቸው መሆኑ	5	4	3	2	1
	- በስራ ወቅት ምንግዜም ንጽህናቸውን ጠብቀው የመገኘታቸው ልምድ	5	4	3	2	1
	- ዩኒቨርስቲው ለስራ ክፍሉ የደንብ ልብስ ያዘጋጀ ከሆነ ምን ግዜም በስራ ወቅት የሚለበሱ መሆኑን	5	4	3	2	1
	- ከማንኛውም ጎጂ ሱሶች የፀዳ	5	4	3	2	1
	ለስራ ኃላፊዎች ብቻ በተጨማሪ የሚመለከት የስራ ክፍሉን ስራ በዕቅድ የመምራት ችሎታ					
11	- ዓመታዊና ወርሃዊ የስራ ዕቅድ የማዘጋጀትና የማቅረብ ልምድ	5	4	3	2	1
	- ከስራ ዕቅዱ ጋር የሚነፃፀር ወርሃዊ፣ የሩብ ዓመት፣ የስድስት ወር ወይም ዓመታዊ የስራ አፈፃፀም ሪፖርት ወቅቱን ጠብቀው የማቅረብ ልምድ	5	4	3	2	1
	- ስራዎችን በዕቅድ መሰረት የመፈፀምና የማስፈፀም ብቃታቸው	5	4	3	2	1
	የስራ ክፍሉን ሰራተኞች የመምራትና የመቆጣጠር ችሎታ					
12	- የስራ ኃላፊው በስሩ ያሉ ሰራተኞችን ተቆጣጥሮ የማሰራት ብቃት	5	4	3	2	1
	- በሰራተኞች የሚከሰቱ የአሰራር ስህተቶችን ፈጥኖ የማስተካከልና አስፈላጊ እርምጃ የመውሰድ ብቃት	5	4	3	2	1
	- ሰራተኞች የሚከሰቱ የአሰራር ስህተቶችን ፈጥኖ የማስተካከልና አስፈላጊ ዕርምጃ የመውሰድ ብቃት	5	4	3	2	1
	- ሰራተኞች በቡድን ስራ እንዲሳተፉ የማድረግ ብቃት	5	4	3	2	1
	- የክፍሉን ስራ በመወከል አከፋፍሎ በኃላፊነት የመስጠት ብቃት	5	4	3	2	1
	ጠቅላላ ድምር					
	አማካይ ነጥብ					

13. የሰራተኛው ጠንካራ ጎንና ሊያሻሽላቸው የሚገቡ ነጥቦች ካሉ ከዚህ በታች በዝርዝር ቢቀርቡ።

14. በስድስት ወር ሰራተኛው ያበረከተው ከፍተኛ አስተዋጽኦ አዲስ የአሰራር ዘዴ፣ ያዘጋጀው ጥናት፣ መመሪያ፣ ደንብ፣ ካለ ቢገልጹ።

15. ሌሎች ማንኛውም አስተያየት ካለ በአጭሩ ይግለጹ

የቅርብ የስራ ኃላፊ ሙሉ ስም _____

ፊርማ _____ ቀን _____

2. በሰራተኛው የሚፈረም

2.1 ከላይ የተሰጡትን ነጥቦችና አስተያየቶች ተመልክቻለሁ።

አስተያየት _____

ፊርማ _____ ቀን _____

3. መርምሮ ያፀደቀው ከፍተኛ የስራ ኃላፊ አስተያየት

ሙሉ ስም _____

ፊርማ _____ ቀን _____

4. የሰው ኃብትና አስተዳደር ኃላፊ አስተያየት _____

ሙሉ ስም _____

ፊርማ _____ ቀን _____

Appendix -4

Director, Level Managers

List

- Director, Testing Center
- Director, CEIQA
- Director, International Relation & Communication
- Director, International Programs
- Director, Gender & HIV Prevention Coordinating Office
- Director, ICT Development & Support Unit
- Director, Institute of Quality Management & Productivity
- Director, RAKMO
- Dean, School of Business
- Dean, Institute of Agriculture and Development Studies
- Dean, Informatics Faculty
- Associate Dean, School Of Business
- Head, Student Support Services (Under Graduate)
- Head, Student Support Service (SGS)
- Head, Program Expansion and Development Office
- Human Resource Manger
- Finance Manger
- Chief , Registrar