

**ST. MARY'S UNIVERSITY COLLEGE**  
**BUSINESS FACULTY**  
**DEPARTMENT OF MANAGEMENT**

**AN ASSESSMENT OF EMPLOYEE PERFORMANCE**  
**APPRAISAL IN THE CASE OF FORTUNE ENTERPRISE**  
**PLC**

**BY:**  
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**JUNE 2010**  
**SMUC**  
**ADDIS ABABA**

**AN ASSESSMENT OF EMPLOYEE PERFORMANCE APPRAISAL  
THE CASE OF FORTUNE ENTERPRISE PLC**

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## **CHAPTER ONE**

### **INTRODUCTION**

#### **1.1. Background of the Study**

Human Resource are today universally acknowledged as the most valuable asset in any organization. They are no longer considered as problems and costs but instead recognized as a resource, opportunity and strength. The performance appraisal system is one of the most critical areas in the field of human resource management. (Bhatia and Sign, 2001:329)

Employees are the most essential resources of the organizations. It is the human resources that supply the knowledge, skills, creativity and their effect of effectively and efficiently utilize other resources for the success of desired organization objective.

Every organization whether it is government or private enterprise, uses an appraisal system to know how it is performing towards the achievement of organizational objective.

To meet the desired organizational objectives, evaluation system should be well planned and coordinated, should provide accurate, valid and timely information regarding employee performance.

Fortune Enterprise PLC (Blue Nile Furniture Factory) was established by Norwegian national, Thomas Telefsen, in 1961 E.C as a private company. It was nationalized in 1967 E.C and was subsequently brought under the ex-ministry of industry. At the time of nationalization the factory has a total of birr 120,000 while under public ownership the factory has undertaken expansion investments at different times.



June 1998 E.C, under privatization did the enterprise was sold Fortune Enterprise plc and currently has total work force of 150 employees.

Its primary objective to produce furniture and joinery products office furniture, household furniture, school furniture and hospital furniture.

In the study, has tried to asses' employee performance appraisal practice of Fortune Enterprise plc. It is under taking effective appraisal in its human resource management package, however, the appraisal system is still have some problem.

## **1.2. Statement of the Problem**

Performance appraisal requires observations and then evaluation of employees by someone, usually the employee manager. It is a challenging task for many managers because it is exposed to inaccuracy.

The system of performance evaluation it affect not only the organization but also the morale of every employee in the organization.

By analyzing the total system of performance appraisal in Fortune Enterprise PLC, the following are problems relate to performance appraisal:-

- Lack of clear and defined appraisal procedure and guide lines.
- Lack of management response in case of complaints on the result.
- Lack of feedback system on the result of evaluation.
- Performances evaluation result records are not handled properly.

## **1.3. Research Questions**

This paper try to analyze the performance appraisal process of Fortune Enterprise plc and the basic research questions are:

- What is the major purpose of the current employee performance appraisal?
- What are the appraisal techniques and criteria employed to be applied during appraisal process?
- How skillful and competent are the appraisers to evaluate employees?

## **1.4. Objectives of the Study**

### **General Objective**

The main purpose of this research was investigating the organization current system of employee performance appraisal.

### **Specific Objective**

- To investigate the current performance appraisal
- To investigate the appraisal techniques and criteria
- To assess the level of skill, competent of the appraisers.
- To identify performance evaluation result and handling problems.

## **1.5. Significance of the Study**

Performance Appraisal enables managers to make a competitive judgment concerning employees. It also helps to identify the workers potential, skills, degree of accomplishment and training need, so, accurate appraisal is important to organization.

Thus, the result of this study give insight about the significance of performance appraisal. It creates awareness among employees, managers and other members of the organizations about the need of effective performance appraisal. On the basis of the research finding the study provide possible recommendation to solve the existing problem of performance appraisal in Fortune Enterprise PLC.

## **1.6. Scope (Delimitation of the Study)**

This study viewed the performance appraisal of employee in the Fortune Enterprise PLC. This is the only organization around mekanisa.

## **1.7. Research Design and Methodology**

### **1.7.1. Research Design**

The study used the descriptive research in order to know the real problem. The objective is to show the gap by describing the collected responses.

### **1.7.2. Population and Sampling Technique**

The total number of employees in Fortune Enterprise PLC is 150. To get full and reliable information the sampling techniques of the studies where stratified random sampling. In this enterprise, there are 150 employees, out of which the sample size is 45 employees, which are 30% of the total employees.

<b>Population</b>	<b>Human resource dept</b>	<b>Finance Dept</b>	<b>Manufacturing &amp; Technical Dept</b>	<b>Marketing and Sales Dept</b>	<b>Material and Store service dept</b>	<b>Total</b>
Employees	9	3	30	2	1	45
Total	9 (20%)	3 (6.6%)	30 (66.66%)	2 (4.44%)	1 (2.22%)	45(100%)

### **1.7.3. Type of Data Used**

The study were gathered both primary and secondary data from both primary and secondary sources.

### **1.7.4. Methods of Data Collection**

The primary data collected through questionnaires and interviews. The questionnaires distributed to target employees who are worked in the Enterprise. The questionnaires where open and closed ended questions.

Secondary sources such as company profile, Books, brochures and others related materials are also used to get secondary data.

### **1.7.5. Method of Data Analysis**

After data collected from primary and secondary source the research analyzed by using descriptive statistics like percentage, table and chart.

### **1.8. Limitation of the Study**

The researcher didn't get enough time and resources for investigation.

### **1.9 Organization of the Study**

The study is organized as follows: The first chapter deals with, the introduction of paper, the second chapter deals with the review of related literature, the third chapter presents the data collected from different source. Finally summary, conclusion and recommendation are presented in the four chapter.

## **CHAPTER TWO**

### **REVIEW OF LITERATURE**

#### **2.1. Definition and Overview of Performance Appraisal**

In this chapter the research topic is specified “problems of performance appraisal” the researcher believe that the literature review should begin with some relevant definition and concepts developed by various scholars.

Many literatures studied extensively on performance evaluation and presented it various terms such as performance appraisal, performance review, personnel rating, merit rating, employee evaluation.

Performance appraisal has been defined by several management scholars but all agree that performance appraisal is one of human resource management activities which serve as an audit on the effectiveness of each employee that helps the organization specify what an employee is performing on the job.

According to Dessler, (2004:241) a formal definition of performance appraisal “performance appraisal means evaluating an employee’s current or past performance relative to persons performance standard.”

#### **2.2. Purpose of Performance Appraisal**

As we have seen, performance appraisal plays an important part in the over all process of performance management. It provides basic information that will be very essential for various decisions. As Ivancevich (2003:258) stated the purpose of performance appraisal has the following purpose:-

**Development:-** It can determine which employees need more training, and it can help evaluate the results of training programs. It helps the

subordinate-supervisor counseling relationship and it encouraged supervisors to observe subordinates' behavior to help employees.

**Motivation:-** It can encourage initiative, develop a sense of responsibility, and stimulate efforts to perform better.

**Human Resource and Employment Planning:-** It can serve as a valuable input to skills inventories and human resource planning.

**Communications:-** It can serve as a basis for on ongoing discussion between superior and subordinate about job-related matters. Through interaction and an effective feedback process, the parties get to know each other better.

**Legal Compliance:-** It can serve as a legally defensible reason for promotions, transfers, rewards, and discharges.

**HRM Research:-** It can be used to validate selection tools such as a testing program.

The above relationships between performance evaluation and other HRM activities, none has been more crucial to understand than the one between evaluation and equal employment opportunity, especially as it applies to promotions and terminations.

### **2.3. Requirements of Effective Performance Appraisal**

According Ivancevich (2003:261) said that the key requirements of effective performance appraisal are:

**2.3.1. Relevance:** A measure of performance must be related to the actual output of incumbent as logically as possible.

**2.3.2. Sensitivity:** Any criterion must be able to reflect the difference between high and low performers. That is, high and low performers must

receive criterion scores that accurately represent the difference in their performance.

**2.3.3. Reliability:** A measure of performance must be consistent perhaps the most important type of consistency for a performance measure is interrater reliability. If different raters view the same worker, they should arrive at similar conclusions about the quality of that worker's output.

**2.3.4. Practicality:-** The criterion must be measurable, and data collection can not be in efficient or to disruptive.

## **2.4. Methods of Performance Appraisals Evaluation**

Several methods and techniques of appraisal are available for the measurement of an employee. The choice of appraisal methods depends on variety factor such as the organizational objectives, size, product technology etc.

As indicated on literatures there are many procedures used and many ways of classifying them.

According to Ivancevich, (2003:272) following are broadly used and the most popular method:-

### **2.4.1. Ranking Methods**

In this method, employees one evaluated in comparison with other employees. There one many techniques, which is included in this categories. Among these:

#### **- Simple Ranking**

In their simple form, rankings ask a supervisor to generate a list of subordinates in order on some overall criterion. This can be very difficult to do if the supervisor is asked to rank a large number of subordinates – over 20, say. Also, it is much easier for the supervisor to rank the best



and worst employees in a reliable way than it is to rank the average ones. Because of this difficulty, a variation of simple rankings is alternative rankings. In this approach, the evaluators pick the top employee first, then the bottom employee next. Then the second best is chosen, followed by the second worst. This process is followed until all persons have been ranked.

#### **- Paired Comparisons**

This approach was designed to make the ranking process easier for the supervisor and perhaps more reliable, especially when there are many people to rank. Rather than asking the supervisor to rank everyone at once (which the erotically means that she or he must be thinking about the strengths and weaknesses of everyone at the same time), the paired comparison method presents the supervisor with series of cards, each of which contains only two subordinates' names. A major potential limitation of paired comparison is the number of comparisons that must be made.

#### **- Forced Distribution**

The forced distribution system is similar to grading on a curve. The rater is asked to rate employees on the basis of some organizationally determined, preexisting distribution of categories.

### **2.4.2. Rating Methods**

Many organizations use graphic rating scales. In terms of the amount of structure provided the scales differ in three ways:

1. The degree to which the meaning of the response categories is defined.
2. The degree to which the individual who is interpreting the rating can tell clearly what response was intended.

3. The degree to which the performance dimensions are defined for the rater. (F. Casio, 2006:341)

### **Critical Incident Method**

The critical incident method, the supervisor keeps a log of positive and negative examples (critical incidents) of a subordinate work-related behavior. This method has several advantages. It provides actual examples of good and poor performance, the supervisor can use to explain the person's rating. It insures that the managers or supervisors think about the subordinate's appraisal all during the year. (Dessler, 2004:248)

### **Behaviorally Anchored Rating Scales**

A behaviorally anchored rating scale (**BARS**) combines the benefits of narratives, critical incidents, and quantified (graphic rating type) scales, by anchoring a rating scale with specific behavioral examples of good or poor performance.

### **Developing a BARS Typically Requires Five Steps:-**

- **Generate critical incidents:** Ask persons who know the job (job holders and/or supervisors) to describe specific illustrations (critical incidents) of effective and ineffective performance.
- **Develops performance dimension:** Have these people cluster the incidents into a smaller set of (5 or 10) performance dimensions, and define each dimension, such as "conscientiousness".
- **Reallocate incidents.** Another group of people who also know the job then reallocate the original critical incidents.
- **Scale the incidents.** This second group then rates the behavior described by the incident as to how effectively or ineffectively it represents performance on the dimension. (7-to-9-point scales are typical).

- **Develop a final instrument:** Choose about six or seven of the incidents as the dimension's behavioral anchors. (Dessler, 2004:250)

### **Management by objective (MBO)**

MBO is more than just an evaluation program and process. It is viewed as a philosophy of managerial practice, a method by which managers and subordinates plan, organize, control, communicate, and debate. By setting objectives through participation or by assignment from a superior, the subordinate is provided with a course to follow and a target to shoot for while performing the job. Usually, an MBO program follows a systematic process, such as the following:

- The superior and subordinate conduct meetings to define key tasks of the subordinate and to set a limited number of objects (goals).
- The participants set objectives that are realistic, challenging, clear, and comprehensive.
- The superior, after consulting with the subordinate, established the criteria for assessing the accomplishment of the objectives.
- Dates for reviewing intermediate progress are agreed upon and used.
- The superior and subordinate make any required modifications in the original objectives.
- A final evaluation by the superior is made and a meeting is held with the subordinate in a counseling, encouraging session.

Historically, one of the central features of MBO was that discussions about subordinates' performance central on results. This was, in fact, presumed to be one of MBO's greatest advantages over other evaluation system.

A number of other pitfalls and problems with MBO have been identified. These include the following:

- Too much paperwork is involved.
- Too many objectives are set, and confusion occurs. (It appears to be more efficient to work with only four, five, or six objectives.)
- There may be a failure to tie in MBO results with rewards. The question “Why are we doing this?” is often asked.
- There is too much emphasis on the short term.
- Superiors are not trained in the MBO process and the mechanics involved.
- MBO is used as a rigid control device that intimidates rather than motivates.

## **2.5. Process of Performance Appraisal**

To provide information that can serve the organization's goals and that complies with the law, a performance evaluation system must provide accurate and reliable data. The ability to generate accurate and reliable data is enhanced if a systematic process is followed. According to Ivancevich (2003:260) the following six steps can provide the basic for such a systematic process:

- Establish performance standards for each position and the criteria for evaluation.
- Establish performance evaluation policies on when to rate, how often to rate, and who should rate.
- Have raters gather data on employees' performance.
- Have raters (and employees in some systems) evaluate employees' performance.
- Discuss the evaluation with the employee.
- Make decisions and file the evaluation.

## **2.6. Benefit of Performance Appraisal**

Organizations usually conduct appraisals for administrative or developmental purposes. Performance appraisals are used administratively whenever they are the basis for a decision about the employee's work conditions, including promotion, termination and rewards.

As stated Gomez, et. al (2003:226) the benefits of performance appraisal is divided in to two:

### **1. Employer Perspective:**

- Despite imperfect measurement techniques, individual differences in performance can make a difference to company performance.
- Documentation of performance appraisal and feedback may be needed for legal defense.
- Appraisal provides a rational basis for constructing a bonus or merit system.
- Appraisal dimensions and standards can help to implement strategic goals and clarify performance expectations.
- Providing individual feedback is part of the performance management process.

### **2. Employee Perspective:**

- Performance feedback is needed and desired.
- Improvement in performance requires assessment.
- Assessment and recognition of performance levels can motivate.

### **Who should do the Appraisal?**

Mostly performance appraisals are undertaken by immediate supervisors. This is because of the responsibility that immediate

supervisors have on their subordinate's performance. According to Goitom, (2007:90-91) performance appraisal can be performed by the following parties:-

❖ **Immediate Supervisor:** An employee's immediate supervisor has traditionally been the most common choice for evaluating performance. This continues to be the case, and there are several reasons for this approach which include the following:

- The supervisor is usually in an excellent position to observe the employee's job performance.
- The supervisor has the responsibility for managing a particular unit. When the task of evaluating subordinates is given to someone else, the supervisor's authority may be undermined.
- Training and development of subordinates is an important element in every manager's job. Since appraisal programs and employees development are most often closely related, the immediate supervisor may be the logical choice to conduct the performance evaluation.

❖ **Subordinates:** Some organizations conclude that evaluation of managers by subordinates is feasible. They reason that subordinates are in an excellent position to view their superior's managerial effectiveness. Advocates of this approach believe that supervisors appraised in such a manner will become especially conscious of the work group's needs and will do a better job of managing.

❖ **Peers:** The proponents of peer appraisal believe that such an approach is reliable if the work group is stable over a reasonably long period of time and performs task that require considerable interaction. The rationale for evaluations conducted by team members includes the following:

- Team members know each other's performance better than anyone and can, therefore, evaluate performance more accurately.
  - Peer pressure is a powerful motivator for team members.
  - Members who recognize that peers within the team will be evaluating their work show increased commitment and productivity.
  - Peer review involves numerous opinions and is not dependent on one individual. Problems with peer evaluations include the reluctance of people who work closely together, to criticize each other.
- ❖ **Self-Appraisal:** if employees understand the objectives they are expected to achieve and the standards by which they are to be evaluated, they are in a good position to appraise their own performance. Many people know what they do well on the job and what they need to improve. The assumption is that, if they are given the opportunity, they will criticize their own performance objectively and take action needed to improve it.

Self-appraisal, as a complement to other approaches, has great appeal to managers who are primarily concerned with employee participation and development.

### **When Should Appraisals Performed?**

In many organizations, performance appraisal is performed annually or semi annually according to the system design that the organization operates. Different authors have the some prevention regarding the timing of performance appraisal. Ivancivich (2003:261) on his part described. In many organizations, performance evaluations are scheduled for arbitrary dates, such as the date the person was hired

(anniversary date) or all employees may be evaluated on or near a single calendar date. Although the single-day approach is convenient administratively, it probably is not a good idea. It requires raters to spend a lot of time conducting evaluation interviews and completing forms at one time, which may lead them to want to get it over with quickly. It makes more sense to schedule the evaluation at the completion of a task cycle.

### **Problems of Performance Appraisals**

A performance appraisal as human resource management systems faces many problems. Various authors listed potential problems in a different ways but the area that they focus is almost the same.

#### **Some of these are:**

##### **Opposition to Evaluation;**

Most employees are wary of performance evaluation. Perhaps the most common fear is of subjectivity on the part of the rater. Subjective bias and favoritism are real problems that create opposition to most performance evaluation systems. These fears are hidden, however, and other, more general arguments are provided.

The use of formal performance evaluation system argues that:

- They focus too much attention on alleviating symptoms of poor performance rather than identifying the underlying causes.
- Managers and employees dislike the evaluation process. Raters especially have problems with reaching decisions about the performance levels of employees.
- Employees who are not evaluated in the top performance category experience a reverse motivation effect: they slow down. And employee problem. (Ivancevich, 2003:276)



## **System Design and Operating Problems;**

Performance evaluation systems break down because they are poorly designed. The design can be blamed if the criteria for evaluation are poor the technique used is cumbersome, or the system is more form than substance. Some evaluation techniques take a long time to carry out or require extensive written analysis, both of which many managers result (Ivancevich, 2003:277).

### **Rater Problems**

Even if the system is well designed, problems can arise if the raters (usually supervisors) are not cooperative and well trained. Inadequate training of raters can lead to a series of problems in completing performance evaluations, including:

**Standards of Evaluation:-** Problems with evaluation standards arise because of perceptual differences in the meaning of the words used to evaluate employees. Thus, good, adequate, satisfactory, and excellent may mean different things to different evaluations.

**The halo effect:** one procedure to reduce this type of error is to have the rater evaluate all subordinates on the dimension before proceeding to another dimension.

**Leniency or harshness error:** Performance evaluations require the rater to objectively reach a conclusion about performance. Being objective is difficult for everyone. Some raters see everything as good-these are lenient raters. Some raters see everything as bad-these are harsh raters.

**Central tendency error:** A central tendency error occurs when a rater avoids using high or low ratings and assigns average ratings. Thus, it offers little information for making HRM decisions regarding compensation, promotion, training, or what should be feedback to rates. raters must be made aware of the importance of discriminating across rates and the use of evaluations.

**Contrast effects:** Recall that with the individual performance evaluation techniques each employee is supposed to be rated without regard to other employees' performance.

Personal Bias Error a personal bias rating error: Is (as the term implies) an error related to a personal bias held by a supervisor.

Personal bias errors have been detected in many studies of performance evaluation. Research indicates that personal liking can affect the attributions a manager makes about a subordinate's level of performance as well as the kind of feedback.

Personal bias errors have been detected in many studies for performance. These problems related to the effects of prejudices against groups of people. The best way to overcome the problems is to provide training to the appraisers rates. (Ivancevich, 277:279)

### **The Performance Feedback**

Gomez, et. Al (2003:249) has designed the following performance feedback is divided in to two:-

#### **a. Providing performance feedback**

- Document employee;
- Solicit employee input ;
- Be timely and specific;
- Inform workers of any deficiencies;

#### **b. Receiving performance feedback**

- At opportune times.
- Keep a record of your accomplishments and failures.
- Invite your manager/rater.
- Distinguish feedback from action.
- Separate your self from your performance.

## **2.11. Effective Performance Appraisals**

As performance appraisals are so important and used so extensively management should try to improve them. Some of the ways of making them more effective are listed by Gonkor (2001:388) in the following ways:

- The existence of an atmosphere of confidence and trust so that both supervisor and employee may discuss matters frankly and offer suggestions which may be beneficial for the organizations and for an improvement of the employee.
- The supervision must very thoroughly evaluate the employee's performance so that he is capable of meeting challenges about his ratings of his subordinate.
- The results of performance rather than personality traits should be given due weight. Suggestions for improvements should be directed towards the objective facts of the job.
- The supervisor should try to analyze the strengths and weaknesses of an employee and advise him on correcting the weaknesses.
- The appraisal program should be less time-consuming less costly. At the same time, it should bring the maximum benefit.
- Which particular technique is to be adopted for appraisal should be governed by such factors as the size, financial resources, philosophy and objective of the organization?
- The results of the appraisal, particularly when they are negative should be immediately communicated to the employees, so that they may try to improve their performance.

- A post appraisal interview should be arranged so that employees may be supplied with feedback and the organization may know the difficulties under which employees work, so that their training needs may be discovered.
- The standards of performance appraisal can be improved by training of the evaluators. It has been indicated that appraisers who are trained in how to evaluate subordinates tend to be more effective appraisers than those who had not undergone such training.
- Lastly, many of the problems can be minimized if right appraisal tools are chosen.

# CHAPTER THREE

## DATA PRESENTATION, ANALYSIS AND INTERPRETATION

### 3.1. Characteristics of the Study of Population

The previous chapter dealt with the related literatures developed by various scholars. This chapter will continue to present and analyze the data collected from the sample respondents. The questionnaires are prepared in English and Amharic for simplicity and to be clearly understood by the respondents.

#### Data Collected from Respondents

The sample was taken from the Fortune Enterprise Plc. A total of 45 questionnaires were designed and distributed to the employees and supervisor by stratified sampling. Therefore the representation and analysis of data is based on these sample respondents.

From the total of distributed 45 questionnaires, 30 respondents were collected and analysis with regard to sex, age, educational level, service year and position of the organization are listed in the following way.

Chart 1: Sex Composition Respondents

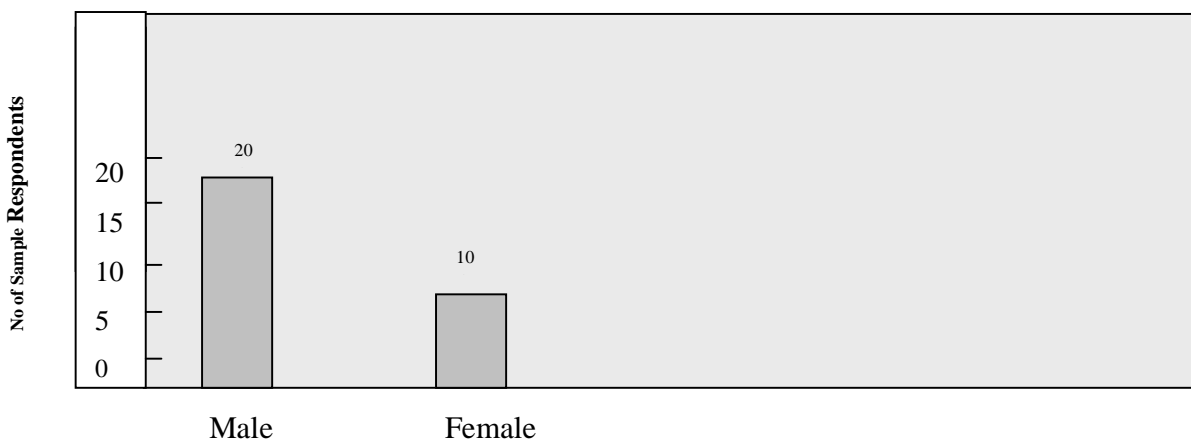


Chart 1 shows the composition of respondents in terms of their sex. From the Chart out of 30 respondents 20(66%) were male and 10(33%) were female. So, one may conclude that male employees dominate female ones in the organization.

Chart 2: Age Composition of Respondents

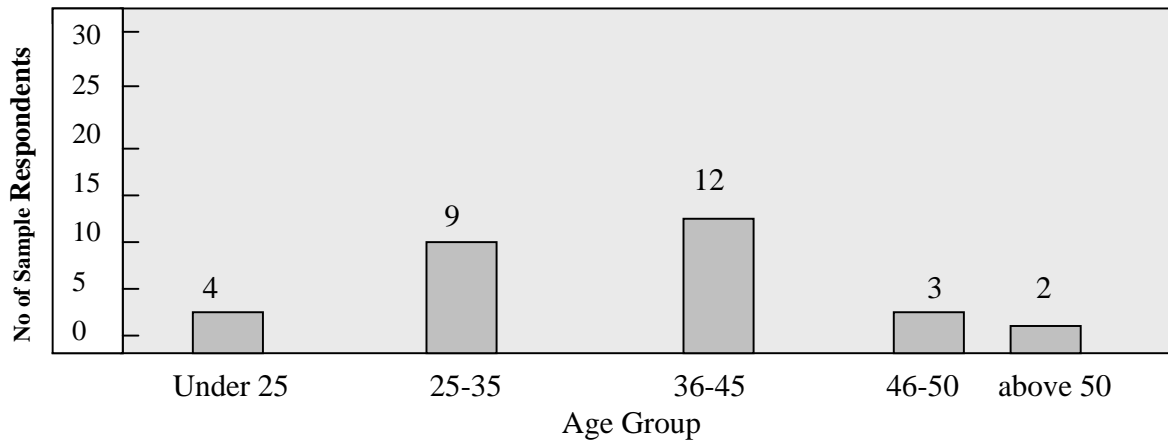


Chart 2 represents the composition of respondents in terms of their age. As shown in the chart 4(13%) respondents are found to be under 25 years 9(30%) are between 25 and 35 years, 12(40%) are between 36 and 45 years 3(10%) are between 46 and 50 the rest 2(6.6%) are above 50 years. So, majority of employees (40%) are under the category of age between 36 and 45 years. This indicates most of them are matured and productive age.

Chart 3 Education Level

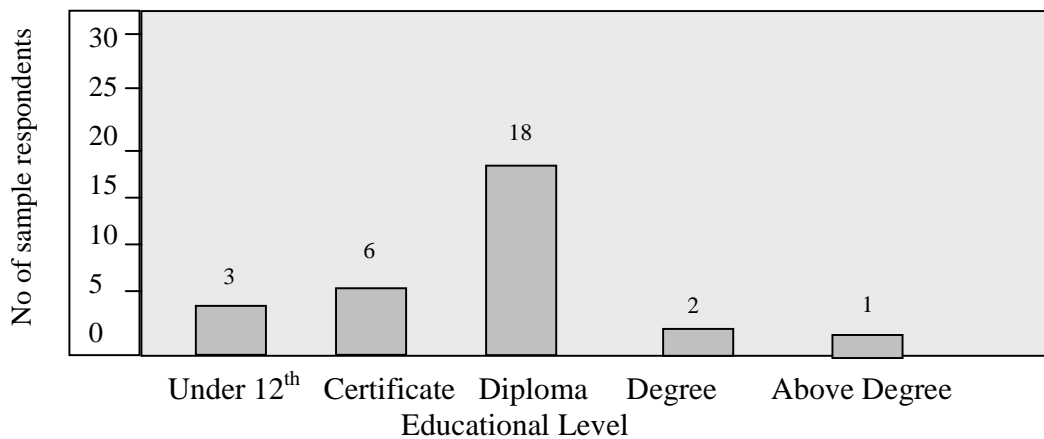
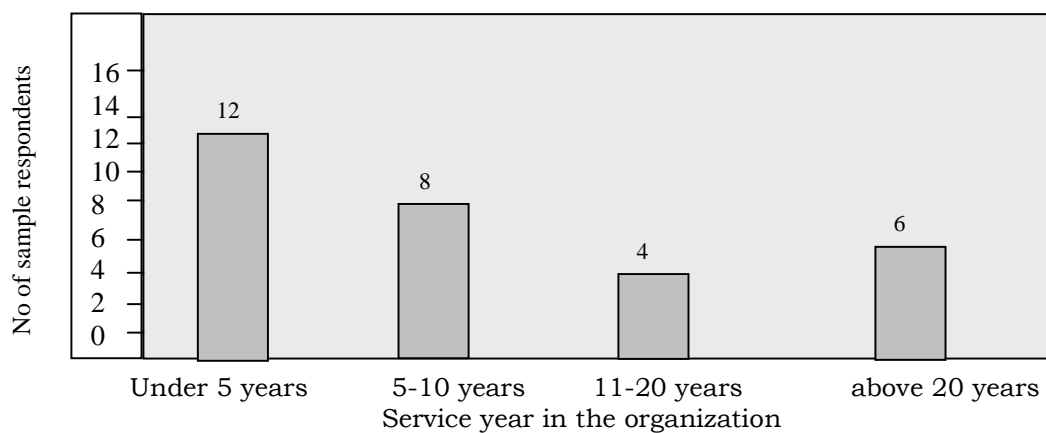


Chart show that the respondents are categorized into five groups. This consist of Diploma holder 18(60%), Certificate 6(20%), under 12<sup>th</sup> 3(10%), Degree to 6(66%) and above degree 1(3.33%)

According to the findings majority of employees in Fortune Enterprise are Diploma holders. This shows educated employees and it helps its activities with skilled and knowledgeable employees.

**Chart 4: Service Year**

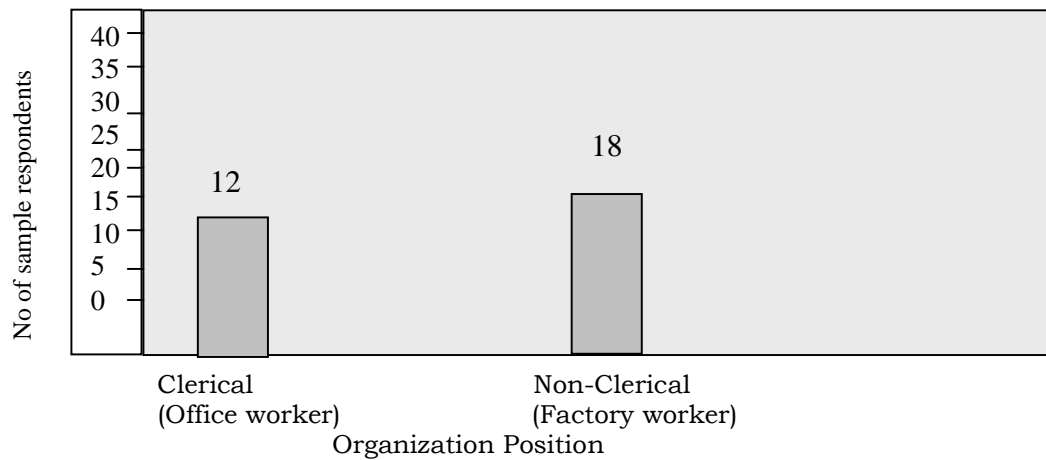


Regarding their service years, the respondents are categorized into four groups, i.e. under 5 years, 5 and 10 years, 11 and 20 years and above 20 years.

Chart 4 show that 12(40%) respondents are found under 5 years, 8 (26.66%) are between 5 and 10 years, 4 (13.33%) are between 11 and 20 years and 6 (20%) are above 20 years of service in the organization.

The percentage leads us to the conclusion that majority of Fortune Enterprise Plc employees are served less than 5 years. This shows that they are new and sensitive. Hence, the organization should evaluate properly.

Chart 5: Organization Position



As summarized in chart 5, from the whole respondents 18(60%) are grouped under non-clerical position, 12(40%) are clerical position.

Non Clerical employees constitute above half the sample size involved in the study. This shows most of employees are non clerical. So they need performance appraisal.

### 3.2. Analysis of the Finding of the Study

Purpose of performance appraisal in Fortune Enterprise Plc. Question 1 and 2 designed to collect information regarding the purpose of performance appraisal and employees out look unit. Responses of these questions are organized in the following table.

Table 1 Purpose of Performance Appraisal

No	Item	Sample respondent	
		No	%
	Do you know the purpose of performance Appraisal in you organization?		
	A. Yes	25	85.33
	B. No	5	14.66
	<b>Total</b>	<b>30</b>	<b>100</b>



As it indicated in table 1, out of 30 respondents of the Fortune Enterprise the majority 25(85.3%) said the purpose of performance appraisal is known and the rests 5(14.66%) did not know the purpose

To achieve the desired objectives, employees should have appropriate knowledge about the purpose of evaluation. With this regard majority of employees know for what purpose is the performance appraisal used in Fortune Enterprise Plc.

Majority of respondents in Fortune Enterprise PLC have clearly understood the importance and usefulness of performance appraisal in the Enterprise. It considers performance appraisal in the Enterprise it motivate employees to work hard, and Enterprise to achieve its objective.

**Table 2 Responses of rates on the degree of emphasis given to the purposes of performance appraisal.**

No	Item								
			V. High	High	Medium	Low	V. Low	Don't Know	Total
a	To what extents the result of performance appraisal used for	No	2	12	4	6	5	1	30
		%	6.66%	40%	13.33%	20%	16.66%	3.33%	100%
B	For salaries increment	No	6	4	11	7	2	1	30
		%	20%	13.33%	36.66%	23.33%	6.66%	3.33%	100%
c	For employee promotion	No	3	4	14	8	0	1	30
		%	10%	13.33%	46.66%	26.66%	0%	3.33%	100%
d	Provision of work incentives	No	3	4	11	8	3	2	30
		%	10%	13.33%	36.66%	26.66%	10%	6.66%	100%
e	For assigning the right works at the right place	No	2	3	4	13	5	3	30
		%	6.6%	10%	13.33%	43.33%	16.66%	10%	100%

**Source:- Primary data**

The table shows that, 2(6.66%) respondents says V. high, 12(40%) said the practices of performance appraisal have high contribution to value of facilitating decisions on salary increment, 4(13.33%) medium, 6(20%)

low, 5(16.66%) V. low and the remaining 1(3.33%) says I don't know. This shows majority of the employee view as performance appraisal used for salary increment.

As indicated in table 2 above, 6(20%) said that to a very high extent used for employee promotion, 4(13.33%) high, 11(36.66%) medium, 7(23.33%) low, 2(6.66%) v. low and only 1(3.33%) said I don't know. One can see from this performance appraisal in Fortune Enterprise PLC used for promotions.

The table shows that, 3(10%) respondents says very high 4(13.33%) said the practices of performance appraisal have high contribution to the value of facilitating decision on provision or work incentive 14(46.66%) medium, 8(26.66%) low and 1(3.33%) says I don't know. This shows that performance appraisal used for work incentive is medium.

As indicated in table 2 above, 3(10%) said very high the practice used for assigning the right person at the right place, 4(13.33%) high, 11(36.36%) medium, 8(26.66%) low, 3(10%) v. low and 2(6.66%) says I don't know. One can see from this performance appraisal used for the right person at the right place.

The table shows that 2(6.66%) respondents said the practices of performance appraisal have very high contribution for the value of facilitating decision on employee transfer, 3(10%) high, 4(13.33%) medium, 13(43.33%) low, 5(16.66%) very low and 3(10%) said I don't know. This shows majority of employee view as performance appraisal used for employee transfer.

### **Frequency of Performance Appraisal**

Fortune Enterprise Plc is determine and stipulates the frequency and period of performance evaluation is conducted every six month.

Question 3 is designed to know the attitude of employees regarding their preference of the time interval between the appraisal processes. Their opinion is organized in the following table.

**Table 3 Frequency of Performance Appraisal**

No	Item	Sample Respondents	
		No.	%
	How frequently are performance evaluation under taken in Fortune Enterprise Plc?		
	a. Twice a month	1	3.33
	b. Monthly	2	6.66
	c. Quarterly	4	13.33
	d. Semi-annually	18	60.00
	e. Others	5	16.66
<b>Total</b>		<b>30</b>	<b>100</b>

**Source:- Primary data**

The table shows that 18(60%) of employees replies that performance appraisal conducted semi-annually, 4(13.33%) respondents are agree with quarterly, 2(6.66%) replies monthly, 1(3.33%) replies twice a month and the rest 5(16.66) replies others.

This shows that majority of employees said that performance evaluation under taken semi-annually.

### **Performance Appraisal Criteria**

Criteria or standards of measurements should be set properly to each individual based on the objective of the organization and on the Job description of the position of each employee is holding. Fortune Enterprise Plc set criteria for each position based on job description. The following table indicates that the criteria used to evaluate employees and related problems.

**Table 4 Degree of irrelativeness between criteria & Job description and relevance of the criteria**

No	Item	Sample Respondents	
		No.	%
1	Do you know employee performance evaluations criteria that the company uses?		
	a. Yes	26	86.66
	b. No	4	13.33
<b>Total</b>		<b>30</b>	<b>100</b>
2	What do you think about the relation between your work & the content of performance appraisal?		
	a. High related	4	13.33
	b. Related	9	30
	c. Slightly related	14	46.66
	d. Not related	2	6.66
<b>Total</b>		<b>30</b>	<b>100</b>
3	Are the criteria relevant to evaluate your performance?		
	a. Yes	12	40
	b. No	18	60
<b>Total</b>		<b>30</b>	<b>100</b>
4	Are the criteria's used to measure performance related to your work?		
	a. Yes	11	36.66
	b. No	19	63.33
<b>Total</b>		<b>30</b>	<b>100</b>

**Source:- Primary data**

As shown in table 4, item number 1, 26(86.66%) have enough knowledge about the criteria that are used to evaluate their performance. But 4(13.33%) have not enough knowledge.

This shows that majority of employees know that the performance evaluation criteria.

At the same table, item number 2 indicates the relation between employee work and the content of performance appraisal. As one can see that 4(13.33%) respondents believe that the criteria and their work is highly related, 9(30%) believe they are related 14(46.66%) are said they are slightly related and 2(6.66%) are not related.

The criteria that are used to measure performance and job description or the work done is slightly related. As presented majority of employees 14(46.66%) believe they are slightly related.

Table 4 also shows the relevance of criteria to evaluate the employee performance in item number 3. As indicated 18(60%) respondents believe that the criteria are not relevant to measure their performance where as 12(40%) are believe their relevance. As presented majority of employees believe that criteria which are used to evaluate their performance are not relevant.

Under Table 4 as indicated the criteria to measure performance related to the work in item number 4. As indicated 11(36.66%) related & 19(63.33%) are not related. This implies that performance evaluation criteria is not related with there work.

**Table 5 Participation of employees in criteria setting**

No	Item	Sample Respondents	
		No.	%
	Have you ever participate in setting performance evaluation?		
	a. Yes	10	33.33
	b. No	20	66.66
<b>Total</b>		<b>30</b>	<b>100</b>

**Source:- Primary data**

As summarized in table 5, about 20(66.66%) employees have never been participated in performance appraisal criteria setting process, only 10(33.33%) of respondents are engaged in this process. It implies that the preparation of employee's performance evaluation criteria is conducted without the participation of majority of employees.

### **Who Should Evaluate**

The following table summarizes the opinion of employees for the question "Who should be better to evaluate?"

**Table 6 Employee Preference of Appraisers**

No	Item	Sample Respondents	
		No.	%
	Who should be better to evaluate your performance?		
	a. Immediate supervisor	18	60%
	b. Yourself	7	23.33
	c. Peers & co-workers	5	16.66
	d. Immediate subordinate	-	-
<b>Total</b>		<b>30</b>	<b>100</b>

**Source:- Primary data**

According to their response about 18(60%) of respondents agree with immediate supervisors as an appraiser, 7(23.33%) say that self

evaluation is better and 5(16.66%) prefer peers and coworkers to be better able to evaluate their performance.

It show that the majority of employees prefer to evaluate by their immediate supervisor. As the literature review, supervision is usually in an excellent position to observe the subordinate's job performance.

### **Appraisers Ability and Possible Problems**

The following table illustrate the employees trust on their appraisers and the reasons why they do not trust them.

**Table 7. Ability of Appraisers and their Failure**

No	Item	Sample Respondents	
		No.	%
1	Do you trust and have confidence in the ability of the appraisers?		
	a. Yes	13	43.33
	b. No	17	56.66
	<b>Total</b>	<b>30</b>	<b>100</b>
2	Reasons for appraisers not to be trusted?		
	a. Lack of skill & knowledge	13	76.47
	b. Not willing to appraise	2	11.76
	c. Do not know the purpose of the appraisal	1	5.88
	d. Do not have adequate time	1	5.88
	e. Other	-	-
	<b>Total</b>	<b>17</b>	<b>100</b>

**Source:- Primary data**

As indicate in item number 1, of the above table 17(56.66%) of respondents have no trust and confidence in the ability of their appraisers, while 13(43.33%) have trust and confidence on their ability.

So, majority of employees did not have trust and confidence on appraiser's ability to measure their performance.

Table 7, in item number 2 also indicates the reasons for appraisers not to be trusted by the appraise. As shown, 13(76.47%) of respondents agree that appraiser lack the require skill and knowledge, 2(11.76%) of respondents says that they are not willing to appraise, 1(5.88%) of respondents think that appraisers do not know the purpose of the appraisal, 1(5.88%) of respondents think that the appraisers do not have adequate time for appraising and there is no any respondents. Majority of employees replied that the appraisers have lack skill and knowledge.

### **Feedback and After Evaluation Contact with Supervisors**

Timely feedbacks after evaluation have to be given to the employees so as to enable them to know their weakness, strengths, their training and development needs. Besides, this process shall serve as a bridge of communication in the sense that it will created a favorable condition for supervisors & employees to sit together face to face and discuss on performance achievements, problems and measures to be taken.

**Table 8: Feedback System**

No.	Item	Sample Respondents	
		No.	%
1	Does your appraiser give you immediate feedback on the result of evaluation?		
	a. Yes	8	26.66
	b. No	22	73.33
<b>Total</b>		<b>30</b>	<b>100</b>
2	Do you ask your appraiser, if you get the result of evaluation unfair?		
	a. Yes	11	36.66
	b. No	19	63.33
<b>Total</b>		<b>30</b>	<b>100</b>

**Source:- Primary data**



As shown in table 8 item number 1, 22(73.33) of respondents said that their appraiser did not give immediate feedback concerning the result of evaluation where as 8(26.66%) the respondents said the appraisers give them feedback timely. According to the findings Fortune Enterprise Plc not give immediate feedback to its employees regarding the result of performance evaluation.

At the same table, as shown in item number 2, 11(36.66%) of respondents said that they ask their appraiser when they think that the result is unfair, and only 19(63.33%) are not willing to ask their appraiser. According to the findings majority did not present their complain when there is unfair evaluation results. This indicate that there is a problem of communication between subordinates and supervisors.

**Table 9: Satisfaction with the current system**

No	Item	Fragrance of response	
		Number	%
	Are your satisfied with the current system of employee evaluation?		
	A. Yes	5	16.66
	B.No	7	23.33
	C. Yes to same extent	18	60
<b>Total</b>		<b>30</b>	<b>100</b>

**Source:- Primary data**

Almost 18(60%) of the respondents said that they are to same extent or slightly with the current system of employee evaluation, 7(23.33%) low, and 5(16.66%) satisfied in the current evaluation system. In this case the current system of employee performance appraisal in Fortune Enterprise Plc. Would have been simply made to happen without receiving adequate acceptance and full commitment of appraisers.

**Table 10 Contribution of employee performance for improving employee performance**

No	Item	Sample of Response	
		Number	%
	How do you rate the appraisal system of your organization in improving employee performance?		
	a. V. high	0	0
	b. High	3	10
	c. Moderate	10	33.33
	d. Low	14	46.66
	e. V. Low	3	10
<b>Total</b>		<b>30</b>	<b>100</b>

**Source:- Primary data**

As indicated in table 10 above, 10(33.33%) of the respondents reported that it has moderate importance in improving the performance of employee, 14(46.66%) low, 3(10%) high, and 3(10%) very low. According to the majority of the respondent reported that it has low importance in improving the performance of employees.

**Table 11: Degree of Biasness**

The following table indicate that the respondents overall opinion on the performance appraisal process, under question, is it free from bias or not?

No	Item	Sample Respondents	
		No.	%
	Is the performance Appraisal process free from bias?		
	a. Yes	6	20
	b. No	24	80
<b>Total</b>		<b>30</b>	<b>100</b>

**Source:- Primary data**

As indicated in the table, only 6(20%) respondent think that it is free from bias, the rest, i.e. 24(80%) were think that there is a problem of biasness on the evaluation process. One can understand from this, the process of performance evaluation is not free from bias.

**Table 12 management responses on the performance evaluation**

No	Item	Sample of Response	
		Number	%
	How do you see the management response on your performance evaluation?		
	a. V. high	0	0
	b. High	3	10
	c. Moderate	8	26.66
	d. Low	15	50
	e. V. Low	4	13.33
<b>Total</b>		<b>30</b>	<b>100</b>

As indicate in table 12 above, 15(50%) of the respondents reported that it has low performance evaluation response of the management, 8(26.66%) moderate, 4(13.33%) very low, 3(10%) high. So that in this organization there is luck of management response on performance evaluation.

### **Major Problem of Performance Appraisal**

In order to get respondents opinion about the problems that are encountered in the performance evaluation system, an open ended question is designed to them. According to their response the system had a lot of problems, and these problems are summarized in the following way:-

- The performance evaluation system is still applied by some appraiser due to insufficient knowledge and skill.
- Records of performance evaluation results are not handled properly.
- Mostly supervisors evaluation is not conducted seriously comparing to the evaluation of subordinates.
- Lack of strict supervision in the implementation of the performance appraisal process.
- Lack of management response on the performance evaluation.
- Employee didn't participate in the performance appraisal process.
- Appraisers to appraise based on friendship or close relationship and hate, which is unfair and it is not free from bias.
- Even it there is fixed time for evaluation there is a problem of regularity.
- It lacks transparency that means there is no discuss on performance appraisal before during and after evaluation.

Possible Solution Suggested By Employees:

- The standard of the criteria should be developing at each work area depending on the character of the work activity.
- The appraisal should be fair, honest and educated.
- The appraisal should be the immediate boss or supervise because he/she is the best man to follow its continues performance.
- Management response must be needed on the performance evaluation of employee.

- There should transparency and relationship between appraise and appraiser.
- The evaluation must be done on participation base and discuss on it.

### **Interview Results**

This section represents the result of interview, which is conducted with HR manager in Fortune Enterprise. The focus of the interview is on the overall problems of performance evaluation. The results of interview are summarized below.

Since the Fortune Enterprise the main objective is to achieve organizational objectives through objectively measure employee's performance. In order to achieve these objectives, the organization made different formats or criteria to measure employee's performance effectively.

According to the interviewee, not to focus on the appraisers training affect the performance evaluation record keeping process. This is the main problem of the system.

In addition to the above problem, the organization did not consider to give a special training for appraisers in order to implement the system more effectively.

Performance evaluation result data are not handled properly by the supervisors as well as the Human Resource Department. It is because either the negligence of supervisors and Human Resource Department. Most employees are bourdon on the day to day recording process. This results the performance evaluation result data handling process ineffective.

Fortune Enterprise Plc in relation to its objectives uses this procedure for the overall implementation of the system. According to the procedure, the

performance evaluation of employees is conducted every six month. But with in this time frame employee's record their performance of accomplishment of tasks everyday on the basis of quality, quantity, time and cost and at the end of the week they submit to their supervisor. Based on their task accomplishment performance immediate supervisors evaluate them every six month.

As the interviewee says, the benefit an organization gain from the result of evaluation is not sufficient comparing to the cost it incur for the implementation of the system.

Finally, the interviewee says, Fortune Enterprise itself is a good technique and it is suitable to the organization for performance evaluation process. But it complicated system, some problems has occur. The Human Resource management department works to eliminate these problems. As the interviewee says, the application problems get solved, the system used for the intended purpose in effective way.

## **CHAPTER FOUR**

### **SUMMARY, CONCLUSIONS AND RECOMMENDATIONS**

This chapter presents the summary of the findings of the study, the conclusion drawn from the findings and the recommendation of the researcher about the measures that should be taken by the organization to improve its employee performance evaluation.

#### **4.1. Summary of Finding**

The study was designed to assess the employee performance appraisal in Fortune Enterprise PLC. To collect the relevant data 45 questionnaires were distributed to the respondents from these distributed questionnaires 30 have been fully completed and returned on time. Therefore, the data analysis is given based on this 30 returned questionnaires and the major findings are:-

- Response from most of the respondents revealed that the purpose of performance Appraisal is well known. According to them from different purposes it serves, the result of employees performance evaluation is mainly used for salary increment and related purposes.
- Majority of employees believed that performance appraisal in Fortune Enterprise PLC taken semi-annually every six months.
- Majority of the respondents know about the criteria which are used for measuring their performance. But, most employees perceived that the criteria and the job description are slightly related.
- It is found out that, a significant number of employees believed that, performance evaluation criteria are not relevant.

- As reported by majority of respondents, there were lack of employee participation in performance appraisal criteria development process.
- Majority of the respondents said that immediate supervisors are their first choice for evaluation process.
- There is no trust and confidence in the ability of appraisers, according to the responses of most of the respondents. This is mainly due to appraisers practice of bias and favoritism and due to their inadequate skill and knowledge.
- Majority of the respondents don't present their complain at the time of unfair evaluation result.
- According to most of the respondent's perception, the evaluation process is not free from bias.
- Performance Appraisal result data in Fortune Enterprise plc are not handle properly
- Majority of respondent that management response on the performance evaluation reported that it has lack of management response.



## **4.2. Conclusions**

On the basis of the finding stated above, the following conclusions can be drawn:-

- Employees know how about different purposes of performance Appraisal in Fortune Enterprise plc are good. But, the main objective of Fortune Enterprise Plc performance Appraisal is not understood by insignificant number of employees. To this end, Fortune Enterprise Plc is not in a good state to create common approach towards employee's attitude on the purpose of appraisal.
- It has been indicated that Fortune Enterprise plc policy on the period or frequency of performance evaluation has some problems. The day to day record on performance of accomplishment of tasks affect employees and the organization in many ways.
- There is a slight relation between the performance criteria and the job. Moreover, all tasks are not incorporated in the evaluation criteria and not related to measure employee's performance.
- The organization has lack of employee participation in performance criteria setting process.
- Most of employees believe that immediate supervisors are the right person to evaluate performance of subordinates.
- Most employees do not have trust and confidence in their appraisers. This would probably because of appraisers practice of bias and favoritism and also due to lack of related skill and knowledge.
- The practice of immediate feedback is rare in Fortune Enterprise Plc. Employees don't get timely response from their appraiser in relation with performance evaluation results.

- Most of employees do not express their compliant when they get unfair results.
- It has been indicated that performance appraisal records in Fortune Enterprise are not handled properly. Inappropriate data handling would not guarantee comprehensive employee performance data and because of this employees might have felt that their performance evaluation result records would have not any significance.

### **4.3. Recommendations**

Based on the above conclusion, the following possible solutions for the problem of performance Appraisal in Fortune Enterprise forwarded:

- In order to get the desired outcome all employees should know and have the positive attitude on the purpose of performance Appraisal. In order to get design out come Fortune Enterprise Plc should create awareness among employee.
- The system should give high weight to the frequency of performance Appraisal. Employees consent is the very essential component for the effective implementation. So, the organization should try to solve this problem by reducing the frequency of performance evaluation records without affecting the objective.
- The performance criteria of Fortune Enterprise Plc need to be encouraged for its principle that multiple criteria for different tasks. To this end, the criteria should be more accurate, specific and job related to generate objective employee performance. The performance criteria should also include all tasks which are used to evaluate individual performance. In addition to this, tasks which cannot be measured by quality, quantity, time and cost should be considered.
- To contribute for the successful operation of the system, employee participation in setting performance criteria should be highly practiced. Considerable participation of employees will improve employees motivation to reach the maximum performance level which is set by themselves.
- To encourage the employees, the PLC should used immediate supervisor as appraiser.

- In the absence of required skill and knowledge of appraisal. For the successful operation of the organization, skilled, efficient and committed appraisers are needed. Training appraisers is the best solution to reduce problems associated with appraiser's ability. The training would create feeling of trust and confidence by subordinates, and will reduce supervisor's subjective judgment. Above all, appraisers training ensure the improvement of the organization.
- Immediate feedback should be given the subordinates consistently after the appraisal.
- The organization should improve its complaint handling procedure by encouraging employees to express their feelings at the time of unfair performance results. To this end, the organization has to do more to strengthen the subordinate-supervisor relationship and communication culture. This will enable the subordinate to solve any problem related to the performance result before expressing their complaint.
- Most important and worth of recommendation for improving performance appraisal result data handling mechanisms. Despite securing well written policies and procedures the organization has done little to keep its employee's performance data. The data will help to the appraiser to get a comprehensive employee performance appraisal result data for the final rating which is undertaken twice a year.

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# *Appendices*

## *A*

**St. Mary's University College  
Business Faculty  
Department of Management**

**Dear Respondents,**

The purpose of this questionnaire is to present a senior essay concerning the problems of employee's performance appraisal system in Fortune Enterprise PLC, as a fulfillment of the requirement for the completion of B.A degree in management. Information provided by you will be of great value and help in completion of this research successful.

**Note**

You can respond in the following ways:-

- By putting tick mark (✓) in the box or free space provided.
- By writing the desired answer for open ended questions.
- No need of writing your name

**Thank you for your cooperation.**

**I. Personal Background**

1. Sex                  A. Male                       B. Female
2. Age                    A. Under 25                   B. 25-35                   C. 36-45   
                                        D. 46-50                   E. Above 50
3. Education level
- A. Under 12<sup>th</sup>                   B. Certificate  C. Diploma   
                        D. Degree                       E. Above degree
4. Service in the organization
- A. Under 5 years                   B. 5-10   
                        C. 11-20                       D. Above 20
5. Organization position \_\_\_\_\_

## II. Performance Appraisal Questions

1. Do you know the purpose of performance Appraisal in your organization?

A. Yes  B. No

2. To what extents the result of performance appraisal used for?

	V. high	High	Medium	Low	V. low	I don't know
A. For salary increment	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
B. For employee promotion	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
C. Provision of work incentive	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
D. For assigning the right worker at the right place	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
E. For employee transfer	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

3. How frequently are performance evaluations under taken in Fortune Enterprises PLC?

A. Twice a month  B. Monthly  C. Quarterly   
 D. Semi-annually  E. Other \_\_\_\_\_

4. Do you know employee performance evaluating criteria that the company uses?

A. Yes  No

5. Are the criteria's used to measure performance related to your work?

A. Yes  B. No

6. What do you think about the relation between your work and the content of performance appraisal?

A. High related  B. Related   
 C. Slightly related  D. Not related

7. Are the criteria relevant to evaluate your performance?

A. Yes  B. No



8. Have you ever participated in setting performance evaluation criteria?

A. Yes  B. No

9. By whom is your performance evaluate? (Put them on their rank, 1<sup>st</sup>, 2<sup>nd</sup> .....)

A. You immediate supervision  B. Your self

C. You peers and co-workers  D. Your immediate subordinate

10. Do you believe that employees with the some performance can be evaluated equally in your organization?

A. Yes  B. No  C. Don't know

11. The result of performance appraisal in your organizations usually reflect?

A. The whole period of performance under consideration

B. The recent performance  C. I can't judge

12. Do you trust and have confidence in the ability of the appraisers?

A. Yes  B. No

13. Based on the above question. If your answer was No, what is the reason? (Put them on their rank, 1<sup>st</sup>, 2<sup>nd</sup> .....)

A. They lack required skill & knowledge;

B. They are not will to appraise;

C. They do not know the purpose of the appraisal very well;

D. They do not have adequate time to appraise;

E. Other. \_\_\_\_\_

14. Does your appraiser give you immediate feedback on the result of evaluation?

A. Yes  B. No

15. Are you satisfied with the current system of employee evaluation?

A. Yes  B. No  C. Yes to same extent

16. How do you rate the appraisal system of your organization in improving employee performance?

- A. V. High     B. High     C. Moderate   
D. Low     E. Very Low

17. Do you ask your appraiser about the result of your performance evaluation, if you get it unfair?

- A. Yes     B. No

18. Is the performance appraisal process free from bias in your organization?

- A. Yes     B. No

19. How do you see the management response on your performance evaluation?

- A. Very high     B. High     C. Medium   
D. Low     E. Very Low

20. What other problems do you see in the performance appraisal process of the organization?

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21. Other comments, suggestions and recommendation (if any)

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**St. Mary's University College**  
**Business Faculty**  
**Department of Management**  
**Interview Questions**

These interviews are prepared for the HR department of Fortune Enterprise Plc to gather information.

1. What is the objective of the current performance appraisal system in your organization?
2. What are the criteria which are used to measure employees performance?
3. Are the criteria representing all tasks of the work group? Are there related to the job or job description?
4. Are the performance appraisal result data handled properly?
5. Does the organization has any policy and procedure regarding its performance evaluation process?
6. What is your standard on employee performance appraisal system?

# Appendices

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## **DECLARATION**

I, the undersigned, declare that this senior essay/project is my original work, prepared under the guidance of Ato Biruk G/Michael. All sources of materials used for the manuscript have been duly acknowledged.

Name: Theodros Takele

Signature: \_\_\_\_\_

Place of submission: SMUC

Date of Submission: June 21, 2010

## **ADVISOR'S DECLARATIONS**

This paper has been submitted for examination with my approval as the University College Advisor.

Name Biruk G/Michael

Signature \_\_\_\_\_

Date June 21, 2010



