ST. MARY'S UNVERSITY DEPARTMENT OF MANAGEMENT FACULTY OF BUSINESS

AN ASSESSMENT OF PERFORMANCE EVALUATION AND APPRAISAL PRACTICE OF REPI SOAP AND DETERGENT S.C.

 \mathbf{BY}

KASECH ESTIFANOS

JUNE 20014 SMU ADDIS ABABA

AN ASSESSMENT OF PERFORMANCE EVALUATION AND APPRAISAL PRACTICE OF REPI SOAP AND DETERGENT S.C

A SENIOR RESEARCH SUBMITTED TO THE DEPARTMENT OF MANAGEMENT BUSINESS FACULTY ST.MARY'S UNIVERSITY

IN PARTIAL FULFILLMENT OF THE REQUIREMENTS FOR THE DEGREE OF ART IN MANAGEMENT

BY

KASECH ESTIFANOS

JUNE 20014 SMU ADDIS ABABA

ST. MARY'S UNVERSITY

AN ASSESSMENT OF PERFORMANCE EVALUATION AND APPRAISAL PRACTICE OF REPI SOAP AND DETERGENT S.C

KASECHESTIFANOS

FACULTY OF BUSINESS DEPARTMENT OF MANAGEMENT

APPROVED BY THE COMMITTEE OF EXAMINERS

D	
Department head	signature
Advisor	signature
Internal examiner	signature
External examiner	signature

ACKNOWLEDGEMENTS

Glory to God and his mother for giving me courage and strength throughout my educational life next my deepest thanks goes to my advisor Mr. Terefe Feyera for his attentive follow up advise kindly approach comments. I want to for ward my heart acknowledgment to all my family specially my mother kelemwa buli and my husband Ato Talaksew Tefera fune to patience moral and support me.

My genuine appreciation goes to all staffs of Repi Soap and Detergent S.C

Kasech estifanos

TABLE OF CONTENT

	Page
Acknowledgements	i
Table of contents	ii
List of tables	v
CHAPTER ONE	
Introduction	1
1.1 Back ground of the organization	1
1.2 Statement of the problem	2
1.3Research question	2
1.4 Objective of the study	3
1.4.1General objectives	3
1.4.2 Specific objective	3
1.5 Scope of the study	3
1.6 Significance of the study	4
1.7 Definition of terms	4
1.8 Research design and methodology	4
1.8.1 Research design	4
1.8.2 Population and sampling technique	4
1.8.3 Types of data	
1.8.4 Method of data collection	5
1.8.5 Method of data analysis	5
1.9. Limitation of the study	5
1.10Organization of the stud	4

CHAPTER TWO

2.1 Review of related literature	7
2.2 Overview of performance appraisal	7
2.3 Definition of performance appraisal	7
2.4 Nature of performance appraisal	8
2.5 Objective and purpose 0f performance appraisal	8
2.6 Purpose 0f performance appraisal	8
2.7 Factor affecting performance appraisal	9
2.8 Determining objective evaluation criteria	12
2.9 Stipulating job- description	12
2.10 Establishing mutual understanding between the supervisor and the subordinate	13
2.11 Outcome of performance appraisal	15 15
CHAPTER THREE	
Data presentation analysis and interpretation	21
3.2 Analysis and interpretation of interview	31
CHAPTER FOUR	
4 Summary conclusion and recommendations	33
4.1 Summary	33
4.2 Conclusion	36
4.3 Recommendation	36
Bibliography Appendixes	

LIST OF TABLE

TABLE	PAGES
Table 1 Personal information of the respondent	21
Table 2 Importance of clear job description made by company	22
Table 3 Importance of performance appraisal plan	23
Table 4 The significance of supervisor action plan to measure performance	23
Table 5 Clear description of performance evaluation criteria	24
Table 6 Show weather performance appraisal criteria are accurate or not	25
Table 7 Show weather the current appraisal rate extra work or not	25
Table 8 Show feedback level of evaluation	26
Table 9 shows non validity of evaluation result	26
Table 10 Participation of employee in performance evaluation criteria	27
Table 11 Show level of enthusiasm of employee	27
Table 12 Show employee's degree of efficiency and effectiveness	28
Table 13 Show initiation of the attitude of working	28
Table 14 Punctuality and attendance on the job	29
Table 15 Salary increment	29
Table 16 Promotion	30
Table 17 Bonus payment	30
Table 18 Medical insurance	31

CHAPTER ONE

INTRODUCTION

1.1 Background of study

With out an effectiveness appraisal system promotion transfers and other employee related discussions become subject to trail and error. Career planning and human resource development suffer because there is no systematic performance feed back. And the human recourses department lacks adequate information to evaluate its performance objectively. This is lack of feed back can course the human resource department to miss its objectives. Some times the consequences of this failure are severe (weather et, 1990:336).

Using performance assessments for administrative purpose helps place employees imposition were their abilities can be beast used and can be help full an appropriate future position in addition administrative dissection linked to performance have a strong motivational potential. High performance is encouraged by rewarding the highest performance with such things as salary increases and promotional opportunists. In the terminology of expectancy theory such action strengthen employees instrumentally perception between high performance and attractive rewards (Davor, 1995:143).

Repi Soap and Detergent S.C was established by tree Greek industrialist in 1974 G.C in the town of Addis Ababa at the place cold kara kore the share company's owner ship was transfers the following year and its management fell under the national chemical corporation. It was re established as publically owned enterprise in 1992 the authorized capital at the time of re establishment was birr 1,525,000.00.

The share company started business as produce powder detergent, bar soap, 1979 and 1994 respectively, after some expansion and face lifting job the annual three thousand ton out put in to 2007 has quadrupled into twelve thousand tones out put in 2011 the company manufacture detergents for all purpose cleaning and industrial grade detergents for packing line machines for food prosing, beverage and the construction industrial, with over 35 years of experience in detergent manufacturing the company earned the trust of un increasing number of house holders and instittion, all detergent products from Repi Soap and Detergent S.C help our customer clinging services to standard out.

1.2 Statement of the problem

Performance appraisal according to Aswathappa (2005:227) is a formal structured system of measuring and evaluating an employees job related behaviors and out comes to discover how and why the employee is presently performing on the job and how the employee can perform more effectively in the future so that the employee organization and society all benefit. The preliminary interview held with human resource administration department revealed that the company is currently facing problem with respect to the following issue:

- Performance appraisals are performed by the department of human resource management annually by two consecutive terms the first phase of performance appraisal is conducting in January and the second term is performed in June. However during the standard establishment process human resource management department can't use procedure of good monitoring and evaluation system. For example the department does not follow all the necessary step of good performance evaluation system. A preliminary interview held with some employees also reveals that they are not happy with the company's practice of performance appraisal.
- ➤ More over the feed back of daily and weekly standard occupation assessment result on performance of employee has not been submitted on time and response has not been reaching on the spot.
- ➤ For every new entrant employee orientation program and handling over the employee with job descriptions have not been under taken by the management body of the company. Thus, the aforementioned problems call the attention of the student researcher to conduct an intensive study over the performance appraisal practice of Repi Soap and Detergent S.C

1.3 Research questions

This study attempted to answer the following research question:

- 1. How far does the company set objective criteria to measure the performance of employees?
- 2. To what extent do employees feel that they are evaluated in line with their job description?
- What are the practical out comes of performance evaluation as per the practice of the company?

1.4 Objective of the study

1.4.1 General objective

The study entailed to assess the performance appraisal practice of Repi Soap and Detergent S.C in the evaluation of performances of its employees and see how far the process goes in line with the techniques and methods of performance appraisal practice under the management science.

1.4.2 Specific objective

In line with the research questions mentioned above the study addressed the following specific objective.

- > To examine the relevance of the criteria up on which the performance of employees are measured.
- > To examine the feeling of employees about the relevance of their job description and evaluation.
- > To investigate the extent to which the company pays attention to the out come of performance evaluation.

1.5 Scope of the study

The study is confined to the practice of performance appraisal factors on Repi Soap and Detergent S.C. Even though the company was established 32 years ago the study focused only on the company's practice for the last four years. Because it is possible to find complete data and recent time practice and facts contribute to important data and to the existing actual problems. The researcher mainly focuses on over all performance appraisals of employees at different working position including from top management department to lower level employees. The researcher mainly focuses on determining the feeling of employees within the company performance appraisal system.

1.6 Significance of the study

This study has an important role by providing information about employee's performance appraisal practice. It may lead further investigation, discussion and suggestion which may have due importance for Repi Soap and Detergent S.C to take corrective and corrective action so as to achieve its objective. The out put of this study.

- ➤ It can provide management with ideas about existing strength and weakness in performance appraisal and the practice and behavior.
- The study is more useful for the researcher implement theoretical knowledge on practice
- > Finally, it mat also serves as abase or starting point for future researchers who want to study on similar topic.

1.7 Definition of term or operational definition

- ➤ Performance appraisal is a formal structured system of measuring and evaluating an employee job related behaviors and outcomes to discover how why the employee is presently performing on the job and how the employee can perform effectively in the future so that the employee, organization, and society all benefits (Aswathappa ,2005:227).
- ➤ Performance evaluations are an integral part of most organizations. Properly developed and implemented, the performance appraisal process can help an organization achieve its goal by developing productive employees (Decenzo, 2002:272).

1.8 Research design methodology

1.8.1 Research design

This research has been designed in such a way that descriptive research method is used. This method is preferred to describe the company's performance appraisal practice. Because of the very intention of the study to describe the existing practice of performance appraisal.

1.8.2 Population and sampling technique

To provide adequate data for analyzing the various sub population of the organization simple random sampling method was used.

The total employees are 360, among this total population of the company, only (30%) were sampled with the conviction that this number can represent the total population. Those total employees and six management of the study were selected from the total population of the organization through using simple random sampling techniques. This sampling technique gives equal chance to the total population of the organization was selected for the study.

1.8.3 Types of data used

For this study the researcher used both primary and secondary data source data to find or to gain reliable data. Primary data were gathered through questionnaire and also the researcher was collected its secondary sources of data consist of the Repi soap and Detergent S.C documents related to performance appraisal practice, from various published documents such as other related material of the study.

1.8.4 Method of data collection

In order to get all the necessary information and in order to achieve the objective on the area under which the research is conducted, both primary and secondary data source of information were used. In order to support some of findings of the primary data distributed to employees and in order to triangulate in formations obtained and to gather additional data interview was conducted with the managers of the organization according to their educational back ground.

1.8.5 Method of data analysis

After the data were collected, the student researcher focused on processing and analyzing the data. To this end the collected data were edited, organized and tabulated. Consequently, descriptive analysis basically percentage were used.

1.9 limitation of the study

The student researcher faced challenge on completing and backs the distributed questionnaires, and scheduling mangers to conduct interview. This was managed through patience follow up in order to fulfill the requirements.

1.10 Organization of the study

The researcher prepares contained four chapters the first chapter is an introduction that covers the back ground the statement of the problem research question objective significance scope research design definition of terms and organization of study. In the second chapter related literature were reviewed in order to get to get information about the subject under study. The third chapter presents data analysis and interpretation. The fourth chapter considers and attempts to give summary of finding conclusion and recommendation for problems the company.

CHAPTER TWO

REVIEW OF RELATED LITERATURE

2.1 Overview of performance appraisal

Employee performance appraisal technique is said to have been used for the first time during world war I when water D.sott of U.S army adopted the main to menstruating system for evaluating military personnel now merit rating largely restricted to rating of hurly paid employees and is used developing criteria for waged adjustments promotion transfer etc. performance appraisal place emphasis on the development of the individual and is used for evaluation of technical performance appraisal merit rating employees evolution annual rating etc inter changeable while other interpret some of this terms differently how ever, the term performance appraisal is most widely used in human resource management vocabulary (Goyal,2002:2012).

2.2 Definition of employee performance appraisal

Performance appraisal is the process of evaluating the ability of individual employee against pre determined standards usually seat in the job description it replace casual assessment with formal systematic, objective and professional procedure employees know they are being evaluated and they are told the criteria that will be used in the course of the appraisal nothing is kept secret. Appraiser and the appraisal should carry out this take jointly in the cordial atmosphere stressing on the plus points and finding backs if any of the appraises (Goyal, 2002:212).

Performance appraisal is systematic and objective performance evaluation of labor in order to recognize and reward their contribution to the organization and also identification their ability skill knowledge and motivation steps, those differences can be reduce but cannot be totality eliminated, it is there for necessary for management to know this difference are gives to work who perform better and each according to his efforts (Naior, 2004:379).

2.3 The nature of appraisal

An appraisal of an employee is undoubtedly measures at the time of his or her employment. However, an appraisal continuing bases during the working life of such an employee is also very describe and useful. Actually evolution is constantly being done through at unconscious level.

Employees evaluate superior, follow colleagues, and subordinate what is needed to generate proper control is a formal procedure are tim Here one individual after comparison with another is ranked or rated as excellent normal or average, such personal merit where exists can help materially in fixing the person should make such appraisal as well as prescribing the appropriate procedure (Dessler, 1995:349).

2.4 Objective and purpose of performance appraisal

Data relating to performance assessment of employees are recorded, stored and used for several purposes. The main purposes of employee assessment are

- 1. To effect promotions based on competence and performance
- 2. To provide information to words strength and weakness of employees in their job performance
- 3. To help better allocation of resource
- 4. To improve communication. Performance appraisal provides a format for dialogue between the superior and subordinate and improves understanding of personal goals and concern.
- 5. To supply general information on training need for the organization or departments.
- 6. To improve motivation by increased understanding of goal, the means of attaining those goal and the rewards associated with achievement.
- 7. To improve performance by developing strengths and dealing with weaknesses; and others. (Aswathappa, 2005:227).

2.5 Purpose of performance appraisal

According to cascico (2006) performance appraisal place an important part in the overall process of performance management. Hence it's important that we examine it in some detail. It is an exercise in observational intervention. The purpose of performance appraisal should clearly to be known by both managers and supervisor employees.

As explained earlier, it is only when employees understand clearly what the performance appraisal system is trying to achieve the

Organization that the system it self brings positive and tan gable impacts on the organization in general appraisal serves.

- > To improve employees work performance by helping they realize and use there full potential in carrying out their firms mission
- ➤ The proved information to employees and managers for use in making work related dissensions more specifically appraisal serve the following purposes
- Appraisals proved legal and formal organization justification for employment dissection in this sense it could use to promote outstanding performance to train transfer or discipline others etc. under this context appraisal serves as a key input for administrating a formal organizational reward and punishment system.
- Appraisal used as criteria in test validation that is test results are correlated with appraisal results to evaluate the hypothesis that test score predict job performance
- > Appraisals proved feed back to employee it serves as vehicle for personal and career development.
- > Appraisal can help establish objectives for training programs this is because appraisal indicating development.
- Appraisals can help diagnose organizational problem to do so by identifying training needs and the knowledge rehabilitees and other characteristic to consider in hiring and they also proved a bases for distinguished between effective performances.

2.6 Factors affecting performance appraisal

Among the other book salyadin and dessler found to describe more on the factors can affect the performance appraisal, so that more idea have been taken from the authors: -

➤ Human Errors: while discussion on the achievement of objectives focuses on some of the deliberate attempts by supervisors to avoid taking harsh but realistic decisions, there are a number of other factors that dilute the appraisal process unconsciously. Different authors state the type of error measurement in performance appraisal system (Salayadin, 1999:205).

- ➤ Hallo error: -is not as common as is commonly believed raters who commit this error assign their rating on the bases of global (good or bad) impressions rates. An employee is rated either high or low on many aspect of job performance because the rater known that the employee is high or low on some specific aspect is practice hello is probably due to situational factors on to the interaction of a rater a situation (Aswathapha, 2002:208)
- ➤ Contrast error:- results when rater compares several employees to one rather than to an objective standard of performance (Aswathapha, 2002:208)
- ➤ **Recent error:-** result when a rater assign his or her rating on the base of employees most recent performance it most likely to occur when appraisal are done only after long period(Cassico,2007:355)
- ➤ Leniency and strictness:-the same problems exists in performance appraisal in all organization some managers will tend to be lenient in rating all of this subordinates while others may be extremely strict such differences can create difficult problems for the organization
- ➤ Central tendency:- some appraisers are reluctant to rate individuals as ether very good or very poor an appraiser who does not know too much about the behavior of the individuals being rated may consider rating the behavior of the individuals being rated may consider rating them as average a safe strategy this problem is sometimes are referred to as the central tendency error central tendency is the problem of range restriction range may involve clustering all employees around any point on scale (John,etal,1983:230).
- ➤ Recency vs. primacy effect error: -recency refers to the proximity or closeness to appraisal period. Generally an employee takes it easy for the whole year and does little to get by the punishment. How ever, comes appraisal time, he becomes very active. Suddenly there is an aura of efficiency. Files move faster, takes are taken seriously and the bosses are constantly apprised of the progress and problems.

All this created an illustration of high efficiency and plays a significant role in this appraised decision. The supervisory gets railroaded in to believing that the employee is alert and hence rated him high. (Aswathapha, 2002:308).

Unclear standards error:-unclear standards problem this graphic rating scale seems objective, but would probably result in unfair appraisal because the traits and degrees of merit are ambiguous. For example, different supervisor world probably define "good performance, "fair' performance, and so on differently. The same is true of trait such as "quality of work" or creativity. The best way is to develop and include descriptive phrases that define each trait. There is the form specified what has meant by "out standing" superior and "good" quality of work. This specificity results in appraisal that are more consistent and more easily explained. (Dessler, 2004:254).

- ➤ Rater effect error:-this include favoritism, stereotyping, and hostility excessively high or low scores are given only to certain individual or groups based in the raters attitude to wards the rate, not on actual out come or behaviors, sex, age, race and friend ship biases are examples of this type of error. (Aswathapha, 2002:208).
- ➤ Spillover effect: this refers to allowing past performance appraisals ratings to unjustifiably influence current rating, past ratings, good or bad result in similar rating for the current period although the demonstrated behavior does not deserve the rating good or bad. (Aswathapha, 2002:208).
- ➤ General bias: there are money ways a supervisor can skew everyone's evolutions. Some supervisors exhibit the central tendency, rating everyone as about average and only deviations in extreme circumstances. By contrast, and evaluator exhibiting a license bias will rate every one fairly high, perhaps out of a desire to avoid confronting unhappy employees. An evaluators blaming or praising employees for things that were actually out their control. (Dessler, 2004:255).

2.7 Determining objective evaluation criteria

The dimensions of performance up on which an employee is evaluated are called the criteria of evaluation. Examples include quality of work quantity of work and cost of work one of the major problems with many performance evaluation. That is they require supervisors to make personnel evaluations. That is the evaluation criteria some system is the personality of the incumbent rather than there levels of performance. According to cascio (2006) for appraisal to be effective the following criteria needs to be fulfilled.

- Relevance:-implies a direct link between performance standard and organizations goals
 and could also mean to say a clear link between job analysis and appraisal form. It also
 implies that the periodic maintenance and updating of job analysis performance standards
 and appraisal system
- 2. **Sensitivity**:-implies that performance appraisal system is capable of distinguishing effective from ineffective performance
- 3. **Reliability**:-implies when the appraisal system gets of the conformity of acceptance of those who will be affected by them .this condition leads to more favorable reactions to the process and actually increases trust for management.
- 4. **Practicality**: implies that appraisal instruments are easy for mangers and employers to understand and use (Casio, 2007:334-335).

2.8 Stipulating job description

The performance appraisal process beings with the establishment of performance standards in accordance with the organizations strategic goals this should have involved out of the company strategic direction and more specifically the job description. The job description is a key tool in the design of pay they serve two purposes.

- > They identify important characteristics of each job so that the relative worth of jobs can be determine
- From them we can identify, define and weight compensable factors common job characteristics that an organization is willing to pay for, such as skill, effort, responsibility, and working condition.

These performance standards should also be clear and objective enough to bee understood and measured. Too often these standards are articulated in ambiguous phrases that tells us little such as "a full day's work "or "a good job". What is a "fully days work" or "a good job"? the expectation a supervisor has an interims of work performance by her employers must be clear enough in her mind so that it will be able to, at some later date, communicate this expectation to her employees, mutual agree to specific job performance measures, and appraise their performance against these established standards(Decenzo, 2002:272).

The following steps to be followed by the organization in the evaluation process

- 1. Establishing performance standards
- 2. Communicate the standards to employees
- 3. Measuring actual performance
- 4. Evaluating factors affecting performance
- 5. Discussing the appraisal with employees
- 6. Compression with actual performance with set standards
- 7. Initiate the necessary corrective action

2.9 Establishing mutual understanding between the supervisor and the subordinate

The people group usually do the appraising include the immediate supervisor employee peers employee themselves and subordinate

- ➤ Immediate supervisor:-appraisal of subordinates by supervisor is deemed by many to be an essential part of executive job in most situation the rate is immediate supervisor of the person to be rated. Because of frequent contact he/she is most familiar with the employee work and behavior. It also assumed that the supervisor able to interpret and analyze the subordinate's performance in light of the organization objective super visor rating are often reviewed and approved by higher management there by maintaining hierarchical control over the appraisal Process (Aswathappa, 2002:204).
- ➤ Employee peers: the employee peers are in a better position to evaluate certain facts of job performance which the subordinate or supervisor can't do such facts include contribution to work group project interpersonal effectiveness communication skill, reliability and imitative (Aswathappa, 2002:204).

➤ Subordinates:-it is method were by subordinate their superior. It is used more development aspects of performance evaluation than some of the other method it is also useful in assessing an employees ability to communicate delegate work allocate resource disseminate information resolve inter personal conflicted and deal with employees on a fair basis (Aswathappa, 2002:204).

2.10 Out comes of performance appraisal

Appraisal out comes: -employees are privacy to their appraisal scores because supervisors are required to share the out comes of the appraisal. At this time, employees can see how well, or poorly, they scored. In turns, this will signify to an employee how his supervisor perceives him (John, 1984:211).

Effects: -it is human natural for employees to be affected by how well they score on performances appraisal. According to the out come, employees may feel motivated or deflected.

Negative impact:-if a supervisor gives an employee a poor score on his/her appraisal, they employee may feel a loss of motivation in the work place. Consequently, this can impact the employee's productivity and performance.

Positive impact: -an employee who reserves good score on their appraisal is generally motivated to perform well and maintain there appraisal are generally motivated to perform well and maintain there productivity. Positive feed back appraisal gives employees a feeling of worth and value, especially when accompanied by a rise (John, 1984:2011).

Communication: - the most effective organizations are those that encourage and rewired effective communication, both between employees and their supervisor, performance appraisals can help employees' understand their strengths and weaknesses in this area and set attainable goal to bolster their weaknesses while emphasizing their strengths. Resulting development plans can also provide for enhanced training and communication opportunities (John, 1984:211).

Improvement:- when employees work together effectively and communicate appropriately excellence individual employees need to work together to find areas where challenges exist, or where productivity can be improved, performance appraisal can help employees target areas for improvement, as well as identify strengths and stratifies they can employee to improve managers

And employees can work together to identify related development opportunities such as training in project management, six sigma and learn methodology (John, 1984:212).

Change: - change is ironically, a constant for organizations. Management decisions or outside factors, including the industry or economy it must be implemented efficiently and effectively. An employee can be best act as a change agent when he understands the impact of his role and how his efforts can be optimize and replicated throughout the organization (John, 1984:212).

Leadership: - through team work, communication, improvement and change, leaders are developed. An effective organization not only has formal leader's managers and executives but also individual employees who take on rather momentary or long-term leadership role. That benefit the entire organization when employees are given effective feedback on their leadership they can develop strategies to help them grow both as an individual and organization (John, 1984:212).

2.11 method of performance appraisal

On performance appraisal methods there are different books mentioned about appraisal methods but more concepts clarify by Aswathppa. Aswathppa indicated the last to be addressed in the process of designing an appraisal program is to determine method (s) of evaluation. Numerous methods have been devised to measure the quantity and quality for employee's job performance. Each of the methods discussed could be effective for some proposed, organizations none should Be dismissed or accepted as appropriate except as they relate to the particular needs of the organization of a particular type of employees. Broadly all the approaches to appraisal can be classified in to two (1) Past-oriented methods, and (2) Future oriented methods. (Aswathappa, 2002:213).

2.6.1 Past oriented appraisal methods

Rating scale: - this is the simplest and most popular techniques for appraising employee performance. The typical rating scale system consists of several numerical scales, each representing a job-related performance criterion. Such as dependability, initiative, output, attendance, attitude, co-operation. Each scale ranges from excellent to poor. The rater checks the appropriate performance level on each criterion, then computers they employees total numerical score.

The number of points scored may be linked to salary increases, whereby so many points equal arise of some percentage. The raters biased are likely to influence evaluation, and the biased are particularly pronounced on subjective criteria such as cooperation attitude and initiative. Further more, numerical scoring gives an illusion of precisions that is really unfounded. (Aswathappa, 2002:213).

Forced distribution method: - one of these errors in rating is leniency clustering a large number of employees around a high point on a rating scale the forced destination method seeks to overcome the problem by compelling the rater to disrupt the rates on all points on the rating scale. The method operates consider an assumption that employee performance level conforms to a normal statistical distribution. (Aswathappa, 2002:214).

Generally it is assumed that employees performance level confirm to a bell-shaped curve. The major weakness of the forced distribution method lays in the assumption that employee performance levels always conform to a normal distribution. In the organization that have done a good job of selecting and rating only the good performers, the use of forced distribution approach would be unrealistic as well as possible destructive to the employee moral. The error of central tendency may also occur, as the rater resists from placing an employees in the lowest or in the larger highest group difficulties also arise for the rater to explain to the rate why he or she has been placed in a particular group. One merit of this approach is that it seeks to eliminate the error of leniency. How ever, the forced choice method is not acceptable to raters and rate, especially in small groups, or when group members are all of high ability. (Aswathappa, 2002:214).

Critical incidents method:-the critical incidents method of employee assessment has generated a lot of interest these days the approach focus on certain critical behavior of an employee that make all the differences between effective and non- effective performance of a job.

One of the advantages of the critical incidents method is that the evaluation is based on actual job behavior. Further, the approach has description in the support of particular rating of an employee. Giving job related feed back to the rate is also easy. It also reduces the leniency bias, if raters record incidents throughout the rating period. Generally, this approach can increase the chance that the subordinates will improve because they learn more precisely what is expected of them.

The methods however have significant limitation

- 1. Negative incidents are generally more noticeable than positive ones;
- 2. The recording of incidents is a chore to the supervisor and may be put off and easily forgotten;
- 3. Overly close supervisor may result;
- 4. Managers may unload a serious of complaints about incidents during an annual performance review session.

More appropriately, the management should use incidents performance as opportunities for punishment or immediate training and controlling. (Aswathappa, 2002:214).

Essay method: - in the easy method the rater must describe the employee with in a number of broad categories, such as

- **The raters over all impression of the employee's performance.**
- ❖ The promote ability of the employee
- * The jobs that employees are now able to qualified to perform.
- ❖ The strength and weakness of the employee, and

The training and development assistance required by the employee. It is extremely use full in filling information gaps about the employees that often occur in the better structured checklist methods. The strength of the essay method depends on the working skills and analytical ability of the rater.

How ever many raters do not have good writing skills. They become confused about what to say how much they should state and the depth of the narrative. A problem with this method is that the rates may be rated or quality of the appraisals that they give. The quality standard for the appraisal may be underlay influenced by appearance rate than content. This "high quality" appraisal may provide little useful information about the performance of the rate. (Aswathappa, 2002:214).

Ranking method: - in this the supervisor ranks his or her subordinates in the order of their merit, starting from the beast to the worst. All that the human resource department knows is that A is better than B. The "how" and "why" are not questioned, not answered. No attempt is made to fractionalize what is being appraised in to component elements. This method is subject to the hallo and leniency effects, although ranking by two or more raters can be averaged to help reduce biases. Its advantages include ease of administration and explanation. (Aswathappa, 2002:214).

Behaviorally anchored rating method: is some times called behavioral expectation scales, are rating scales whose scale points are determined by statements of effective and ineffective behaviors. They are said to be behaviorally anchored in that the scales represent a range of descriptive statement of behavior varying from the least to the most effective. A rater must indicate which behavior on each scale beast describes an employee's performance. Behaviorally anchored rating method help over come rating error, unfortunately, this method too suffers from distortions in here in most rating techniques. Aswathappa, 2002:214).

2.6.2 Future oriented- appraisals

According to Aswathappa, this can be assessed by focusing on employee potential or setting future performance goals. The commonly used future –oriented techniques are management by objectives, psychological appraising and assessment centers. (Aswathappa, 2002:215).

Management by objectives: - the concept of management by objectives reflects a management philosophy which values and utilizes employee contribution application of management by objectives in the field of performance appraisal is recent thinking. The system is flexible since employees can have different standard of performance even if their job description are similar unlike rating system used across job positions. Management but objectives workers can be described to establish the goals each subordinate is to attain in some organizations, superiors establish goal for subordinates. It is extremely hard to write performance standards that are meaningful and objective ways is an art from generally requires training for those involved in writing standard that may mean training both managers and employees, these is no question that up front work involved with this system is much more demanding than lets say for a narrative or rating system, where the upfront work can be almost zero. (Aswathappa, 2002:215).

Assessment centers:-mainly used for executive hiring, assessment careers are now being used for evaluated executives or supervisory potential. An assessment career is a central location where managers may come together to have their participation in job relate exercises evaluated by rained observers. The participial idea is to evaluate mangers over a period of time. The characteristics assessed in a typical assessment center include assertiveness, persuasive ability, communicating ability, planning and organizational ability. (Aswathappa, 2002:220).

360 degree feed back: as stated earlier, here multiple raters involved in evaluating performance, the techniques is called 360-degree appraisal. The 360 –degree technique is understood as systematic collection of performance data on an individual or group, derived from a member of stakeholders. The stake holders being the immediate supervisors team members, customers, peers, and self. Intact any one who has useful information on "how an employee does the job" may be one of the appraisers.

The 360 degree appraisal provides a broader perspective about an employee's performance. In addition, the technique family rates greater self development of the employees. For ones development, multi source feedback is highly useful.

It enables an employee to compare his or her perceptions about self with perceptions of others. Besides, the 360-degree appraisal provides formalized communication links between an employee and his/her customer. It makes the employee feel much more accountable to his/her internal/external customers. The technique is particularly helpful in assessing soft skills possessed by employees. By design, the 360-degree appraisal is effective in identifying and measuring interpersonal skills, customer's satisfaction, and team-building skills. (Aswathappa, 2002:220).

However, there are drawbacks associated with the 360-degree feedback. Perceiving feedback on performance from multiple sources can be intimidating. It is essential that the organization creates a none-treating environment by emphasizing the positive impact of the technique on an employee's performance and development. Further, firms that use the techniques take a long time on selecting the rater, desiring questionnaire and analyzing the data. In addition, multiple raters are less adapt at providing a balanced and objective feed back then the supervisors, who are thought to be replaced. Raters can have enormous problems separating observations from personal differences and biases. Pitfalls not with standing, more and more member of firms are using the 360-degree appraisal technique to asses the performance of their employees. (Aswathappa, 2002:220).

CHAPTER THREE

DATA PRESENTATION, ANALYSIS AND INTERPRETATION

This chapter deals with presentation, analysis and interpretation of data gathered through questionnaire and interview. The questionnaires were distributed to 108 selected respondents. Out of this 90 of respondents filled out and returned the questionnaire. In this part of the study the data collected through questionnaire are tabulated, analysis and interpretation on the other part these chapter discuses the information obtained through the administration of interview and from documents.

Table- 3.1 personal information of the respondents

Item		Category	No respondent	Percentage
		Male	48	54%
1	Sex	Female	42	46%
		Total	90	100%
		<20	0	0%
2		21-30	30	33%
	Age	31-40	41	46%
		41-50	19	21%
		51 above	0	0%
		Total	90	100%
3		12 complete	25	28%
		Diploma	10	11%
	Level of education	1 st degree	50	55%
		2 nd degree and above	5	6%
		Total	90	100%
	Service year in the	0-5	20	45%
	company	5-10	40	22%
4		11-15	17	19%
		Above 16	13	14%
		Total	90	100%

As clearly described in the above table 48 (54%) of the respondents are male and the rest 42 (46%) of the respondents are female. The same table also reveals that out of the total 90 sample respondents 30(33%) fall in the age range of 21-30 years; 41(46%) fell in 30-40 years range and 19 (21%) 0f them are in the category of age range of 41-50 years. This implies that to some extent the organization believe that males and the people who fell in the age range of 30-40 are competent enough for the nature of the work as far as educational qualification of the Respondents concerned. As shows in item 3 of the table 25 (28%) of the respondents grade12 completed 10 (11%) of the respondents have collage diploma 50 (55%) of the respondents are degree holders on the other hand 6 of the rest have master of art (MA). This may indicates that the organization as manufacturing company has enough work force to operate the organizational activities, for the student researcher on the other hand it enables to get efficient information to conduct this study. When we see item 4 of the above table 40 (45%) of the respondents have been served for 5-10 year in the company 20 (22%) have 0-5 service year, 17(19%) and 13 (14%) of the respondents have 11-15 and above 16 service year in the company respectively.

Table -2 Importance clear job descriptions

The appraisal process requires that performance expectation be set for	Respondents	
you during a planning session at the start of rating period	No	%
Strongly agree	19	22%
Agree	32	37%
Neutral	-	-
Disagree	20	23%
Strongly disagree	15	18%
Total	86	100

As indicated in table 1 above respondents were asked to their level of agreement that performance expectation, that is requirement for appraisal process it set for them during planning. Accordingly it has been found out that 19(22%) and 32(37%) of them rated as "strongly agree" and "agree" respectively conversely, 20 (23%) and 15 (18%) of them rated "disagree" and "strongly disagree".

Although the data shows that the majority have positive perception about the organization practice in setting performance expectation, it is possible to sense that there are visible gap as 34(45%) of respondents do not have positive impression.

Table 3 importance of performance appraisal plan

The appraisal expectations during the performance planning session	Resp	ondents
reflect the most important factors In your job expectation	No	%
Strongly agree	34	44%
Agree	10	13%
Neutral	-	-
Disagree	15	20%
Strongly disagree	18	23%
Total	77	100%

As can been seen in table 3 above 34 (44%) and 10(13%) respondents pointed out by "strongly agree "and "agree" respectively that of the expectation set during the performance planning session reflects the most important factor on their job on the other hand the rest of 15(20%) and 18 (23%) respondents confirmed that expectation that set during the performance planning session does not reflect the most important factors in their job it is possible to say that there was a gap of 33 (42%) respondents and the work were done as of the appraisal plan.

Table 4the significance of supervisor action plan to measure performance

The appraisal process allows you to set the performance standards that	Resp	ondents
your supervisor will use to rate your performance	No	%
Strongly agree	5	6%
Agree	33	36%
Neutral	3	4%
Disagree	30	33%
Strongly disagree	19	21%
Total	90	100%

In the above table the researcher also tries to assess the rate whether the appraisal process allows employees to set performance standard for the use of supervisor to evaluate them or the process not allows employees. Accordingly 5(6%) and 33 (36%) of the respondents "strongly agree" and Agree "respectively and the other respondents i.e. 30 (33%) and 19 (21%) are "disagree" and "strongly disagree" in this regard 3(4%) of respondents are neutral. From this information there was a deferent among employees that was some of the employees are allows to

Set performance standards but the majority of respondents were not allows. This implies that employees do not have equal chance.

Table -5 clear descriptions on performance evaluation criteria

The performance standards are clearly explained to employee	Respondents	
	No	8
Strongly agree	38	42%
Agree	37	40%
Neutral	3	4%
Disagree	5	6%
Strongly disagree	7	8%
Total	90	100%

Based on the data collected through questioners from respondents 38(42%) and 37(40%) respondents replied that "strongly agree" and "agree" conversely 5(6%) and 7(8%) of the respondent are "strongly agree" and "disagree" that the organization is not clearly describe the criteria of performance evolution, the rest of 3(4%) respondents are neutral their for the company has good reputation in this regarded as of the majority of the respondents agree that the organization has a good repletion in relation to clarify performance evaluation criteria. This implies that employees were not aware their expected performance equally, which leads to poor rate of departmental objectives.

The criteria of the appraisal system is not accurate	Respondents

	No	0/0
Strongly agree	6	8%
Agree	11	14%
Neutral	-	
Disagree	19	24%
Strongly disagree	42	54%
Total	78	100%

Table -6 weather performance appraisal criteria are accurate or not

From the response provide in the above table majority of the respondent which covers 19(24%) and 42(54%) were" disagreed "and "strongly disagree" by that of the criteria of performance appraisal are accurate 6(8%) and 11(14%) of the respondents conversely "strongly agree" and "agree" respectively by the accuracy of performance appraisal evaluation. Thus it is possible to say that the evaluation and the appraisal given to the employees are not related and senseless, which leads to high financial and time cost.

Table: 7 show weather the current appraisal rate extra work or not

The current appraisal does rate the extra work of the	Respondents	
employees	No	્રે
Strongly agree	9	11%
Agree	4	5%
Neutral	-	
Disagree	55	69%
Strongly disagree	12	5%
Total	80	100%

When we see weather extra work of the employee rate or evaluate in the current appraisal from the total respondents 9(11%) and 4(5%) are said that yes the current appraisal rate extra work by strongly agree and agree respectively, the rest of the respondents 55(69%) and 12 (15%) are disagree and strongly disagree by that of the current appraisal rates extra works. From this truth one can be says that the organization is not properly evaluate the employees and not understand their efforts to wards the achievements of its goals and objectives.

25

Result of evaluation are discussed and explained to the	Respondents
---	-------------

	No	%
Strongly agree	15	12%
Agree	8	9%
Neutral	-	-
Disagree	21	28%
Strongly disagree	31	41%
Total	75	100%

Table: 8 Show feed back level of evaluation

As summarized in the above table the majority of the respondents i, e 31(41%) and 21(28%) disagree and strongly disagree that the result of evaluation are discussed and explain to the employees concern 15 (20%) and 8(9%) of the respondents un like the others strongly agree and agree by that of result of the evaluation are discussed and explain for them. As a result of this measure of employees can not be known their gap and weakness to be improved and strength to be maintaining the company may use the evaluation result only as personal record.

Table: - 9 the result of evaluation reliable and valid

Result of evaluation are reliable and valid	Respondents	
	No	%
Strongly agree	38	42%
Agree	22	24%
Neutral	2	3%
Disagree	18	20%
Strongly disagree	10	11%
Total	90	100%

As indicate the above table that among the total respondents majority of them strongly agree and agree that the performance evaluation is reliable and valid which covers 38(42%) and 22(24%) respectively, the rest of the respondents i.e. 18(20%) and 10 (11%) disagree and strongly agree by that of the performance evaluation is reliable and valid As performance appraisal one of a major human resource activities performance appraisal should be reliable and valid .It may implies that employees results depends on the relation ship with the immediate supervisor rather than the capacity they have to do the assigned job.

Table: 10 Formulation of evaluation criteria

Employees are involved in the formulation of evaluation criteria	Respo	ondents
	No	%
Strongly agree	4	5%
Agree	2	3%
Neutral	-	-
Disagree	51	65%
Strongly disagree	22	27%
Total	79	100%

Table: 10 tries to indicate the degree of employee involvement at the time of formulation of evaluation criteria, accordingly about 51(65%) and 22(27%) said that the degree of employee involvement in the formulation of evaluation criteria disagree and strongly disagree respectively, the rest of the respondent i.e. 4(5%) and 2(3%) confirmed that it was strongly agree and agree. Accordingly to the majority of the respondent can agree that the employee does not have a good reputation against the employee's involvement during the formulation of evaluation criteria.

Table: 11 Enthusiasms in performing their job

Enthusiasm in perform your job	Respondents	
	No	%
Very high	45	50%
High	23	25%
Medium	6	7%
Low	12	13%
Very low	4	5%
Total	90	100%

As can be seen the above table the respondents were also asked about their enthusiasm in performing their jobs in this regard 45(50%) and 23(25%) of the respondents replied that very high and high enthusiasm to wards their job the other respondents i.e. 12 (13%) and 4(5%) have low and very low interest on their job in this regard 6(7%) of respondents are medium. This implies that the majority of the employees were assigned with relation to their field of study and they work professionally.

Table: 12 Employee degrees of efficiency and effectiveness

Efficiency and effectiveness your job	Re	espondents
	No	%
Very high	43	48%
High	11	12%
Medium	21	23%
Low	6	7%
Very low	9	10%
Total	90	100%

The above table trays to asses employees degree of efficiency accordingly of majority of respondents i.e. 43(48%) and 11(12%)believed that the efficiency and effectiveness of the employees are very high and very high respective also the data show that 21(23%) of the respondents said that employees have medium efficiency and effectiveness on their job while the rest i.e. 6(7%)and9(10%) confirmed that they have low and very low efficiency and effectiveness on their job respectively from this information one can be said that the effectiveness and efficiency of employees of their job i.e. the company has competent enough work force

Table: 13 show degree of work initiation of employee

Initiation of the attitude of working beyond your assigned	Respond	ents
time	No	%
Very high	43	58%
High	15	20%
Medium	12	16%
Low	3	4%
Very low	1	2%
Total	90	100%

As indicate in table 13 above respondent were asked to rate their level of agreement that show level of work initiation, accordingly it has been found out result that 43(58%) and 15(20%) of them rated as "very high" and "high" respectively

28

on the other hand 3(4%) and 1(2%) of them replied as "low" and "very low" although the outcome shows that the majority have positive acceptance about level of work initiation it is

possible to sense that there are visible gaps as 4(6%) of the respondents do not have good impression.

Table 14 Punctuality and attendance

Punctuality and attendance on job	Re	Respondents	
	No	%	
Very high	42	46%	
High	31	34%	
Medium	13	14%	
Low	4	6%	
Very low	-	-	
Total	90	100%	

As indicate in table 14 above respondent were asked to rate their level of agreement that punctuality and attendance on their job it has been found out that 42(48%) and 31(34%) of them rated as very high and high respectively conversely 13(14%) and 4(6%) of them rated medium and low punctuality and attendance their job although the data shows that the majority of the respondents are very punctuated in their job.

Table 16 salary increment

Salary increment	Respondent	
	No	%
Very high	2	3
High	6	7
Medium	38	42
Low	30	33
Very low	14	15
total	90	100

As indicate in table 16 above respondent were asked to rate their amount of salary increment it has been found out that 2(3%) and 6(7%) of them replied that "very high" and "high" respectively.

Conversely 30(33%) and 14(15%) of respondent rated that "low" and "very low" although the data show that the majority of the respondent negative perception about the amount of salary increment

Table17 promotion

Promotion	Respondent				
	No	ે			
Very high	27	30			
High	34	38			
Medium	8	9			
Low	10	11			
Very low	79	12			
Total	90	100			

As in the above table the respondent were asked to rate their degree of promotion it has been found out 27(30%) and 34(38%) of them replied that very high and high respectively conversely 10(11%) and 79(12%) of respondent rated that low and very low although this data show that the respondent have negative perception about degree of promotion.

Table 18 Bonus payment

	Respondent				
Bonus payment	Number	%			
Very high	-	-			
High	19	25			
Medium	37	48			
Low	21	27			
Very low	-	-			
Total	77	100			

As indicate that in the above table respondent asked to rate the award bonus payment in this regard 19(25%) of the respondent replied that they have "high" bonus payment, conversely 21(27%) of the respondent rated them as "low" this shows that the company does not well performing bounce payment to the employee as the result of this majority of the respondent negative perception about bonus payment.

Table 20 Medical insurance grant

Medical insurance grant for	Respondent				
employees	No	%			
Very high	53	62			
High	19	22			
Medium	13	16			
Low	-	-			
Very low	-	-			
Total	85	100			

As indicate that in the above table 20 the respondent were asked to rate their medical insurance grant it has been found out that 53(62%) and 19(22%) of them rated as "very high" and "high" Respectively, the data although show that majority of the respondent positive perception about medical insurance grant, the company should have a good trained concerning about medical grant giving for the employees.

3.2 Analysis and interpretation of interview question

The findings obtained that from the interview the staff member of the management believe that there were problems faced when they conducting the performance evaluation and it always done by the policy of the company unlike employees responses managers are confirmed that employees are accepting their weakness and strength through clearly communicate the appraise results and they react positively which stated that training and other capacity building program under consider. The response of the management regarding to the criteria used to evaluate employees, the criteria are set by management with discussion of employees. To get a good result of performance appraisal at organization level group team level, individual as well as employee's level.

According to the management interviewed commented that the practice of performance appraisal evaluation since it measure on balanced way. That is it uses generic measures like financial customer internal business process, learning and growth.

This is because corrective actions under taken by the customer service department are the responses for this stated good practice. It was stated also that the practice of performance appraisal in Repi Soap and Detergent S.C was appreciated by privatization and public enterprises. According to the management performance appraisal system in the organization prepare in fairly manner they said that the technique they use is scaling method to rate the employee performance this method deals with evaluating employee performance by setting a standard like excellent, very good, good and below av4trage with corresponding numerical value

CHAPTER FOUR

4. SUMMARY, CONCLUSION, AND RECOMMENDATIONS

This chapter summarizes the main findings of the study and presents conclusions and suggests recommendations for the identified problems based on the conclusions.

4.1 SUMMARY

The studies tried to assess and analyze the performance evaluation and appraisal practice of Rapi Soap and Detergent S.C research design and methodology, types of data used and data tools also intended to suggest possible solution to the problems.

The major findings obtained from this study are summarized as follows

- ❖ The research has been designed in such a way that descriptive research method is used
- ❖ Types of data used for this research both primary data and secondary data source. Primary data were gathering through questionnaire and interview held with managers of the organization. Secondary data were collect from the relevant organizational polices guidelines as well as other related documents.
- ❖ Data tools used:- to conduct the study different stationary materials and printed questioner paper was used to collect and analyze data in short the following materials was used to collect data during research preparation—such as notebook, photocopy, flash, pen, ruler, binder, telephone and transport service. Data presentation, analysis and interpretation findings obtained from this study summarized as follow
- ❖ 32(37%) of respondents response indicate that rated agree on the performance appraisal expectation. Although the data show that the majority have positive perception about the organization practice in setting performance expectation.
- ❖ 34(44%) of respondents rated strongly agree on the degree of expectation during the performance planning session. The data shows that the expectation set during the performance planning session reflects the most important factor on their job.

- ❖ 33(36%) respondents rated agree on the significance of supervisor action plan. Although the majority of the respondent were allows to set the performance standards that supervisor will use to rate the performance of employees.
- * Respondent i.e. 38(42%) rated indicate strongly agree on clear employee performance standards. The data show that majority of the respondents agree that the organization has a good repletion in relation to clarify performance evaluation criteria.
- ❖ Number of respondent 42(54%) rated strongly disagree on the criteria of performance appraisal. Although it is possible to say that the evaluation criteria and the appraisal given to the employees are accurate.
- ❖ 55(69%) respondent rated disagree on the current appraisal rate extra work or not. Although the majority of the respondents were reflected that current appraisal does not the extra work of the employees.
- ❖ Number of respondents 31(41%) rated strongly disagree on the feedback level of evaluation. The majority of the respondent were that result of evaluation does not discussed and explained to the employees concern
- * Respondents i.e. 38(42%) raters indicate strongly agree on the evaluation of performance appraisal reliable and valid. The data show that the majority of the respondent negative perception about amount of salary increment.
- ❖ Number of respondents 51(65%) rated disagree on the formulation of evaluation criteria. The majority of the respondent can agree that the employee does not have a good reputation against the employee's involvement during the formulation of evaluation criteria.
- ❖ Number of respondents i.e. 45(50%) rated very high on the enthusiasm in performance their job. The outcome of respondent show that the majority of the employees were assigned with relation to their field of study and they work professionally.
- ❖ 43(48%) respondents rated very high on the employee degree of efficiency and effectiveness. from the outcome of respondent feedback of the majority of the employee performing their task effectively and efficiently.

- ❖ 43(58%) respondent rated very high on level 0f work initiation. Although the out come show that the majority have positive acceptance about level of work initiation.
- ❖ 42(46%) respondents rated very high in the level of punctuality and attendance on their job. The outcome show that the majority of the respondents say that very punctual in their job.
- ❖ 38(42%) respondents rated as medium in salary increment. The data show that the majority of the respondent negative perception about the amount the salary increment.
- ❖ 79(12%) respondents rated as degree of promotion is very low. This implies that the majority of the respondent have negative perception about degree of promotion
- ❖ 37(48%) respondent rated as bonus payment amount is medium. The data show that the company does not well performing bonus payment to the employee as the result of this the majority of the respondent negative perception about bonus payment.
- ❖ 53(62%) respondent rated as medical insurance grant very high. The majority of the respondent positive perception about medical insurance grant the company should have a good trained concerning about medical grant giving for the employees

Finally, according to the conducted management interview the most the interviewee agreed that there is good policy and each employee participated in every role of performance appraisal system they stated that challenges is it is very difficult without very careful management to ensure that consistent approach is adopted by managers responsible for rating and this means that performance or contribution rating decision will suspected.

Because everyone need better and more results which is beyond the manager level. Management interview is synchronized with the Questionnaire therefore is almost inevitable that some people will be more generous than other, while others will be harder on their staff because they are indulging in favoritism or prejudice

4.2 CONCLUSIONS

The above summary of the findings the following concluding remarks were drawn

- ❖ The most weak side of the company is that short and long term of training and developmental police are mainly insufficient
- ❖ Lack of promotion program to those employees who have productive and efficient on their work position.
- ❖ Forever new entrant employee orientation program and handling over the employee with job descriptions have not been under taken by the management body of the organization.
- ❖ The overall result of study indicate the performance appraisal outcomes of in the organization found to be low and unsatisfactory due to the feedback of daily and weekly standards occupation assessment results on performance of employee have not been submitted on time.
- ❖ The result of performance appraisal is not use for the intended purpose such as salary increment, promotion, transfer and demotion etc.
- ❖ Lack of clarity between supervisor and employees during formulation of evaluation criteria.

4.3 RECOMMENDATION

The data processed and information obtained from employees questioner and management interview revealed that the appraisal practice in Repi soap and detergent S.C is appreciated however these exist some weakness and short comings that should be corrected. After analysis made, the researcher has identified core problems in the performance appraisal and suggested the following recommendation.

• In order to get better results on employee performance appraisal practice should clearly expected performance by setting good repetitions a bench mark.

- In order to improve the criteria of performance appraisal senior management should follow up appraisal implementation that performed in accordance with Rapi Soap and Detergent S.C appraisal polices and should develop healthy relationship and engagement
- Between each employee and support subordinates on their need, communicate clear expectations, and constructive feedback has to get immediate action.
- For the sake of meeting the expected performance which stated on planning session, the management should create awareness about the objectives of performance evaluation and appraisal
- The main objective criteria of the organization it needs improvement on its performance appraisal practice area which needs close attention for improvement
- Regarding the evaluations with the employees job descriptions the researcher conclude
 that there is problem or limitations within appropriate implementations of rule and
 regulations which states that every employees should evaluated with regard to job
 description.
- In order to build employees capacity there should the training and development program
 and the company shows allocate enough budget to run the training and development
 program.
- If employees have above expected performance their should be intensive, rewards, promotion and other appraisal forwarded to the employees

In the performance evaluation criteria is not accurate the result with not indicate the real efforts of the employees. Thus it should be the training and development program us Rapi Soap and Detergent S.C has got the area needs for improvement on their appraisal rating practice, the management team should comply with recommendations to prolong the organization's good will. To wards as per the given recommendation every supervisor level group should mitigate injustice rating to keep clarity of the organization performance appraisal practice.

BIBLIOGRAPHY

- WayeneF.casico, (2002). Management human resource 7thed. New Delhi Tata McGraw-Hill Graw –hill publishing company limited.
- K.Aaswathappa(2002). <u>Human Resource and Personal Management</u>.3thed. New Delhi Tata Graw –hill publishing company limited.
- Bernardino H.John (1984). <u>Performance Appraisal Assessing Human Behavior</u> at work Bostopma Kent pub.com.
- R.C Goyal (2002). <u>Human Resource Management in Hosils</u>, NewDelhi Prentice Hall of Indians Private Limited.
- John B, miner and merry green miner, (1985) Personnel and Industrial Relations Management Approach. New York, macmillan.
- N.G nairiathanair (2004). <u>Personnel Management and Industrial Relation.</u> Newdelhi: schad comp Ltd.
- Dessler, Gary (1999), <u>Essential of human resource management</u>. Upper Saddle River, New Jersey: prince hall.
- R.S. Dwivedi(1984). Man power management. Newdelhi, printices hall Ltd.
- John H. Bernardino and joyee E.A. rusell(1993). <u>Human resource management an experimental Approach</u> New York, M.C. Graw-hill.
- WayenF,Casico. (2006)<u>Management Human Resource</u> 7thed. New Delhi Tata Mc Graw-Hill Publishing company limited.
- Mirza S. Saladin (1999). <u>Human Resource management</u>, Tata Mc Graw-Hill publishing Company limited New delhi.

APPENDICES

ST. MARY'S UNIVERSITY DEPARTMENT OF MANAGEMENT

Questionnaire to be filled by administrative employees of Rapi Soap and Detergent S.C. this study is entitled to the practice of performance appraisal on employee administrative behavior of Rapi Soap and Detergent S.C this questionnaire prepared by 3rd year management student of st.mary's university to collect data on Rapi Soap and Detergent S.C practice for writing a paper for a partial fulfillment of the award of bachelor of degree in management. so you are kindly requested to give accurate and relevant information for the success of my study. Your answer is strictly confidential. Thank you in advance for your cooperation in answering the questions by devoting and sharing your valuable time.

DIRECTION

- 1. No need to write your name on the questionare.
- 2. For questions with multiple option, put the sign (x) on your choice
- 3. Please feel to give any additional comment that you feel is important on the back page the questionnaire

PART I: BACKGROUND INFORMATION
1.sex male Female
2. age 20-30 31-40 41-50 51 and above
3. level of education 12 completed
Diploma
Degree and above
4.service in year the company 0-5-10 11-15 16 and above

1.Carefully consider the following statements and the answer that indicates the extent to which you agree with each statement

s/n	Statement	Strongly	Agree	Neutral	Disagree	Strongly
		agree				disagree
1	The appraisal process requires that performance					
	expectation be set for you during a planning					
	session at the start of a rating period					
2	The appraisal process makes sure that yours					
	performance expectations measures what your					
	really do for your company					
3	The expectation set during the performance					
	planning session reflect the most important factors					
	in your job					
4	The appraisal process allows you set the					
	performance standards to set the performance					
	standard that your supervisor will used to rate your					
	performance					
5	Your rater clearly explains to you what he/she					
	expects in your performance					

2. Reflect level your level of agreement to the following systems with reference to Repi Soap Detergent S.C appraisal system effectiveness

s/n	Statement	Strongly	agree	Neutral	disagreement	Strongly
		agree				disagreement
1	The performance standards are clearly					
	explained to the employee					
2	The criteria of the appraisal system is not					
	accurate					
3	The current appraisal does rate the extra					
	work of the employees					

4	Result of evaluation are discussed and			
	explained to the employees concern			
5	The result of the evaluation is not reliable			
	and valid			
6	Employees are involved in the formulation			
	of evaluation criteria			

3. How do you rate the impact of the performance appraisal on your company in terms of fostering the following aspects

s/n	Aspect	Very high	high	Medium	Low	Very low
1	Enthusiasm in performing your job					
2	Efficiency and effectiveness on your job					
3	Initiation in doing your work					
4	Positive attitude towards your assigned task					
5	Punctuality and attendance on job					
6	Loyalty to your company					
7	Motivation in doing your work					
8	Initiation of the attitude of working beyond your					
	assigned time					
9	Inter personal relationship among your work					
	colleagues					
10	Work skills and expertise					

4. To what extent does the company provide the following packages to well performing administrative employees?

s/n	Aspect	Very high	high	medium	Low	Very low
1	Salary increment					
2	Bonus payment					
3	Promotion					
4	Medical insurance grant					

ST. MARY'S UNIVERSITY DEPARTMENT OF MANAGEMENT

Interview questions for senior supervisor and above

- 1. What are the problems of performance appraisal practice used in the Rep Soup and Detergent S.C? Do you think it is done as it set on police?
- 2. What is the reaction of employees at the of appraisal process approaches?
- 3. Do workers have access to know results of their performance appraisal
- 4. What appraisal criteria (standard are used by the company) and who develop them is it don by both the boss and employees?
- 5. Do you believe the performance appraisal system in the organization is prepared in fertility manner?
- 6. What are the checking points for performance appraisal indicators to measure?

1	• • • • • • •	• • • • • • • •	• • • • • •	• • •	•••	•••	•••	• •	• • • • • •	• • •
	• • • • • • • •	•• ••••	• • • (X)	• • • •	• • • •		•			

• . •	•••••	• • •	••••	• • •	•••••	• • •	
		•••••		••••		• • • •	• • •
1	•••••						
	• • • • • • • • • • • • • • • • • • • •						
2	••••						
	• • • • • • • • • • • • • • • • • • • •						
	•••••						
3	•••••						
	•••••						
4	•••••						
	••••						
	•••••						
5	•••••						
	•••••						
	2	• • • • • • • • •	• • • • • • • •	• • • • • • •	• • • • • • •	•••••	•
	• • • • • • • • • • • • • • • • • • • •	• •					
• . •	• • • • • • •	•••	••••	• • •	• • • •	•	• •
		••••		••••		• •	• • • • •
1	•••••						
	•••••						
2	••••••						
3	•••••						
	•••••						
4							
_							
5							
	•••••						
	3			/			
	1			1			•••
• . •					••••		
1	•••••						
2	•••••						
3	•••••						
4	••••••						
5	••••••	••••	• /				
ر			- /				

6	•••••			
7	•••••			
8	••••••			
	•			
9	•••••			
10	•••••			

• . •	•••••	• • • • • •	••••	• • • • •	• • • • •	• • • • • • •
1	•••••					
2	•••••					
3	•••••					
4	•••••					

DECLARATION

I, the under signed, declare that this senior essay is my original work prepared under the guidance of Mr. TerefeFeyera. All sources of materials used to the manuscript have been dully acknowledged.

Name: KASECH ESTIFA	ANOS
Signature:	
Place of submission:	
Date of submission:	

The advisor declaration

This senior essay has been submitted for examination with my approval as an advisor

Name: Terefe feyera

Signature:				
Date:				