St. MARY'S UNIVERSITY SCHOOL OF GRADUATE STUDIES DEPARTMENT OF GENERAL MBA

DETERMINANT OF EMPLOYEE PERFORMANCE THE CASE OF SAVE THE CHILDREN ETHIOPIA

BY

TESFAYE YOHANNES

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DECLARATION

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

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ENDORSEMENT

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

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ABSTRACT

This paper examines the determinants of employee performance the case of Save the Children (SC) Ethiopia country office provides a unique setting to investigate employee performance for giving response on feedback in subject maters of employee performance. Employee performance has been considered as the most significant indispensable tool for any organization regarding various personal aspects such as promotion and merit increases. Employee performance also link information gathering and decision making processes which provide a basis for judging the personnel sub-divisions such as recruiting, selection, training and compensation. Descriptive statistics were employed for data analysis such as percentage, cross tabulation based on the data findings. The main finding indicated that dissatisfaction with pay structure, unfair reward and promotion systems were some of the factors for employee performance. Similarly it was concluded that lack of career development, and unfair compensation and training system were core factors. First, we find that performance present large amount of feedbacks about the highly weighted, performance measures, and number of employees. This empirical evidence is consistent with substantial feedback when information acquisition cost, intrinsic motivation providing comments. Second, we find that employee performances are more likely to improve the performance with large amount of feedback, especially those with large amount of suggestion for development. This paper suggests that determinants of employee performance have to provide feedback and to assesses improve their performance by utilizing information of employee and recommended that the human resource department together with senior management team need to revise salary and benefit packages, provide fair and equal training and promotion opportunity to employee.

ACRONYMS

SC	SAVE THE CHILDREN
BSC	BACHELOR OF SCIENCE
MSC	MASTER OF SCIENCE
BA	BACHELOR OF ART
RJP	REALISTIC JOB PREVIEWS
MSG	MANAGEMENT STUDY GUID
IT	INFORMATION TECHNOLOGY
ITES	INFORMATION TECHNOLOGY ENABLED SERVICE
HR	HUMAN RESOURCE
EPAS	EMPLOYEE PERFORMANCE ASSESSMENTS
KSA	KNOWLEDGE, SKILLS AND ABILITIES
SPSS	STASTISTICAL PACKAGE FOR SOCIAL SCIENCE

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CHAPTER ONE

1. INTRODUCTION

In a knowledge economy, organizations rely heavily on their employees to survive. They can only win a competitive advantage through their people (Alo, 1999).

Managing employee performance is an integral part of human resource management that all managers and rating officials perform throughout the year. The work of Chris (2011) testifies the fact that performance management is important as managing financial resources and program outcomes because employee performance or the lack there of has a profound effect on both the financial and program components of any organization.

Performance measurement systems are described as the overall set of metrics used to quantify both the efficiency and effectiveness of action (Shepherd and Gunter, 2006). Psychological studies made over time suggest meaningful variation in individual performance exists at within-person and between persons level. These studies contend that personal and social factors explain individual performance.

In early stages there may be just a few isolated incidents and these may easily be overlooked. It is important to deal with a job performance problem in the early stages while the issues are small. Performance issues can deteriorate to the point of crisis if the early warning signals are not acknowledged and dealt with.

The performance of one employee can affect the productivity of other employees. Poor job performance can place the employee, co-workers and the organization at risk. As a matter of fact most managers in organizations face with a crucial question of what factors influence employee performance and there is inadequate empirical information that might guide their efforts in enhancing overall job performance among employees (Salleh et al., 2011).

1.1. Background of the study

An organization's success or failure is highly determined by effective and efficient utilization of resources at its disposal, such as human, material, financial, and information resources. Among these four resources, the human resource is the most important part and crucial of all resources for the survival of an organization or business firms.

The success of any organization depends on the quality and characteristics of its employees. The employees become a significant factor in any organization since they are the heart of the company. Organizations simply cannot achieve their goals and objectives without them. However, it is a fact that any employee for that matter needs something to induce him or to look forward so that he/she is motivated to work at the best interest of the company (Marching ton and Wilkinson, 2005).

Maximizing performance is a priority for most organization today, Mathis *et al* (2004). It is then obvious that employee performance as a management tool is cardinal to contributing to organizational success. If employee performance is improved, the organization raises it performance in terms of meeting it objectives. On the other hand, if employee performance is not improved it adversely affects performance hence organizational productivity.

In many organizations employee performance is used for the purpose of administering wages and salaries after feedback had been given to the worker. The employee performance also helps management to identify individual employee's strength and weakness. The latter will lead to training and other measures to correct inefficiencies. Performance appraisal may be viewed as an overall measure of organizational effectiveness. Organizational objectives are met through the efforts of individual employees. Teaching employees how to do their jobs and assessing their performances are strategic human resource function and for that matter should not be relegated to the background (William, 2009).

1.2. Organizational Realities

Save the Children is the world's leading independent organization for children. Save the Children strives to achieve a world in which every child attains the right to survival, protection, development and participation. We work to inspire breakthroughs in the way the world treats children and to achieve immediate and lasting change in their lives. Save the children have several core values: accountability, ambition, collaboration, creativity and integrity.

Save the Children has worked continuously in Ethiopia since the 1960s providing support to vulnerable Ethiopian children and their families, implementing emergency relief and with long-term development programs. The programs support existing Government of Ethiopia delivery structures.

Employee performance has played significant roles in organizational productivity. However, it is touching to note that most organizations have not been practicing a sustainable employee performance system to enhance efficiency. Among the above functional area, the department of human resource management is the focal area of the study, which is among its functions, is dealing with employee performance.

1.3.   Statement of the Problem

Research shows that employees are drawn to the non-profit sector by very different motivators than are employees in the private sector. The environment and culture of many non-profit organizations is such that traditional employee retention strategies are counterproductive or minimally successful at best.

In the recent great concern to many organizations ensure employee performance assessment as talent is rare, valuable, difficult to replicate, and hard to substitute, organizations that better to attract and retain talent. Given that the war for high employee performance ability is very real and relevant to any organizations around the world, it is critical that organizations recognize the need for a strategic employee performance assessment approach towards attraction as part of an employer classifying strategy (Malhotra2002).

Some organizations though invest so much in other factors of production such as machinery, information technology, funds etc. but unfortunately place little value on manpower. In this regard, little attention is directed to improving the human capital which is the anchor of every organizational success story. Improving manpower requires that employee performance assessment becomes an essential tool to assess the individual employee and should be based on consistent response such that an appropriate reward system could be qualified or measures for correction could be put in place.

Lack of employee performance system in most organizations unfortunately makes individual employee extremely difficult to perform and that vain most organizational targets are not periodically achieved hence lack of direction and low productivity.

In this regard therefore, it is imperative that a consensus effort is made by every organization to have a performance assessment policy in order to assess the performance of individual employees in conformity with the overall objective of the organization.

Thus, the researcher focuses on the determinants of Employee effective performance to be able to measures the effectiveness of employee and organization performance and employers' performance for retention strategies in save the children.

1.4. Research Questions

The researcher focused to answer the following questions in the study:
- What factors determine the employee performance practices in Save the Children?
- What is employee performance exercise in Save the Children?
- How is employee performances assessed suitable to employer with respect to employees' perception?
- What are the employee performance strategies able to retain valuable human resource in the organization?

1.5. Objectives of the study

1.5.1. General Objective

The main objective of the study is to examine the determinants of employee performance strategies and to assess valuable human resources retention policy.

1.5.2. Specific objectives

- To determine factors of employee performance practices in save the children,
- To examine employee performance in save the children,

- To investigate factors of motivation for employee performance and
- To determine the employee performance assessment strategies able to retain valuable human resource in the organization.

1.6. Significance of the Study

Currently employee performance is crucial pinpoint for determinants of employee retention and acquisition and core problems of every organization in the world. Thus, this study will help the organization to understand the level of employee performance, employee's job satisfaction and the techniques upholding organizational attention for its human resource. Because it also helpful as a reference material for other researchers to study for further in details. Additionally, it will help for government and non-government, any private organizations as a benchmark.

1.7. Scope and Limitation of the Study

Save the Children works across the country through its 49 field offices, Geographical limitation was difficult to conduct the research at this limited time on all its area of coverage. Save the children have 2,000 definite and indefinite contracts based employees in Ethiopia as of January, 2016 human resource data with 49 offices in various regions scattered throughout the country. As a result it was difficult to use all employees and offices in this study. The study faced with various limitations and delimitation such as finance, time, resource, transportation, and understanding of questionnaires.

1.8. Organization of the Study

The study organized in to five chapters. Chapter one consists of background of the study, statement of the problem, research questions, objective of the study and organization of the study, chapter two review of related literatures, chapter three contained research design, research methodology, sampling techniques, validity of reliable questionnaires, chapter four discussed data presentation and data analysis and finally chapter five point out summary, conclusion and recommendations of the study.

CHAPTER TWO

2. LITERATURE REVIEW

2.1. EMPLOYEE PERFORMANCE

Employee performance is an analysis of an employee's recent successes and failures, personal strengths and weaknesses, and suitability for promotion for further training and development. Many researchers have conduct research on this topic as given number of researchers study the topic of employee performance.

Aguinis (2009) described that "the definition of performance does not include the results of an employee's behavior, but only the behaviors themselves. Performance is about behavior or what employees do, not about what employees produce or the outcomes of their work". Perceived employee performance represents the general belief of the employee about his behavior and contributions in the success of organization. Employee performance may be taken in the perspective of three factors which makes possible to perform better than others, determinants of performance may be such as "declarative knowledge", "procedural knowledge" and "motivation" (McCloy et al., 1994). HR practices have positive impact on performance of individuals.

Carlson et al. (2006) proposed five human resource management practices that affect performance which are setting competitive compensation level, training and development, performance appraisal, recruitment package, and maintaining morale. Tessema and Soeters (2006) have carried out study on eight HR practices including recruitment and selection practices, placement practices, training, compensation, employee performance assessment, promotion, grievance procedure and pension or social security in relation with the perceived performance of employees. Therefore, it is concluded that these HR practices have positive and significant associations with the perceived performance of employees.

Armstrong (2001) evaluates human resource practices and performance appraisal. Performance evaluation is the informal evaluation of subordinates by their superiors has always been a part of superior-subordinate relationship. Formal processes of

assessment, such as merit rating, employee development, employee motivation and performance review.

Eichel and Bender (1984) reveals employee performance assessments were designed primarily as tools for the organization to use in controlling employees. He states that past performance was used to guide or justify manager his method of appraisal was subjective, which is still common with EPAS in many agencies today (Vroom, 1990). Levinson (1992) conceals that to help the development of the process of identification it is necessary for the manager to also examine his own process and needs of interacting with the subordinates. He also states several barriers which may come in the way of such legitimate process of identification as; lack of time, intolerance, of mistakes, complete rejection of dependency needs repression of rivalry, and unexamined relationship.

Mbiti (1994) uncover employee into four major vegetation's and rejecters. Mbiti describes vegetation's as people who care for nothing except their pay at the end of the month. They have no initiative; they will take the slightest excuse to be off duty; because this gives them pleasures than writing. They require constant supervision without appraising them; they will try to hide amongst others while they do nothing. It reveals that design an acceptable, easy-to-use but reliable appraisal instrument that helps in improvement and employees development. Davis (1995), disclose that performance management is a joint process that involves both the supervisor and the members of staff, who identify common goals, which correlate to the higher goals of the institution, management's actions in dealing with the employee and performance appraisal provided the basis for salary, retention, discharge, or promotional decisions. As used to guide or justify management's actions in dealing with the employee. Davis (1995) finds that if employees are effectively appraised, then the organization will experience increased productivity and improved quality of output and for effective development and utilization of the human talent, performance appraisal plays a key role as it enables an organization to identify objectively the employee's strengths and weaknesses. (Edwards & Ewin, 1996) reveals that feedback from multiple sources, such as superiors, peers, subordinates and others has a more powerful impact on people than

information from a single source, such as their immediate supervisor. Employees view performance information from multiple sources as fair, accurate, credible and motivating. They are more likely to be motivated to change their work habits to obtain the esteem of their co-workers than the respect of their supervisors.

Richi (1996) disclose that the skill-based management measures skill and tracks and combines them into job that creates a work environment that allows employees to develop the skills they need to meet business goals descriptions, identifies employee skills gaps and then provides resources to upgrade abilities. Quchi (1997) uncover that get policies and procedures manuals and train the entire organization on target setting, monitoring and review, (Wagner and Goffin 1997) unearth "that the comparative rating method was more accurate than the absolute rating method and that the global item type results in considerably greater accuracy with respect to [differential accuracy] and [stereotype accuracy] components but specific items were more advantageous in terms of [differential elevation] and [elevation] accuracy" (p. 99). The results of this experiment suggest that comparing employees against one another will yield a more accurate depiction of ones work than rating employees against a set of standards (Strebler1997) and (Akinyele and Obamiro 2005). Uncover the development of integrated performance management system (PMS) based on a competency framework.

Makiney and Levy (1998) gathered a group of volunteers, 120, all of whom have participated in performance reviews in the past. The volunteers were given work habits of employees at a bookstore and were then told to create an initial judgment on the employee in question the results of the experiment were not unexpected. "Negatively discrepant information elicited significantly lower ratings than did positively discrepant information" and "that the additional information more strongly influenced performance judgments when the additional information was provided by the peer of the profiled employee, than when the additional information was provided by the profiled employee himself". Cascio (1998) disclose, it is an inexact, human process that is utilized differently in almost every organization regardless of industry. Moulder (2001) Moulder reveals that appraisals are useful in setting goals and in fostering improved communications among work groups and between employees and supervisors. This

study predicts that performance evaluation/appraisals are valued for defining expectations and measuring the extent to which expectations are met. It states state that evaluation/appraisals can make clear to employees where they are having success and where they need to improve performance. Armstrong (2001) conceals that performance management provides an integrated and continuous approach to the management of performance than is provided by traditional performance assessment schemes. Unlike traditional methods of management by command, performance management is based on the principle of management by agreement.

Furthermore, Armstrong (2001) postulates that performance management can provide for an integrated and coherent range of human resource management processes that are mutually supportive and contribute as a whole to increasing organizational effectiveness. This review of literature compiles the theoretical and practical aspects from different sources such as related books about effective performance assessment research papers, internet available journals and articles. All of the authors are acknowledged in this study. The factors reviewed in this literature review are determinants of effective performance assessment, effective selection procedure, equitable and fair compensation structure; fair assessment, equitable input-to-output ratios, incentives and valued benefits, satisfaction, training and personal growth and development opportunities for promotion of employee effective performance management.

As of Management Study Guide (MSG) article launched in (2008), People are the lifeblood of any organization. According to this article, whether the organization is in the traditional sectors like manufacturing or it is a "new economy" based one like information technology (IT) and information technology enabled services (ITES), it needs to be staffed with people of caliber and mettle. Hence, the kind of people that an organization hires is critical to the success of the organization. In this respect, the effective performance evaluation is vital for retention strategies followed by organizations take on prominence in the competitive business environment of the 21st century.

It goes without saying that without good, qualified employees; organizations cannot serve customers and couldn't be productive. Hiring the right people and engaging and retaining employees will result in higher morale, lower employee turnover, and a much stronger bottom line. According to Farin (2016), Managers today recognize that an organization's staff is its most critical assets. Employees are investments that if effectively managed and developed provide long-term rewards to the organization in the form of greater productivity. Employees, who have the right qualifications and adequate experiences in the business, can contribute a lot in helping the management team operate the organization sound.

2.2. Advantages of Performance Assessment

It is said that performance assessment is an investment for the company which can be justified by following advantages:

Promotion: employee performance helps the supervisors to chalk out the promotion programs for efficient employees.

Compensation: employee performance helps in chalking out compensation packages for employees. Merit rating is possible through performance. Compensation packages which include bonus, high salary rates, extra benefits, allowances and pre-requisites are dependent on employee performance. The criteria should be merit rather than seniority.

Employees Development: The systematic procedure of employee performance helps the supervisors to frame training policies and programs. It helps to analyze strengths and weaknesses of employees so that new jobs can be designed for efficient employees. It also helps in framing future development programs.

Selection Validation: Employee performance helps the supervisors to understand the validity and importance of the selection procedure. The supervisors come to know the validity and thereby the strengths and weaknesses of selection procedure. Future changes in selection methods can be made in this regard.

Communication: For an organization, effective communication between employees and employers is very important. Through employee performance, communication can be sought for in the following ways:

1. Through employee performance the employers can understand and accept skills of subordinates.
2. The subordinates can also understand and create a trust and confidence in superiors.
3. It also helps in maintaining cordial and congenial labor management relationship.
4. It develops the spirit of work and boosts the morale of employees' performance.

Motivation: Employee performance serves as a motivation tool. Through assessing performance of employees, a person's efficiency can be determined targets objectives are achieved. This very well motivates a person for better job and helps him to improve his performance in the future.

Subordinates have a strong need for feedback after performance assessment because it helps them interpret the ratings (Antonioni 1996), and provide specific appreciations and suggestions for future development (Brutus 2010). However, some research has started to examine the role of description formats in performance assessment as technological advances make it possible to process the information (Brutus et al. 2013).

Understanding the causes of performance consequences is important it can help them to determine motivations surrounding the performance assessment system and can lead to improved performance prior empirical studies based on survey data mainly focus on the consequence part of employee performance.

Moreover, the element of suggestion for development is not weak performance in nature; rather it requires finding out a solution for employee's performance weaknesses (Brutus 2010). So, we argue that to conduct incomplete assessment including giving fewer narrative feedbacks when they face high information acquisition in order to minimize the time and effort invested in the performance assessment.

Are also likely to avoid confrontations to subordinates and limit criticism from other related parties (Harris 1994). When the performance assessment systems are based on a

combination of numerical ratings and narrative ratings comments, narrative comments can be seen as attempts to avoid and mitigate confrontation by explaining and justifying the provided performance, especially highly concerned measures by subordinates. Also, there exists accountability issue to one's supervisors. Supervisors usually authorize the final assessments and feedback contents (Bernardin and Villanova 1986). A form requiring extensive documentation about the assessment increases likelihood of supervisor criticism if not engage in the necessary information processing activities (Harris 1994).

First find the respond to their own interest and preferences when they provide the feedback. Organization findings indicate that wrong information was negatively affecting the amount of comments and suggestions, and aggravate confrontation and intrinsic motivation associated with the amount of comments and suggestions. More specifically, feedbacks highly subject to performance measures of employees. More interestingly, the determinants about the ratio of suggestions, comments are negatively associated with employee performance capacity uniqueness and size, positively associated with experience, age of performance measure and woman fraction within the group. Second, we find positive performance feedback has impact in subjective performance assessment.

Factors affecting motivation can be classified to extrinsic and intrinsic ones (Harris 1994; Murphy and Cleveland 1995). An important extrinsic determinant behavior is avoidance of negative consequences (Longenecker et al. 1987)

The researcher review and develop institutional background on performance assessment systems and performance feedback of SC in Ethiopia and describe the research design including sample selection and empirical study, results are determines.

Performance feedbacks aim to develop self-awareness and persuade subordinates to increase their effort, change the direction of their effort, and persist in trying to reach their goal (Kanfer 1990). Motivated employee effective performance likely write more in order to attain the above targets because description comment is better equipped than standardized assessment to capture individual performance. Specifically, suggestion for development is a direct vehicle to help inform development plans and understand the core

message within the feedback. In other words, this knowledge effect of comments might mainly come from the suggestions for development. In the presence of prescriptive information, recipients are more likely to adjust their strategies accordingly and work smarter (Audia and Locke 2003). Also, incentives help subordinates to improve their performance because it might expect to receive benefits back from them (Emerson 1976). This social exchange theory suggests that this reciprocation effect could be at play with the use of comments.

The human resource is the heart of any company that determines the success and productivity of the organization. Companies should carefully recruit, select, and retain the best employees having the required skills and knowledge to beat the competition in this global world. The human capital is an important source of competitive advantage and provides the organization with a competitive edge over their competitors. Robbins (2003)

Employee performance is careful selection of people retaining competent staff in the organization, with their knowledge and skills are very much an invaluable asset to the organization. Retaining employees is very difficult task for any organization today, especially the retention of highly capable employees, who are essential in the organization in this dynamic 21st century business environment where organizations that wish to survive and be successful have to be highly versatile with the ability to respond swiftly and effectively to adapt well to the ever–changing business environment. Therefore, it is crucial for organizations to ensure and able to attract human capital at the time of recruit, select, and retain the best of their people who are likely to contribute much to the survival and the success of the organization. Acquiring and Retaining of good human capital is essential for any organization. If people leave for the competition, it sends out a clear message that there is something more attractive about the competition.

Organizations having effective employee performance and reliable acquisition and retention strategies more safe acquiring human resource with the required skills, knowledge and ability and able to retain human capital for long time in the organization and Save the Children human resource department provides activities such as human

resource planning, employee recruitment, selection, performance assessment, training and development, motivating, establishing compensation and benefit programs, safety and security, health and insurance issues.

2.3. Determinant of Employee Acquisition

Vance (2014) defines employee acquisition as it is the process of finding, assessing, and hiring candidates to fill roles that are required to meet company goals and fulfill organization requirements. It also ensures that newly hired employees are effectively and efficiently acclimated to the organization, enabling the organization to rapidly and fully benefit from their capabilities.

Rogel (2014) observed that an organization's culture consists of the values, beliefs, attitudes, and behaviors that employees share and use on a daily basis in their work determines how employees describe where they work, how they understand the business, and how they see themselves as part of the organization. The author further states as equitable and fair compensation structure, effective selection procedure, fair appraisal, equitable input-to-output ratios also helps organizations to recruit and retain qualified employees, increase or maintain morale/satisfaction, reward and encourage peak performance, achieve internal equity, reduce turnover and encourage organization loyalty.

Cepin (2016) points out that strategic employee acquisition integrates the entire pre-hire stages of the employee lifecycle from creating the job requisition to on boarding a new hire in a way that engages candidates and drives business outcomes. According to his finding, employee acquisition is more than just posting a requisition and extending an offer, rather it is a strategic approach to identifying, attracting, and on boarding top talent to efficiently meet dynamic business needs.

Masud (2013) reflects that attracting the right employees for a company's open positions can be a nightmare for the human resources department, without an employee acquisition strategy in place. Oftentimes, applicants are missing that crucial element that makes them remarkable, from their actual accomplishments to the right

endorsements. Plus, hiring the wrong candidate can cost employers anywhere. There are some tactical measures that go along with a company's employee acquisition strategy that can assist hiring managers to nab the brightest candidates, mainly by customizing how the search is conducted.

While this isn't a difficult task, it does take some thoughtful review of the employee acquisition strategy, through investigation and tactical execution. Ultimately, though, the results far outweigh any extra effort employers or hiring managers may have to put in, since they will be gaining quality candidates. Write targeted job description, get to know candidates as they apply spread your message on the right platform and ensure alignment with company brand and culture are the best employee acquisition strategies.

Warren (2016) explains as one of the best recruiting tools that a business can have is happy, engaged employees who make a positive impression on candidates and help attract other high performers. Great employee engagement programs also feed into the recruiting process, helping to engage the community of potential hires even before they have any formal contact with your business. More emphasize that effective engagement programs have the potential to make retention and recruitment efforts easier and more effective.

Dessler (2005) suggested that Internal recruitment has advantages such as considerable savings can be made, internal promotion acts as incentive to all staff to work harder within the organization, from the firm's points of view, the strength and weakness of an insider will have been assessed. There is always a risk attached to employing an outsider who may only be a success on paper. And external recruitment makes it possible to draw upon a wider range of talent, and provides the opportunity to bring new experience and ideas into the business disadvantage are that it is more costly and the company may end up with someone who proves to be less effective in practice than they did on paper and in the interview situation.

Jennings and Saddul (2016) explain that effective recruitment strategies are a pivotal aspect of procuring and retaining high-quality talent to contribute to organization's

success. The job market is becoming progressively more competitive and skill sets continue to grow more diverse. Given this environment, recruiters are required to be more selective in their candidate picks, since under-performing recruitment measures can have a long-term negative impact on an organization. Among these effects are high training and development expenses necessary to counteract the prevalence of poor performance and high turnover rates, which reverberate into aspects of employment such as morale, productivity and the preservation of the desired corporate culture.

Robbins (2003) suggested as once you have a pool of candidates, the next step in the human resource management process is selection, screening job applicants to determine who is best qualified for the job. Managers need to "select "carefully since hiring errors can have significant implications on effective performance. Selection involves predicting which applicants will be successful evaluated.

A growing number of companies are adopting a new measure of recruitment effectiveness called "quality of fill." The author shows the possible measurements of recruitment and selection effectiveness. Five key factors are considered in defining this quality measure: employee retention, employee performance, number of first-year hires that make it into high-potential training programs, number of employees who are promoted, and what surveys of new hires indicate.

Smykal (2015) said that hiring quality employees isn't the end of the line for many recruiters retaining that top talent is also important. The success of your business may even depend on high retention rates when you consider the costs of employee turnover. Failure to retain employees increases your expenses, has a negative effect on employee morale and leads to lower productivity as vacancies arise. Encouraging employees to stay through a variety of methods benefits your staff, your customers, and your business as a whole. Data from LinkedIn Talent Solutions' Global Recruiting Trends (2016) report suggests retention is a top issue for many human resource leaders. Their survey included nearly 4,000 talent acquisition decision-makers in corporate human resource. When asked about the most important priorities for their organizations, retention was high on the list.

2.4. Determinants of Employee Retention

Greer (2004) states as companies invest in their work forces when they pursue practices and develop programs that increase retention. By failing to make such investments; they incur the high cost of turnover. According to his finding companies devotes time energy and money for employees from recruitment up to placement, but if it is not given special attention for retention strategies the consequences may be twofold.

Greer summarized the main determinants of employee retention as organizational culture, effective selection procedure, equitable compensation, fair appraisal preview, equitable input-to-output ratios, exclusions of political factors, fair compensation structure, incentives and valued benefits, job enrichment and job satisfaction, practices providing work life balance, family leave and child care services, training and opportunities for personal growth, opportunities for promotion organizational direction creating confidence in the future, liberal internal transfer policies, effective performance management. Collectively he called them as "investment opportunities for improving employee's retention"

Employee acquisition and retention are the dependent variables, which are assessed through the independent variables of good organizational culture, effective selection procedure, equitable and fair compensation structure; fair appraisal preview, equitable input-to-output ratios, exclusions of political factors, incentives and valued benefits, job enrichment and job satisfaction, training and opportunities for personal growth, opportunities for promotion and effective management of diversity.

Greer (2004) also suggested that organizational culture emphasizing interpersonal relationship is the most important determinants of employee attraction and retention. For employees of firms with cultures characterized by good interpersonal relationship, respect for people and have attractive team orientation working environment is liked by employees. Retention improves with other related aspects of culture such as positive relationship with superior, absence of conflict laden relationships, having input into decisions, less emphasize on formal authority, information sharing and support for employees. The above finding indicates us, good organizational culture would help

create and reflect a culture for communication, where employees at all levels feel free to openly share ideas, opinions and suggestions. This will enhance employee understanding, build trust, stimulate engagement and encourage greater effective performance assessment.

According to Sheridan (1992), strong organizational cultures are related to increased satisfaction and commitment and reduced turnover. Managing employee retention has several benefits, including preserving the company culture and keeping personal costs low. In 2008 study, the society for human resource management estimated that the minimum cost to a company in recruiting, training and lost production for employee's turnover is 50 percent of the salary for a given position. To avoid having to incur these extra costs companies needs to use the top techniques to manage employee retention such as, effective performance assessment, encouraging staff members to give feedback at all times on their performance development, company issues or any work-related topics, recognition programs that publicly acknowledge employees who go above and beyond their job duties, and sick days that can be used in conjunction with company policies, fair treatment; Create disciplinary policies that are fair, and make certain that the policies are applied equally, to the entire staff.

All of the above scholars agreed upon having good organizational culture with friendly and paternalistic working environment with good horizontal and vertical communication govern employees to stay in and with the organizations.
Recent survey research indicates that careful selection is the most widely used method for retaining front line employees. In addition to the use of selection procedures, such as valid tests and improved interviewing processes to obtain better job between employee job qualifications the use of realistic job previews (RJPs) also can increase retention.

Save the children has ensured that the staffing is conducted in a professional, timely and responsive manner and in compliance with current government employment legislation. It provides appropriate training, development, and support to those involved in performance evaluation/appraisals activities in order to meet core policy principle and

guideline. Any member of staff involved in the assessment of staff should appropriately trained and comply with the organization HR policy, guideline and procedure.

2.5. Determinants of Incentives, Benefits and Retention

Mathis and Jackson (2006) explain as the tangible rewards that people receive for working come in the form of pay, incentives and benefits. Numerous surveys and experiences of human resources professionals reveal that one key to retention is having competitive compensation practices. Many managers believe that money is the prime retention factor. Often, employees cite better pay or higher compensation as a reason for leaving one employer for another. However, the reality is a bit more complex offer a competitive benefits package that fits your employees' needs, providing health and life insurance and retirement savings plan is essential in retaining employees.

As of the above scholars, pay and benefits must be competitive, which means they must be close to what other employers are providing and what individuals believe to be consistent with their capabilities, experience and employee performance.

The author identifies equitable compensation is important for employee retention. In turn, greater compensation equity occurs with faire assessment reviews, equitable ratios of inputs exclusion of politics in compensation decisions, fair compensation structures and communication of compensation procedure are all imperative for attracting and retaining employees.

2.6. Determinants of Job, Organizational Direction and Retention

Mathis and Jackson (2006) show that people vary considerably in their preference for particular job features. As a result, some people like some kinds of work and others like different kinds of work. If people do not fit their jobs well, they are more likely to look for other employment, so retention is affected by the selection process. Further analysis found that many people hired did not have the proper knowledge, skills, and abilities (KSAs) to perform the basic job requirements. According to this finding it is required to pay a special attention at the begging of hiring employees or recruitment, selection and

placement. In other words, there should be match between job requirements and employee's knowledge, skills, and abilities (KSAs).

Work/life balancing: balancing the demands of work with the responsibilities of life, including family and personal responsibilities is a challenge; some may say it is impossibility. Work life balancing programs commonly used include: different work arrangement, leave for children's school function, job sharing, On-site child/adult care, home working, employee assistance plan, and on-site health service and fitness facility.

All SC employees are encouraged to take the leave on time to which they are entitled. Supervisors are responsible to ensure that employees take sufficient leave time to ensure their health and wellbeing, and are responsible for keeping track of various leave taken based on appropriate review and authorization. Supervisors bear responsibility for devising a back-up strategy to support the management of workload while an employee is on leave. Terms of leave benefits, including eligibility and the request and authorization processes for each, follow Leave Policy and Procedures. Greer (2004) show that When employees are confident about their organization's future direction, they are more likely to stay. Thus setting a clear direction for the future and building a confidence in employee performance to develop competency.

Mathis and Jackson support the Geer (2004) ideas that they explain as stay or go decisions are personal and not entirely within the control of an employer. However, there are factors related to those individual decisions that an employer can control. They called these factors are derivers of retention or forces that an employer can manage to improve employee retention. According to those scholars' finding, the main retention drivers which determines employee retention are job design and work, characteristics of the employer; culture and value, management and job security, employee relationships; faire, effective performance assessment nondiscriminatory treatment, supervisory/management support and coworker relations, rewards; competitive pay and benefits, performance and recognition, career opportunities; training/development and mentoring and career planning/advancement. Mathis and Jackson (2006) had elaborated more those employee retention drivers.

2.7. Determinants of Motivation and Retention.

Gomez, Balkin and Cardy (2008), states that employee retention is determined by motivation and job satisfaction. Those scholars emphasize that managers have a basic understanding of work motivation because highly motivated employees are more likely loyal, produce a superior quality products or services than employees who are lack motivation. Motivation acts as a catalyst to an individual's success. The team leaders and the managers must constantly motivate the employees to extract the best out of them. If an employee has performed exceptionally well, do appreciate him. Simple words like "well done", "bravo", "good" and "keep it up" actually go a long way in motivating the employees. The top performers must be in the limelight. The employee must feel indispensable for the organization. It is essential for the employees to be loyal towards their organization to deliver their level best.

The above scholars elaborate more as job satisfaction or employee satisfaction (also referred to as morale) is one of the most widely used variables in organizational behavior. It is an employee's attitudinal response to his or her organization. In order for an organization to be successful they must continuously ensure the satisfaction of their employees. Job satisfaction is defined as "an individual's reaction to the job experience" (Berry, 1997).There are various components that are considered to be vital to job satisfaction. These variables are important because they all influence the way a person feels about their job. These components include the following: pay, promotion, benefits, supervisors, coworkers work conditions, communication, safety, productivity, and the work itself. Each of these factors figures into an individual's job satisfaction differently. As an attitude, job satisfaction is summarized in the performance evaluation component and composed of cognitive, affective, behavioral components. As with all attitudes, the relationship between satisfaction and behavior, most specifically related with effective performance evaluation complex.

Job satisfaction is the most reliable factor in predicting employee turnover (Cotton & Tuttle, 1986). Job satisfaction is a positive emotional state resulting from evaluating one's performance and experience. The factors that affect employee job satisfaction should be understood.

Mathis (2016) find as frequently mentioned factors which determine job satisfaction includes work, pay, promotion opportunities, supervision, and coworkers as the findings that of effective performance evaluation (Berry, 1997).

Employee's Job satisfaction is the result of the combination of factors such as work conditions, opportunities for development, workload and stress level, respect from coworker, relationship with supervisors and financial rewards.

Effective performance assessment reducing recruitment costs, increasing retention of experienced staff and motivating them to perform at a high level effort could contribute to organizational excellence. One of the key factors in good job design is job enrichment, most notably promoted by psychologist Frederk Hezberg in his 1968 article "one more time: how do you motivate employees?" this is the practice of enhancing individual jobs to make the responsibilities more rewarding and inspiring for the people who do them. With job enrichment, expand the task set that someone performs.

2.8. Empirical Studies in the Area of Employee Performance

According to some researchers and practitioners, there are certain factors individually and collectively effect on the performance of employees in a positive or negative way, including: Leadership is a process whereby an individual influences a group of individuals to achieve common goals (Northouse, 2007). Leadership style is the combination of attitude and behavior of a leader, which leads to certain patterns in dealing with the followers (Dubrin 2004). The leadership style within an organization has a bearing on encouraging or inhibiting employee's performance (Armstrong & Murlis 2004; Cronje et al 2001).

Epistein and Buhovac,(2009) explain the significant and reasons for measuring performance evaluation in nonprofit organization describe the unique challenges facing non-profit organization are accountable to a range of stakeholders to keep focused on the effective performance evaluation due to multiple time conflicting objectives for multiple stakeholders varying interests.

Duvall (1999) defines success as achievement, accomplishment and attainment which is consequence of empowerment as follows: (1) Individual success in form of employee's role performance, (2) Organizational success which is achieved as members of the organization accomplish collective organizational goals and objectives, and (3) As organizational members share a mutually beneficial and satisfying work experience meeting both social and personal growth needs. Further, empowerment had significant positive correlations with both performance and satisfaction (Bartram and Casimir, 2007). And specifically empowerment was more strongly correlated with the in-role performance of followers than with satisfaction with the leader.

Given the diversified structure, size and area of operation, determinants of employee performance data collection examined in save the children country office (Addis Ababa).

SC Conceptual Framework of the Study

The conceptual framework of the study explains the key concepts used in the study and how they are linked to one another to produce the final outcome.
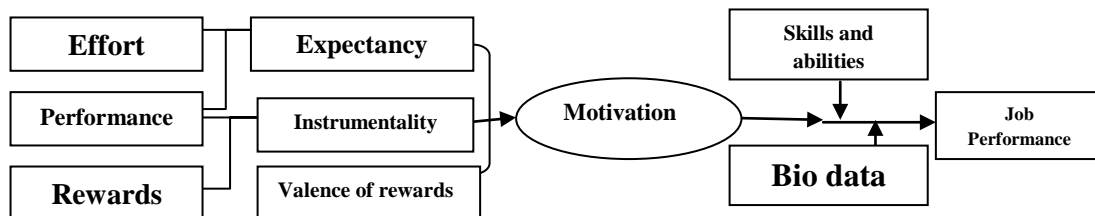
Source: Gebreegziabher, 2009

CHAPTER THREE

3. RESEARCH METHODOLOGY

This chapter discusses how the research methodology was employed in the study. It indicates the research design, the population, research instrument, sampling techniques and data analysis techniques.

3.1. Description of the Study Area

In this study the researcher used descriptive research design, specifically frequency, cross tabulation which is the most commonly used research method in the social since was used. The study was conducted in "Save the children Ethiopia", country office which is located near "Beserate Gebreal" Church. According to January 31, 2016 human resource data the total population of save the children head office staff is 488 out of which 300 men and the remaining 188 women employees. Thus the sample size consists of male and female. From these populations 62 are managerial position including directors, managers, coordinators, and officers out of which 46 male and 16 female and the rest 426 are non-managerial that includes administration and support staff.

3.2. Method of Data Collection

This study employed quantitative methods of data collection. Data was collected from both secondary and primary sources generated through exhaustive desk review around the issue in hand and structured questionnaire.

Structured questionnaires were distributed and interviews were conducted as data collection techniques for the study. The questionnaires were prepared for all employees and interviews for selected supervisors and managers. The research followed proportional allocation under which the size of sample from different department were kept proportional.

3.3. Sampling Procedure and Sample Size Determination

Purposive sampling technique was employed in order to select representative sample and to give equal chance of being selected. The sample size for this study was determined using (Yamane, 1967) which is a simplified formula for proportion by assuming 50 % of population proportion, a confidence level of 95%, tolerable precision error of 0.05.

$$n = \frac{N}{1 + Ne^2}$$

Where,

n = required sample size

e = Precision error of (e = 0.05)

N= Total number of employee (488)

n=488/ $(1+488*0.05)^2$)=220 give equal chance being selected of employee

According to the formula result, the sample size was 220 employees. So this sample contains both management and non-management employees with both genders.

3.4. Methods of Data Analysis.

Statistical Package for the Social Sciences (SPSS) version 16 has been used for the purpose of processing and analysis of the results.

Descriptive statistics based on tables have been used to analyze information on all factors or variables including respondent personal information. The descriptive statistics used in the study were based on tables in percentile and t-test distribution presentation for the responses of discussion including personal information of the respondents.

Regarding the t-test interpretations for variables used on 5-point Likert scale; measurement was used on the basis of the survey; 5=strongly agree; 4=agree; 3=neither agree nor disagree (indifferent); 2 = disagree; 1=strongly disagree.

3.5. Ethical Consideration

The researcher assured the purpose of the research paper and confidentiality of any information gathered through questionnaire on the introductory part of the paper. During data gathering the researcher approached and explained the purpose and assured the confidentiality of the information gather and only used for the intended purpose.

3.6 Reliability and Validity of Data Collection

While gathering the information privacy of the respondents also kept confidential and due ethical consideration was given to obtain consent from each participant about their participation in the study was conducted on voluntary basis.

The findings of the research were presented without any deviation from the outcome of the research. In addition, the researcher gave full acknowledgements to all the reference materials used in the study.

With regard to the respondents' profile the information gathered includes age of respondents, educational qualification, and the organization they working on, current position and working experience.

CHAPTER FOUR

4. DATA PRESENTATION ANALYSIS AND INTERPRETATION

This study examined determinants of employee performance and critically analyzed the effect of employee performance in the organization and data was collected from existing employees of the organization.

4.1. Findings and variables of the research

The researcher collected data from interviews of supervisors, managers and questionnaires online filled by save the children staffs. The staffs responded for 182 questionnaires and randomly selected supervisors and managers answered interview questions and gave their opinions and constructive comments. The questionnaires were distributed as shown in the table below for 220 staffs.

Table 4.1: Questionnaires

Distributed	Replied	Percent (%)	Not Replied	Percent (%)	Total
220	182	83 %	38	17 %	100%

Source: Own survey 2016.

According to table 4.1 above, the researcher distributed 220 questionnaires to respondents out of which182 (83 %) of questionnaires were collected, 38 (17 %) questionnaires were not returned. Thus, majority of the respondents returned the questionnaires with their constructive answers consequently, the researcher collected relevant information for this study.

4.2. Descriptive Analysis of Respondents' Demographic Information

Descriptive statistics was used to analyze the demographic characteristics of respondents and hence the result of the analysis is described in detailed hereunder.

Table 4.2 demographic characteristics of respondent

Q1.Gender of the respondents	Frequency	Percent	Valid Percent
Male	110	60 %	60%
Female	72	40 %	40%
Total	182	100 %	100%
Q2.Age of respondents	Frequency	Percent	Valid Percent
18- 25	20	11 %	11 %
26-30	65	36 %	36 %
31-35	62	34 %	34 %
36-40	29	16 %	16 %
above 40	6	3 %	3 %
Total	182	100 %	100 %
Q3.Marital status of the respondents	Frequency	Percent	Valid Percent
Single	76	42 %	42 %
Marred	106	58 %	58 %
Total	182	100 %	100 %
Q4.Educational background	Frequency	Percent	Valid Percent
BSC/BA	158	87 %	87 %
MSC & ABOVE	24	13 %	13 %
Total	182	100 %	100 %
Q5.Organizational position	Frequency	Percent	Valid Percent
Administrator	53	29 %	29 %
Specialist	72	40 %	40 %
Supervisor	45	25 %	25 %
Manager	12	7 %	7 %
Total	182	100 %	100 %
Q6.Year of service in the organization	Frequency	Percent	Valid Percent
2 to 3 years	54	30 %	30 %
4 to 6 years	59	32 %	32 %
7 years and above	69	38 %	38 %
Total	182	100 %	100 %
Q7.Year of service in last position	Frequency	Percent	Valid Percent
less than 1 year	26	14 %	14 %
2 to 3 years	87	48 %	48 %
4 to 6 years	69	38 %	38 %
Total	182	100 %	100 %

Source:Own servey 2016

4.2.1 Data Analysis

Genders of the respondents indicate that the male participants were 110(60%) and the females were 72(40%). Comparing male respondents to female respondents, it was justifiable with their proportion. Therefore, both male and female participated for this study without significance difference (See table 4.2).

Age of respondents shows that the majority of employees 65(36%) were between 26-30 years of age, average of employees 62(34%) were between 31-35 year of age, some of employees 29(16%) were between 36-40 year of age, 20(11%) of them are young employees between 18-25 year of age and the rest 6(3%) were above 40 year of age. Hence all respondents could give reliable information, because they shall have adequate understanding about the company's effective performance strategies (See table 4.2).

Marital status of the respondents data shows that, 76(42%) were single and the majority of respondents 106(58%) were married. The data indicates that most of the respondents are married and this helps the researcher to get consistent information about the family related incentives the organization provides (See table 4.2).

Educational background of the respondents indicates that 158(87%) BSC/BA and 24(13%) were MSC/MA and above. The data shows as the majority of respondents were BSC/BA holders and this helps the researcher to get genuine information about the determinants of effective performance evaluation of the organization and able to provide constrictive comments on determinants of effective performance assessment of save the children (See table 4.2).

Organizational position of respondents explains the employees' organizational position as most of the respondents 53(29 %) were administrator, 72(40%) were specialists, 45(25%) were supervisors and 12(7%) were managers respectively. This could help the researcher to get tangible information about the employees complain relating to the determinants of effective performance assessment corresponding with sub-divisions such as recruitment and selection, training and compensation, incentives and salary related questions (See table 4.2).

Year of service in the organization were 54(30%) of respondents serve the organization 2 to 3 years, 59(32%) were serve 4 to 6 years and the majority of the respondents 69 (38 %) serve the organization and worked for more than7 years and above. this implies that the respondents have sufficient knowledge about the organization's policies, guideline, system and strategies to provide adequate information for the researcher (See table 4.2).

Year of service in last position also indicates 26(14 %) of the respondents position were for less than 1 year, majority of respondents 87(48 %) position were from 2 to 3 years and the preceding 69(38 %) position were work from 4 to 6 years on their current position; this helps the researcher to get adequate information about the organization effective performance assessment and management policies (See table 4.2).

4.3. Descriptive Analysis on Determinants of Employee Performance

Table 4.3 Determinants of Employee Performance, Salary and Allowance satisfaction with the existing retention strategies measured.

Q1.Employee performance assessment are based on job description and specification				
		Frequency	Percent	Valid Percent
Valid	Disagree	11	6 %	6 %
	Neutral	20	11%	11%
	Agree	65	36%	36%
	Strongly	86	47%	47%
	Total	182	100%	100%
Q2 .Salary scale of SC is better than other similar organization.				
		Frequency	Percent	Valid Percent
Valid	Disagree	10	5%	5%
	Neutral	16	9%	9%
	Agree	34	19%	19%
	Strongly	122	67%	67%
	Total	182	100%	100%
Q3.Allowance, incentives, and reward systems are fair and appropriate/equitable.				
		Frequency	Percent	Valid Percent
Valid	Disagree	34	19%	19%
	Neutral	27	15%	15%
	Agree	86	47%	47%
	Strongly	35	19%	19%
	Total	182	100%	100%

Source: Own survey 2016

4.3.1. Data Analysis and Discussions

Performance assessment is based on job description and specification identifies that 86 (47%) of respondents were strongly agree, 65(36%) agree, 20(11%) neutral and 11(6%) disagree for the question of performance assessment of the organization based on job description and specification. According to the data the majority of the respondents strongly agree about the existence of performance assessment system based on job description and specification in the organization. This indicates organization employees performance is assessed based on job description and specification. From this data the researcher understand performance assessment system of the organization is practiced based on job description and specification.

Salary scale of SC is better than other similar organization according to respondents 122(67%) of responded strongly agree, 34(19 %) agree, 16(9 %) neutral and the other 10(5 %) of respondents were disagree about the salary scale of the organization. This implies the organization pay better salary than other similar organization and the majority of the respondents strongly agreed as they are satisfied with organizations salary scale. The data proves as the organization use better salary scale than other similar organization as employee retention strategies.

Allowance, incentive and reward systems are fair and appropriate /equitable in the above table 4.3 indicates 86(47 %) were responded agree, 35(19 %) were responded strongly agree, 34(19 %) of them were responded disagree and 27(15 %) neutral about the appropriateness (equitable) of organization's allowance, incentive and reward systems. This data shows as there is significance difference in strongly agree and agree responses. The majority of the respondents were happy with the appropriateness of allowance, incentives and reward systems of the organization. From this data the researcher understand as the organization's retention strategies in terms of allowance, incentives and reward is attractive.

Table 4.4 Determinants of Employee Performance, SC Job, Employee Recognition and Freedom of thinking satisfaction with the existing retention strategies.

Q4.SC has good job security and stable working environment.				
		Frequency	Percent	Valid Percent
Valid	Disagree	54	30%	30%
	Neutral	75	41%	41%
	Agree	40	22%	22%
	Strongly	13	7%	7%
	Total	182	100%	100%
Q5.There is employee recognition, acknowledgment and encouragement at his/her work place.				
		Frequency	Percent	Valid Percent
Valid	Disagree	43	24%	24%
	Neutral	42	23%	23%
	Agree	82	45%	45%
	Strongly	15	8%	8%
	Total	182	100%	100%
Q6.There is freedom of thinking and innovation in the organization.				
		Frequency	Percent	Valid Percent
Valid	Disagree	21	12%	12%
	Neutral	60	33%	33%
	Agree	95	52%	52%
	Strongly	6	3%	3%
	Total	182	100%	100%

Source: Own survey 2016

4.4.1. Data Analysis and Discussions

Save the children job security and stable working environment indicates 54(30 %) respondents were disagree, 40(22 %) were agree, 75(41 %) neutral, 13(7 %) were responded strongly agree about the existence of good job security and stable working environment in the organization. According to this data, the majority of respondents were neutral about the existence of good job security and stable working environment in the organization. This implies save the children has no stable job security and working environment to attract and retain employees.

There is employee recognition, acknowledgment and encouragement at his or her work place indicates that 82(45 %) of respondents were responded agree, 43(24 %) disagree, 42(23%) neutral and slighter employee 15(8 %) were responded strongly agree on the

existence of employee recognition, acknowledgment and encouragement at his or her work places. This implies employees are recognized, acknowledged and encouraged in the organization. This data indicates that there is good employee retention in terms of recognition, acknowledgment and encouragement.

There are freedom of thinking and innovation in the organization shows that 95(52 %) of the respondents responded agree, 6(3%) strongly agree, 60(33%) were neutral and 21(12%) disagree on the existence of freedom of thinking and innovation in the organization question. The data indicates majority of respondents agreed up on the manifestation of freedom of thinking and innovation enhanced in the organization. This indicates employees are free to think and they can innovate what they can freely in the organization.

Table 4.5 Determinants of Employee Performance, Fair and Flexible relation satisfaction with the existing retention strategies.

Q7.There is fair and nondiscriminatory employee assessment system in the organization				
		Frequency	Percent	Valid Percent
Valid	Disagree	35	19%	19%
	Neutral	55	30%	30%
	Agree	74	41%	41%
	Strongly	18	10%	10%
	Total	182	100%	100%
Q8.Supervisors and managers arrange flexible employee performance assessment.				
		Frequency	Percent	Valid Percent
Valid	Disagree	20	11%	11%
	Neutral	18	10%	10%
	Agree	100	55%	55%
	Strongly	44	24%	24%
	Total	182	100%	100%
Q9.The overall relation between management and employees assessment are good.				
		Frequency	Percent	Valid Percent
Valid	Disagree	16	9%	9%
	Neutral	59	32%	32%
	Agree	67	37%	37%
	Strongly	40	22%	22%
	Total	182	100%	100%

Source: Own survey 2016

4.5.1. Data Analysis and Discussions

There is fair and nondiscriminatory employee evaluation system in the organization indicates 74(41 %) of respondents were agree, 55(30 %) neutral, 35(19 %) disagree, and the remaining 18(10 %) of the respondents were responded strongly agree about the fairness and nondiscriminatory evaluation system of the organization. According to the data, the majority of the respondents were agreed and this indicates that effective employee performance assessment system of the organization was fair and reasonable.

Supervisor and managers arrange flexible performance assessment indicates that 100(55%) of respondents were agree, 44(24%) strongly agree, 20(11%) disagree and 18(10 %) of respondents were neutral on the question of supervisor and managers arrange flexible performance assessment. Thus, the respondents' data shows as the majority of them were agreed about the presence of flexible employee performance assessment arrangement in the organization. This indicates supervisors and managers arrange one to one flexible performance assessment in the organization.

The overall relation between management and employees assessment are good according to this 67(37 %) of respondents were agree, 40(22 %) strongly agree, 59(32%) neutral and 16(9 %) disagree on the existence of good relation between management and employees. The data indicates the majority of respondents were agreed on the question and the overall management of employee relation was good.

Table 4.6 Determinants of Employee Performance Procedures, Equitable Salary and Opportunity for Growth with Existing Strategies Measured.

Q10.Employee performance procedures and standard are fully available.				
		Frequency	Percent	Valid Percent
Valid	Disagree	9	5%	5%
	Neutral	18	10%	10%
	Agree	105	58%	58%
	Strongly	50	27%	27%
	Total	182	100%	100%
Q11.There is merit based and equitable annual salary increment.				
		Frequency	Percent	Valid Percent
Valid	Disagree	56	31%	31%
	Neutral	13	7%	7%
	Agree	46	25%	25%
	Strongly	67	37%	37%
	Total	182	100%	100%
Q12.There is opportunity for growth and development in the organization.				
		Frequency	Percent	Valid Percent
Valid	Disagree	35	19%	19%
	Neutral	63	35%	35%
	Agree	37	20%	20%
	Strongly	47	26%	26%
	Total	182	100%	100%

Source: Own survey 2016

4.6.1 Data Analysis and Discussion

Effective performance assessment procedures and standard are fully available according to this 105(58 %) of respondents were agree, 50(27 %) strongly agree, 18(10 %) neutral, and the remaining 9(5 %) were responded disagree about the effective performance assessment procedures and standard are fully availability in the organization. The data indicates that the majority of the respondents were agreeing on the availability of effective performance assessment procedures and standard. This indicates there are procedures and manuals in the organization.

There is merit based and equitable annual salary increment indicates 67(37%) of respondents were strongly agree 56(31%) disagree 46(25%) agree and 13(7%) neutral about merit based and equitable annual salary increment of the organization. The data

shows that, the majority of the respondents were strongly agree on the merit based and equitable annual salary increment, fair and equitable salary increment in the organization.

There is opportunity for grow and development in the organization indicates that 63(35%) of respondents were neutral, 47(26%) strongly agree, 37(20%) agree and the remaining 35(19%) of respondents were disagree. The data shows the majority of respondents were neutral about the opportunity for grow and development in the organization. This implies there is no opportunity for growth and development in the organization based on employee performance.

Table 4.7 Determinant of Employee Performance Work Schedule, Benefit and Support for Education in the organization.

Q13.The work schedule of the organization provides you a balance to meet work and personnel needs.				
		Frequency	Percent	Valid Percent
Valid	Disagree	42	23%	23%
	Neutral	41	23%	23%
	Agree	86	47%	47%
	Strongly	13	7%	7%
	Total	182	100%	100%
Q14.SC provides satisfactory employee benefits.				
		Frequency	Percent	Valid Percent
Valid	Disagree	20	11%	11%
	Neutral	27	15%	15%
	Agree	104	57%	57%
	Strongly	31	17%	17%
	Total	182	100%	100%
Q15.The organization support for higher education is satisfactory.				
		Frequency	Percent	Valid Percent
Valid	Disagree	6	3%	3%
	Neutral	7	4%	4%
	Agree	97	53%	53%
	Strongly	72	40%	40%
	Total	182	100%	100%

Source: Own survey 2016

4.7.1 Data Analysis and Discussion

The working schedules of the organization provide you a balance to meet work and personnel needs shows majority 86(47%) of respondents were agree, 41(23%) neutral, 42(23%) disagree and the remaining 13(7%) of respondents were strongly agree about the working schedules of the organization are able to provide a balance to meet work and personnel needs. According to the data majority of respondents were agreeing on the existence of working schedules that shall provide balance to meet work and personnel needs.

Save the children provides satisfactory employee benefits indicates 104(57%) of respondents were agree, 31(17%) strongly agree, 27(15%) neutral and the other 20(11%) of them were disagree for the existence of satisfactory employee benefits in the organization. majority of the respondents agree save the children provide satisfactory employee benefits.

The organization support for higher education is satisfactory indicates that 97 (53%) of respondents were agree 72(40%) strongly agree, 7(4%) neutral, and 6(3%) of them were disagree for the question the organization support for higher education is satisfactory. The data shows that the majority of the respondents were agree for the question and the researcher understand that the organization benefit suitable support for employees for higher education.

CHAPTER FIVE

5. SUMMARY, CONCLUSION AND RECOMMENDATIONS

5.1. Summary

Findings were collected from Human resource annul reports office, interviews and responses of participants conducted to address the objective of the study. According to respondents, employees are not evaluated based on individual work plan, job description and specification so the organization advised to evaluate based on work plan, job specification and description of the organization. The organization pays better than other similar organization but allowance, incentives and rewards are not reasonable and appropriate/equitable within the organization. The organization has good job security and stable working environment, employees are recognized, acknowledged and encouraged and there is freedom of thinking and innovation in the organization. Employee evaluation system of the organization is not rational between subordinates, supervisors and managers. Unrealistic to arrange one to one performance evaluation and the working conditions, there is no equitable salary increment based on performance evaluation.

As far as determinants of employee performance questions concerned, majority of employees know that there is policy for performance evaluation according the objective set, But the review process was unfair to all employee asked relating to the work plan, job description, specification beyond the objective of employee performance objectives for employees in the organization and there is no greater opportunities for growth and development according the performance consequence.

5.2. Conclusion

In this section the researcher concluded that findings from the determinants of employee performance of the organization is based on the formulated research questions, the researcher states that the employee performance strategies to attract and retain employees in the organization. Hence, the fundamental questions of this study were

addressed the determinants of employee performance of save the children retain valuable human resource in the organization.

From the question of determinant of employee performance save the children uses to attract and retain employees, the researcher find the organization have provide better salary than other similar organizations, cover medical expenses, transport allowance, annual salary increment based on merit, cover 8% of annual salary for educational fees, merit based internal recruit the right employees to the right position, attractive recruitment and selection process transparent and unbiased for external candidates.

Moreover, the researcher knows from the study as employee performance system is in place organization enhanced retention strategies that able to acquire and retain valuable workforces in the organization. Employee performance system of the organization should be based on the job description and specification to keep tracking and reasonable paying salary according the performance and grade of the organizations. by providing fair and appropriate/equitable allowance, incentives and rewards; having fair job security and stable working environment; recognize, acknowledge and encourage employees; escalate freedom of thinking and innovation in the organization; free from employee discrimination while assessment and promotion; arrange flexible performance and working conditions; make fair and equitable annual salary increments based on individual performance; appreciate for education; encourage to participate in management including decision making and strategy formulation; acquiring competitive employees; provide greater opportunities for growth and development; focus on merit based internal recruiting and promoting internal candidates.

5.3. Recommendation

Save the Children should implement employee performance for better retention strategies to manage and reduce employee turnover to attract quality employees in the organization. Employee performance is used for competitive pay, better benefits, and employee recognition, employee education development programs are all parts of Save the Children attempt to maintain employee in the organization. Based on the above findings the researcher recommended as follows:

- Employee performance should be based on job description and specification: the researcher recommended the organization to rely on clear and concise job descriptions and specifications to streamline the employee performance periodically.

- Make sure merit based appropriate/equitable salary, allowance, incentives and annual salary increments should be based on employee effective performance. The researcher recommended the organization salary should not to a large extent depend on the inputs they bring to the job in the form of education, experience, but also should provide training and development based on employee performance.

- Supervisors and managers should do performance review according the work plan and working conditions. As the finding show the organization do not arrange flexible performance review and working conditions. Thus, researcher recommends the organization should support employee effective performance review and working arrangements as studies shows that flexible arrangements can lead to increased productivity, effectiveness, efficiency and usually result in higher worker morale.

- Invite employees to participate in performance management and should provide feedback to employee of performance result for participative decision making encourages at all levels in the organization to solve any performance problems encountered. So the researcher recommended the organization should provide feedback on determinants of employee performance result.

- Make sure when conducting employee performance transparent to all employee relating feedback during assessment. Finally the researcher advises the organization to have clear, precise, consistent and practical employee performance assessment system, policy, and procedure in the organization to conduct employee performance to ensure transparent and unbiased assessment revealed at all level of importance.

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APPENDIX

Structured questioner

St.Mary's University

School of Graduate Studies

Questionnaire to be filled by employees of Save the children.

Dear respondents:-This questionnaire is designed for preparing a Master's thesis on the title of determinants of effective performance evaluation in the case of save the children.

The researcher kindly requests you to spend your precious time to fill the questionnaire as frank as possible. The researcher informs you that, the information you provide will be consumed only for academic purpose and shall be kept confidential. Therefore, you are not expected to write your name in any place on this questionnaire.

If you have any question feel free to contact the researcher at email tesfayealamata@yahoo.com or Mobile phone +251 910670050.

Instruction: Put "√" mark in the box that reflects your idea parallel to your choice.

Part I: General background of respondents (demographic information)

1. Gender

A. Male ☐   B. Female ☐

2. Your age

A. 18- 25 ☐   B.26-30 ☐   C.31-35 ☐   D. 36-40 ☐   E. above 40 ☐

3. Marital status

A. Single ☐   B. Married ☐

4 .Educational background

A.BSC/BA ☐   B.MSC/MA and above ☐

5. Organizational position

A. Administrator ☐   B. supervisor ☐   C. Manager ☐ D. Specialist ☐

6. Year of service in the organization

A. 2 to 3 years ☐   B. 4 to 6 years ☐C. 4 - 6 year ☐D. 7 year and above ☐

7. Year of service in your last position

A. Less than 1 year ☐   B. 2 to 3 year ☐   C. 4 to 6 year ☐   D. Above 7 year ☐

Part II: Employee satisfaction with the existing retention strategies

Instruction: select only one among the options given below.

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

No	Items	Strongly Disagree	Disagree	Neutral	Agree	Strongly Agree
		1	2	3	4	5
1	Employee performance assessments are based on job description and specification.					
2	Salary scale of SC is better than other similar organization					
3	Allowance, incentives and reward systems are fair and appropriate/equitable					
4	SC has good job security and stable working environment					
5	There is employees recognition, acknowledgment and encouragement, at his/her work place					
6	There is freedom of thinking and innovation in the organization.					

7	There is fair and nondiscriminatory employee assessment system in the organization					
8	Supervisors and managers arrange flexible performance assessment.					
9	The overall relation between management and employees assessment are good					
10	Effective performance procedures and standards are fully available					
11	There is merit based and equitable annual salary increment.					
12	There is opportunity for growth and development in the organization					
13	The work schedule of the organization provides you a balance to meet work and personnel needs					
14	SC provides satisfactory employee benefit					
15	The organization support for higher education is satisfactory					

Interview questions prepared for supervisors, managers and officers

1. What is the use of performance assessment in the organizations?

2. What are determinants of employee performance existing in the organization?

3. What is your view regarding effective employee performance?

4. What cost does the organization incur due to poor employee performance?

5. What types of performance management policies the organization implements?