



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

**ASSESSMENT OF PRACTICES AND CHALLENGES OF
EMPLOYEES PERFORMANCE MANAGEMENT SYSTEM**

**AT ETHIOPIAN MULU WONGEL AMAGNOCH CHURCH
DEVELOPMENT COMMISSION**

**BY
ASELEFECH MEKONNEN**

JUNE, 2021

ADDIS ABABA, ETHIOPIA

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BY: ASELEFECH MEKONNEN

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ADDIS ABABA, ETHIOPIA

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

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DECLARATION

I, the undersigned, declare that this thesis is my original work, prepared under the guidance of Asst. Professor Shoa Jemal. 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 institutions for the purpose of earning any degree.

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June, 2021

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Addis Ababa

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ACRONYMS/ABBREVIATIONS

EMWACDC	Ethiopian MuluWongelAmagnoch Church Development Commission
PM	Performance Management
PMS	Performance Management System
EPMS	Employee Performance Management System
HRM	Human Resource Management
HR	Human Resource
SPSS	Software Package for Social Science

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ABSTRACT

The main purpose of this study was to assess the practices and challenges of employee performance management system at Ethiopian Mulu Wongel Amagnoch Church Development Commission. The study tries to address the basic questions of how the alignment was made between organizational goal with that of the departmental and individual goal, identifying the purpose of PMS, how the planning, execution, assessment and review process was handled and challenges faced while implementing performance management. The study was limited to Addis Ababa area; employees working on Head office, Addis Ababa branch office and Addis Ababa Projects, and who have served the commission for more than a year which is 64 employees to fill the questionnaire. Finding of the study revealed that lack of sufficient resource allocation to execute their job properly, the performance issue not addressed timely, performance evaluation standards were not fair, clear and capable of the true measurement, the strategic plan of the commission is not clear, realistic & attainable and not aware of all employees and gathering of information about employee performance was limited are the major problems noted. Furthermore, the result of evaluation did not attach with reward, recognition and development schemes. Having this in mind the researcher concluded that even though the Commission has some good qualities in clearly defining the mission, vision and values and developing strategy map, it should do more to make the performance management system to be more useful to the Commission. In order to fill the identified gap, sufficient resources should be provided for execute their job, addressed/take corrective action timely when the gap occurred on the performance issue, set or establish an appropriate and clear performance evaluation standard,, strategic plan of the commission must be clear, realistic and attainable and fully aware to all staff and information gather from different sources about the performance of an employee. Finally, it is suggested to that it should be provided some privileges to employees by applying reward, recognition and development.

Key terms: Performance Management, objective, assessment, align, reward and recognition

CHAPTER ONE

INTRODUCTION

This chapter comprises back ground, definitions of terms, problem statement, research questions, objectives, significance, scope, limitation of the study and organization of the paper.

1.1 Background of the Study

Performance management is a cornerstone of Human Resource Development mechanism designed and utilized for the all-round development and growth of employees as well as organizations. Mostly organizations have their own highly motivated and talented employees which are offering an effective outstanding service to the end users would be likely to pull ahead of the competition. However, the products and services are similarly to those offered by the competitors usually customers want to get the right response at the right time and they want to receive the products and services promptly and accurately. Performance Management is one of the aspects of human resource management. It is a process of advancing the performance of the organization to the higher expectation by developing the performance of individuals and teams in a systematic way. It is the process of cascading the goal of the organization down to teams and individuals with the aim of getting a better result (Armstrong, 2009).

Performance Management is one of the most important functions in human resource management. It provides the context to link individual objectives with departmental targets, thus supporting and facilitating the attainment of departmental goals. Performance management can be a very effective management tool when applied properly. It provides staff with clarity of aims and focuses on job expectation, motivates staff to perform better, cultivates the desired culture, helps to focus on the desired results, improves communication, helps to develop staff and helps to achieve departmental objectives. (Performance management guide, 2000).

Measuring and managing employee performance is important as it leads to employee satisfaction by linking benefits with performance accomplishment; it enables the organizations to achieve higher performances accordingly. It also leads to employee satisfaction improvement, rise in employee work motivation, creativity and development of the knowledge and competency levels, as a key competitive advantage (Coens & Jenkins, 2002). Therefore performance management

systems have come to play an indispensable role in helping organizations to reach their goals of productivity (Stevens & Joyce, 2000).

Performance management is a means of getting results by providing the means for individuals to perform well within an agreed framework of planned goals, standards and competency requirements (Aguinis H 2013).

In addition to this to acquire an effective performance management supervisors and subordinates should obtain a common and better understanding for targeted work expectations through setting goal/objective, good follow up/ongoing communication, review, share feedback and suggestion, identify learning and development needs and recognizing. Under such process organizations could enable to create a sustainable working environment. Furthermore, it will have a distinctive values and continuous improvement, adapts well to change, strives to attain ambitious goals, encourages creativity, promotes learning for professional development, and highly engaged a rewarding employee. On the contrary, if it is not carefully developed and implemented it will have a negative repercussion not only for the organization but for the employee.

The true role of performance management is to look forward to what needs to be done by people to achieve the overall purpose of the job, to meet new challenges, to make even better use of their knowledge, skills and abilities, and to help them to develop their capabilities and improve their performance. This process also helps managers to improve their ability to lead, guide and develop both individuals and teams for whom they are responsible (Armstrong 2000).

Ethiopian Mulu Wongel Amagnoch Church Development Commission /EMWACDC is a nongovernmental Organization, initiated in 1993 by a group of locally based church leaders and prominent followers. Following this it was launched and established at a country level in January 1995, since then its prospect was mainly aimed for serving physically, psychologically, economically and socially marginalized group(those who are under poverty line) are basically needy and target beneficiaries operating in full scale with an integrated manner.

Currently the development commission has one head office in the capital City Addis Ababa and 7 branch offices all over the country, which is running over 155 projects with an entire 600 professional and non-professional employees. It has reached 154, 146 direct beneficiaries and 615,584 indirect beneficiaries with the fiscal budget of 2020/2021 Birr 204,893,347.00. The

commission work on different development activities which include child development, support of orphans, and vulnerable children. Support for elderly and widows and widowed people, youth and women economic empowerment, improving health and educational facilities, improving agricultural production and productivity, increase potable water supply, increase household off-farm income, environmental protection and conservation. HIV/AIDS prevention care and support mitigation, supporting the marginalized group of people and emergency response.

Under Church umbrella there are three specific sectors such as Development commission, Church service, and Theology collage/Seminary. Among which my study focused on development commission wing to assess the practices and challenges of employee performance management system. The Commission has developed series of vertical and horizontal strategic implementation procedures to create and provide an efficient working environment. However, there is a big loophole when we implement the five years strategic plan at the grass root level. Therefore, following these to fulfill this gap I would like to critical assess employee performance management system in the Commission.

1.2 Definition of Terms

Performance: is an employee's accomplishment of assigned tasks. It is viewed as employee activity or behavior which has been evaluated as to its appropriateness or desirability in an organizational setting. Behavior refers to anything a person does on the job (Carroll 1982:2).

Management: is the process of designing and maintaining an environment in which individuals, working together in groups, efficiently accomplish selected aims. (Heinz Wehrich, Harold Koontz (2004)

Performance management system: a mechanism designed to aligning the strategic objectives of the organization to that of individual level so that each individual employee performance will be tracked in relation to the targets or goals given to the respective place of assignment. An authoritative framework for managing employee performance, which includes the policy framework as well as the framework relating to all elements in the performance cycle, including performance planning and agreement; performance monitoring, review and control; performance appraisals and moderating; and managing the outcomes of appraisal (Bacal 1999:3).

1.3 Statement of the Problem

It is well known that an organization achieves the desired objective having resources like materials, information, capital and human resources. People as human assets are the “glue” that holds all the other assets, such as financial and physical ones, together and guides their use to better achieve results. Many organizations have identified that having their human resources as core competencies differentiates them from their competitors and is a key determinant of competitive advantages (Mathis & Jackson, 2011).

Performance management is concerned with: aligning individual objectives to organizational objectives and encouraging individuals to uphold corporate core values; enabling expectations to be defined and agreed in terms of role responsibilities and accountabilities (expected to do), skills (expected to have) and behaviors (expected to be); providing opportunities for individuals to identify their own goals and develop their skills and competencies. (Armstrong, 2009)

Many corporations view their performance management systems as organizational wallpaper, meaning that they exist only in the background and are not expected to add value (Coens & Jenkins, 2002).

The reason for the presence of employee performance management system in an organization is to improve organizational result, deploy a culture that will attract and develop employees, create a good relationship between managers and employees, enhance meaningful work cooperation among employees, generate an opportunity for growth and development and to make clear on an understanding of work objectives. Effective employee’s performance management system has a well-articulated process for accomplishing evaluation activities, with defined roles and timelines for both managers and employees. Especially in organizations that use EPM as a basis for pay and other HR decisions, it is important to ensure that all employees are treated in a fair and equitable manner (Pulakos, 2004).

Performance management system has so many advantages both for organizations and employees, it needs a high degree of involvement from senior management and leadership. A key to successful performance management is the ownership and leadership of senior management. When management owns the system instead of HR, and when senior leaders support it, performance management systems are much more effective.

Among different nongovernmental organizations which are conducting humanitarian aids one of the prominent who stood at the forefront is Ethiopian Mulu Wongel Amagnoch Church

Development Commission/EMWACDC. For the last twenty-six years it has been working very intensively throughout the country by passing so many challenges. However, to achieve the targeted programs and goals so many bottlenecks come across in every step of day-to-day activities as well as quarterly and yearly budgeted project achievement. Likewise, an integrated application and utilization of human resource is one of the prominent figures serves as a backbone of any organization which is leading to success and promotion. Cognizant to this, a well developed and motivated staff, achieving its vision and mission means a lot for the Commission. As a result EMWACDC needs a well designed and implemented performance management system to enhance the performance of its employees.

Considering the importance of performance management system, the researcher became interested to assess the practice and challenges of employee performance management system in the Commission in order to answer the following basic questions

1.4 Research Questions

1. How does the strategic objective of the commission align with individuals' performance objectives?
2. What purpose does the performance management system have in Commission?
3. How does the practices of planning, execution, assessment and review phases of the performance management in the Commission?
4. What are the major challenges of the performance management system in the Commission?

1.5 Objective of the study

1.5.1 General Objectives

The study has the general objective of assessing the practices and challenges of employee performance management system at Ethiopian Mulu Wongel Amagnoch Church Development Commission/EMWACDC.

1.5.2 Specific Objectives

The study addresses the following specific objectives;

- To assess whether the strategic objective of the Commission aligned with employee performance objectives.
- To identify the purpose of performance management system within the Commission.
- To assess the practices of planning, execution, assessment and review of performance management in the Commission.
- To explore the main challenges encountered while implementing an employee performance management system in the commission.

1.6 Significance of the study

The study has assessed the practices and challenges of employee performance management system in Ethiopian Mulu Wongel Amagnoch Church Development commission, the finding can contribute to the development commission organs found at various levels of management and human resource department by providing information, about the existing practices of employee performance management system and how the performance management system is crucial to incorporate as a means of enhancing the employee performance in the commission as well as enhance motivation at the workplace. It also gives insight about the prospects and challenges of the existing employee performance management system.

Additionally, this study would help the researcher to acquire knowledge and experience of doing a study and learning about the employee performance management system.

1.7 Scope of the study

This study was conducted to assess the execution of the performance management system processes such as performance planning and agreement, feedback provision, performance assessment and performance review.

The scope of this paper is part and parcel of the Commission human resource management programs, which is specifically focused on employee performance management.

1.8 Limitation of the Study

This study would be more important, if all branches and projects located outside of Addis Ababa included. However, it would be practically unattainable to conduct due to different constraints.

Therefore, this study has focused particularly on Head office, Addis Ababa/ Central Branch and Projects in Addis Ababa.

Some of the most important limitations of this research were; some staffs are unwilling to fill the questionnaire, lack of time to utilize maximum effort due to other work pressure, the study was conducted within an organization where the researcher is an employee of the case organization and a participant in the performance management system. This may imply a certain level of subjectivity based on the researcher's own perceptions for the system and her personal experience of such system. However, care was taken to reduce such biases through the enhancement of trustworthiness and quality and following scientific research procedures.

1.9 Organization of the paper

The study has five chapters and each one is composed of various titles. The first chapter deals with the introduction part includes background of the study, Definitions of terms, statement of the problem, Research questions, Objectives, significance, Scope, limitation of the study and Organization of the paper. The second chapter has included related literature review where detail discussion about the topic has been undertaken. The third chapter has presented the research design and methodology. In the fourth chapter summarizes the results/findings of the study, and interpretation and/or discussion the findings. The results and discussions will be extensively associated with the literature review made in chapter two. The last chapter covered the summary of major findings and conclusions drawn from the findings and also the possible recommendations has been forwarded by the researcher.

CHAPTER TWO

RELATED LITERATURE REVIEW

In this part of the study, the researcher has reviewed related literatures. This chapter includes the theoretical review, empirical review from previous related works and finally conceptual framework has formulated. Furthermore, lessons drawn from literature were forwarded.

2.1 Theoretical Literature

2.1.1 Definition of Performance

Performance can be defined as ‘the act or process of performing a task or an action that involve a lot of effort’ (Oxford Advanced Learner Dictionary, 2006). According to Smither and London, 2009 it can be also defined as a combination of both results (what need to be achieved) and behaviors (how to be achieved). In a simple way performance can be also regarded as a record of an outcome or accomplishment achieved by a person or a team (Armstrong, 2009). Therefore, it is possible to say that when managing performance both inputs (behavior) and outputs (results) need to be considered since they are interrelated. And, behaviors emanate from the performer and transform performance from abstraction to action.

2.1.2 Performance Management

Performance management can be defined as a systematic process for improving organizational performance by developing the performance of individuals and teams. It is a means of getting better results by understanding and managing performance within an agreed framework of planned goals, standards and competency requirements (Armstrong, 2006). Smither and London, 2009 also define performance management as it is a “continuous process of identifying, measuring, and developing the performance of individuals and teams and aligning performance with the strategic goals of the organization”.

Performance management is concerned with: aligning individual objectives to organizational objectives and encouraging individuals to uphold corporate core values; enabling expectations to be defined and agreed in terms of role responsibilities and accountabilities (expected to do), skills (expected to have) and behaviors (expected to be); providing opportunities for individuals to identify their own goals and develop their skills and competencies. (Armstrong, 2009)

Performance management is based on the agreement of objectives, knowledge, skill and capability (competence) requirements, performance improvement, and personal development plans. It involves the joint and continuing review of performance against these objectives, requirements and plans and the agreement and implementation of improvement and further development plans. (Armstrong 2000).

Many factors will impact the effectiveness of an organization's performance management system, but three are most important. First, the system needs to be aligned with and support the organization's direction and critical success factors. Second, well-developed, efficiently administered tools and processes are needed to make the system user friendly and well received by organizational members. Third, and most important, is that both managers and employees must use the system in a manner that brings visible, value-added benefits in the areas of performance planning, performance development, feedback and achieving results (Elaine D. Pulakos 2004).

2.1.3 Processes of Performance Management

As most authors has agreed on the meaning of performance management it is a continuous process that engages both the manager and an employee to set out how they can best work together to achieve the required results. As a result, performance management system has its own process in order to execute the system effectively.

Even though there are different processes of performance management system indicated by different authors, the most common and concrete one is a process which encompasses five phases which are prerequisites, performance planning, performance execution, performance assessment and performance review. Each phase will be discussed briefly as follows.

2.1.3.1 Prerequisites

There are two important prerequisites that are needed before a performance management system is implemented: first knowledge of the organization's mission and strategic goals and second knowledge of the job in question. If there is a lack of clarity regarding where the organization wants to go, or the relationship between the organization 's mission and strategies and each of its unit 's mission and strategies is not clear, there will be a lack of clarity regarding what each employee needs to do and achieve to help the organization get there. An organization's mission

and strategic goals are a result of strategic planning, which allows an organization to clearly define its purpose or reason for existing, where it wants to be in the future, the goals it wants to achieve, and the strategies it will use to attain these goals. Once the goals for the entire organization have been established, similar goals cascade downward, with departments setting objectives to support the organization's overall mission and objectives. The second important prerequisite before a performance management system is implemented is to understand the job in question. This is done through job analysis. Job analysis is a process of determining the key components of a particular job, including activities, tasks, products, services, and processes. There are numerous types of job analytic tools, including some that focus on specific personality traits needed for various positions (Aguinis, et al, 2009).

A job analysis is a fundamental prerequisite of any performance management system. Without a job analysis, it is difficult to understand what constitutes the required duties for a particular job. If we don't know what an employee is supposed to do on the job, we won't know what needs to be evaluated and how to do so.

2.1.3.2 Performance Planning

According to Smither and London (2009), the performance planning cycle of performance management system is the first stages where employees will be enabling to have a clear knowledge about the system. It is the first cycle where supervisor and employee meet to discuss and agree on what is to be done and how it is to be done by combining the result, behavior and development plan.

By results we mean the outcomes that an employee must perform quality products and services with time in accordance to personal accountabilities. On the other hand, behavior is an important measure of results on how employees do their job by discussing on competencies, which are measurable clusters of knowledge, skills, and attitudes (KSAs) that are critical in determining how results will be achieved. The third component of a planning phase is development plan. It is identifying areas of improvement and setting goals to be achieved in each area. It usually includes both results and behaviors. Such plans highlight an employee's strengths and the areas in need of development, and they provide an action plan to improve in areas of weaknesses and further develop areas of strength. And it helps employees to identify how continually learn and

grow, to see the possibility of being better in the future and helps them to avoid performance problems faced in the past.

To show the difference between result and behavior Grote, (2002) identified that, results include actual job outputs, countable products, measurable outcomes and accomplishment, and objectives achieved. It deals with what the person achieved. However, behaviors include competencies, skills, expertise and proficiencies, the individual’s adherence to organizational values, and the person’s style, manner and approach. Behaviors deal with how the person went about doing the job.

Table 2.1 the difference between result and behavior

Elements	Focus
Results	<ul style="list-style-type: none"> • What the individual achieved • Actual job outputs • Countable results • Measurable outcomes and accomplishment • Objectives achieved • Quantity, Quality, Cost and Timeline(QQCT)
Behaviors	<ul style="list-style-type: none"> • How the individual performed • Adherence to organizational values • Competencies/performance factors • Traits/attributes/characteristics/proficiencies • Personal style, manner and approach • Knowledge, Attitudes, Skills and Habits (KASH)

Source: Dick Grote (2002) The Performance Appraisal Question and Answer Book Pp: 28

According to Dick Goter, performance planning is a discussion between supervisor and employee with the agenda of coming to agreement on individual’s key job responsibilities, developing a common understanding of the goal and objective that needs to be achieved, identifying the most important competencies and creating an appropriate individual development plan. While conducting the performance planning cycle, there are some responsibilities which will be expected both from the supervisor and the employee before the discussion and during the discussion. The responsibilities of the supervisor before the meeting are first to review the organization’s mission, vision and values statement and departments goal, the second one is

reading the individual's job description and thinking about the goals and objectives which the employee is expected to achieve in the evaluation period. The third and the fourth responsibilities of the supervisor is identifying the most important competencies and determining what consideration should be taken to the successfulness of performance in each area respectively. In addition to these during the meeting the supervisor will be responsible to discuss and come to an agreement with the individual on the most important competencies, key position responsibilities and goals and also, he/she is responsible to come to an agreement on the development plan of an employee.

On the other hand, the employee has also the same responsibilities while conducting the performance planning stage in order to make the performance management system effective and successful (Dick Grote 2002).

2.1.3.2.1 Components of Performance Planning

Performance planning is the process of setting goals in relation to the key accountabilities associated with your role. Commonly, setting performance goals involves having an understanding of your key accountabilities, setting goals in relation to these accountabilities, and deciding how you will measure the achievement of your goals (L. Kirkpatrick, 2006).

In general, according to Armstrong (2009) performance planning among others includes: agreement on goals/objectives, performance standards, performance measures, key result areas, and agreement on personal development needs.

1. Goals/ objectives

According to Grote, 2002 goal setting is one of the key elements of performance planning. In addition to identifying the key responsibilities of the individual's job and the competencies or behaviors that the organization expects everyone to display, another critical element is setting appropriate goals for the upcoming year.

2. Performance standards

Performance standards are management approved expressions of the performance thresholds, requirements, or expectations that employees must meet to be appraised at Particular levels of performance (United States Office of Personnel Management, January 2001). Standards of performance are different from objectives. Objectives should be set for an individual, rather than

for a job. Therefore, a manager who has several employees who do the same job will have one setoff standards for the job but may have different objectives for each person (for mediocre or outstanding), based on that person's experience, skills, and past performance

3. Performance measures

In identifying what the key responsibilities of a position are; the manager and the individual need to discuss how the person's performance will be measured and evaluated. There is a difference between output measures and outcome measures. An output is a result that can be measured quantifiably, while an outcome is a visible effect that is the result of effort but cannot necessarily be measured in quantified terms. According to Grote, (2002) there are four general measures of output: Quality, Cost, and Timeliness. Armstrong (2009) suggested that measures of outcome include: changes in behavior; completion of work/project; acquisition and effective use of additional knowledge and skills etc.

4. Key performance indicators

Key performance indicators (KPIs) define the results or outcomes that are identified as being crucial to the achievement of high performance.

2.1.3.3 Performance Execution

Once the performance-planning phase has been completed, it's time to get the job done to execute the plan. Performance execution is the second phase of an effective performance management process. For the individual, the critical responsibility in phase two is getting the job done achieving the objectives. Even if the line share of this phase will be taken by the employee, but the appraiser have also two major responsibilities: creating the conditions that motivate, and confronting and correcting any performance problems. In an effective performance management system, performance execution also includes a midterm review to ensure that performance is on track (Grote, 2002).

Smither and London (2009), has also mentioned the following responsibilities of supervisor in the execution stage of performance management system.

1. **Observation and documentation:** - it is an observation and documentation of employee's performance in a daily basis which helps to keep track of both good and poor performance.

2. **Updates:** - when there is a change in organizational goal, supervisors must update and revise the initial planned objectives, standards, key accountabilities and key competencies accordingly.
3. **Feedback:** - in order to improve performance, feedback should be provided regularly before the time of assessment and also supervisors should coach and mentor employees every time.
4. **Resources:** - without sufficient resource it is difficult for employees to achieve the planned objective. Thus, supervisors have a responsibility of ensuring the availability of the necessary supplies and funding to perform the job properly.
5. **Reinforcement:** - supervisors must let employees know that their outstanding performance is noticed by reinforcing effective behaviors and progress toward goals. Also, supervisors should provide feedback regarding negative performance and how to remedy the observed problem. Observation and communication are not sufficient. Performance problems must be diagnosed early and appropriate steps must be taken as soon as the problem is discovered.

As the responsibility of supervisors was cited by Smither and London, Dick Grote states the responsibilities of employees as follows.

1. **Get the job done:** - performing the agreed objectives, competencies and development plan at the performance planning stage is solely the responsibility of the employee by carrying out them on a daily activity.
2. **Solicit performance feedback and coaching:** - even though giving feedback is the responsibility of supervisors, employees have to also ask for feedback on their performance and plead for coaching and mentoring while they face some problems in executing their day-to-day job.
3. **Communicate openly with appraisers on progress and problems in achieving objectives:-** at the performance execution stage, employees should feel free to communicate with their supervisors regarding their progress as well as problems while trying to achieve their objectives.

4. **Update objectives as conditions change:** - whenever there is a change in organizational objective, employees should update their objectives as well in order to comply with the new change.
5. **Complete the development plan:** - once employees put their development plan in the planning process, they have to complete it before the performance assessment stage. This is because without employees' development, performance management system is like a bird with one wing that does not able to fly.
6. **Keep track of achievements and accomplishments:** - employees should register their achievements and accomplishments while performing their job. This will help them to point out the major achievements at the time performance assessment with their supervisors.
7. **Actively Participate in the midterm review meeting:** - this is the chance where employees can reach on an agreement with their supervisors about their performance in the past and the areas of improvement for the future.

2.1.3.4 Performance Assessment

In the assessment phase, both the employee and the manager are responsible for evaluating the extent to which the desired behaviors have been displayed, and whether the desired results have been achieved. Although many sources can be used to collect performance information (for example, peers or subordinates), in most cases the direct supervisor provides the information. This also includes an evaluation of the extent to which the goals stated in the development plan have been achieved. It is important that both the employee and the manager take ownership of the assessment process. The manager fills out his or her evaluation form, and the employee should also fill out his or her form. The fact that both parties are involved in the assessment process provides better information to be used during the review phase (Smither and London, 2009).

When both the employee and the supervisor are active participants in the evaluation process, there is a greater likelihood that the information will be used productively in the future. Specifically, the inclusion of self - ratings helps emphasize possible discrepancies between self-views and the views that important others (that is, supervisors) have. It is the discrepancy between these two views that is most likely to trigger development efforts, particularly when

feedback from the supervisor is more negative than are employee self - evaluations. The benefit of self-evaluation is to reduce an employee's defensiveness during the assessment meeting and also in increase employee's satisfaction and trust in the performance management system.

According to Dick as the time for the formal performance evaluation nears, the manager reflects on how well the subordinate has performed over the course of the year, assembles the various forms and paperwork that the organization provides to make this assessment, and fills them out. The manager may also recommend a change in the individual's compensation based on the quality of the individual's work (Grote, 2002).

Habitually, people think that performance evaluation is an event required by the personnel department in which the manager fills out the form and then uses it to give feedback which is totally wrong. Rather performance assessment is one of the most important processes in performance management system in which supervisors are assessing their subordinates regarding their performance in the past which lays a ground for keeping the strength and improving on the weaknesses and working on the development plan for the future.

Managers often complain that evaluating someone's performance is difficult. The reason that they find it difficult is usually that they have not done a good job of performance planning at the beginning of the year. If a manager has not held a planning discussion at that time, it's difficult to evaluate performance at the end of the year.

In the performance assessment stage supervisors have the following major responsibility which helps them to evaluate their subordinate effectively and fairly.

- **Review the original list of competencies, goals, objectives, and key position responsibilities:** -since performance assessment is made based on the goals, objective and competencies listed in the performance planning stage, supervisors should review them so as to cascade the assessment from them.
- **Prepare a preliminary assessment of the employee's performance over the entire year:** -it helps to have a clear picture on the performance of the employee while accomplishing their planned objective as well as achieving organizational goal.
- **Review the individual's list of accomplishments and the self-evaluation:-** assessing the accomplishment made by the employee and referring to self-evaluation will help supervisors

to remind every accomplishments and failure so as to make an accurate evaluation accordingly.

- **Prepare final assessment of the employee's performance:**-after reviewing the data gathered through self-evaluation, peer evaluation and self-evaluation made by supervisors, the final assessment should be prepared with fair judgment.
- **Write the official performance evaluation using the evaluation form.**
- **Review the evaluation with the manager and obtain concurrence:** - the assessment filled on the evaluation form should be reviewed by the higher supervisors in order to cross check the fairness of the evaluation.
- **Determine any revisions needed to the employee's key position responsibilities, goals, objectives, competencies, and development plans for the next evaluation period:** - based on the past performance point out the areas which needs revision on the responsibilities, objectives, goals, competencies and development plans. This is highly appreciated when performance gap is identified.
- **Prepare for the performance review meeting:** - employees and supervisors should have a meeting to talk about the assessment as well as performance review for the next period.

Likewise, supervisors' individuals have also the above stated responsibilities in the performance assessment phase of the process.

Methods of Assessment

According to Armstrong, 2006 there are seven ways of assessing performance:

1. Overall analysis of performance:

An overall analysis is a form of assessment, as it will reveal strengths and, possibly, weaknesses, which indicate where development can usefully take place.

2. Narrative Assessment

A narrative assessment is simply a written summary of views about the level of performance achieved. This at least ensures that managers have to collect their thoughts together and put them down on paper.

3. Rating

A rating scale is supposed to assist in making judgments and it enables those judgments to be categorized to inform performance or contribution pay decisions or simply to produce an instant summary for the record of how well or not so well someone is doing. Rating scales can be defined alphabetically (a, b, c etc.) or numerically (1,2,3 etc.). Initials (ex for excellent etc.) are sometimes used in an attempt to disguise the hierarchical nature of the scale. The alphabetical or numerical scale points may be described adjectivally, for example a = excellent, b = good, c =satisfactory and d = unsatisfactory.

Alternatively, scale levels may be described verbally as in the following example:

Exceptional performance: exceeds expectations and consistently makes an outstanding contribution that significantly extends the impact and influence of the role.

Well-balanced performance: meets objectives and requirements of the role; consistently performs in a thoroughly proficient manner.

Barely effective performance: does not meet all objectives or role requirements of the role; significant performance improvements are needed.

Unacceptable performance: fails to meet most objectives or requirements of the role; shows a lack of commitment to performance improvement, or a lack of ability, which has been discussed prior to the performance review. The number of rating levels can be three, four, five or even six levels.

4. Forced distribution

Forced distribution means that managers have to conform to a laid-down distribution of ratings between different levels.

5. Forced ranking

Forced ranking is a development of forced distribution. Rankings can be generated directly from the assignment of employees to categories (e.g., A, B and C) or indirectly through the transformation of performance ratings into groups of employees.

6. Quota systems

Quota systems lay down what the distribution of ratings should be and adjust the ratings of managers after the event to ensure that the quota in each level is met.

7. Visual methods of assessment

An alternative approach to rating is to use a visual method of assessment. This takes the form of an agreement between the manager and the individual on where the latter should be placed on a matrix or grid,

Rating errors which are encountered during performance assessment process

Rating errors are faults or factors that influence supervisors to have a wrong judgment in evaluating employees' result and behavior and making a wrong decision on the quality of someone's job performance.

According to Armstrong the following errors are common while rating employee's performance.

- **Attractiveness effect:** - the well-documented tendencies for people to assume that people who are physically attractive are also superior performers.
- **Attribution bias:** - the tendency to attribute performance failings to factors under the control of the individual and performance successes to external causes.
- **Central tendency:** - the inclination to rate people in the middle of the scale even when their performance clearly warrants a substantially higher or lower rating Out of an erroneous belief that the law required companies to treat all employees the same, and a conscious desire to avoid confrontation.
- **First impression error:** - the tendency of a manager to make an initial positive or negative judgment of an employee and allow that first impression to color or distort later information.
- **Halo/horns effect:** - inappropriate generalizations from one aspect of an individual's performance to all areas of that person's performance.
- **High potential error:** - confusing an individual's future potential with his current performance.
- **Negative and positive skew:** - the opposite of central tendency. The rating of all individuals as higher as or lower than their performance actually warrants.
- **Past performance error:** - permitting an individual's poor (or excellent) performance in a previous rating period to color the manager's judgment about her performance in this rating period.

- **Recency effect:** - the tendency for minor events that have happened recently to have more influence on the rating than major events of many months ago.
- **Similar-to-me effect:** - the tendency of individuals to rate people who resemble themselves higher than they rate others.
- **Stereotyping:** - the tendency to generalize across groups and ignore individual differences.

2.1.3.5 Performance Review

The performance review stage involves the meeting between the employee and the manager to review their assessments. This meeting is usually called the evaluation meeting or discussion. The review meeting is important because it provides a formal setting in which the employee receives feedback on his/her performance. In spite of its importance in performance management, the evaluation meeting is often regarded as the most difficult of the entire process because many managers are uncomfortable providing performance feedback, particularly when performance is deficient. This high level of discomfort, which often translates into anxiety and the avoidance of the evaluation interview, can be mitigated through training those responsible for providing feedback (Smither and London, 2009).

The performance review meeting is the basis for assessing the three key elements of performance (the three Cs), namely contribution, capability and continuous development. Such meetings are also the means through which the five primary performance management elements measurement, feedback, positive reinforcement, exchange of views, and agreement can be put to good use. A performance review should be rooted in the reality of the employee's performance. The latter is concrete, not abstract, and it allows managers and individuals to take a positive look together at how performance can become even better in the future and how any problems in meeting performance standards and achieving objectives can be resolved. Individuals should be encouraged to assess their own performance and become active agents for change in improving their results. Managers should be encouraged to adopt their proper enabling role (Armstrong 2000).

Assuming that feedback has been provided on an ongoing basis, the formal performance review session should simply be a recap of what has occurred throughout the rating period. In other words, there should be no surprises in the performance review. During this meeting, managers should discuss with employees their ratings, narratives and rationale for the evaluation given.

The performance review session is also a good time to plan developmental activities with employees for the next period. Wexley, K. N. (1986)

Objectives of performance review

Among different objective of performance review the followings are some of them which can be mentioned as the most important one (Smither and London 2009).

- It gives motivation to provide positive feedback, recognition, praise and opportunities for growth; to clarify expectations; to empower people by encouraging them to take control over their own performance and development.
- It encourages development by providing a basis for developing and broadening capabilities relevant both to the current role and any future role that the employee may have the potential to carry out. Note that development can be focused on the current role, enabling people to enlarge and enrich the range of their responsibilities and the skills they require, and to be rewarded accordingly. This aspect of role development is even more important in flatter organizations, where career ladders have shortened and where lateral progression is likely to be the best route forward.
- It gives a chance for communication to serve as a two-way channel for talking about roles, expectations (objectives and capability requirements), relationships, work, problems and aspirations.

Smither and London (2009) in their book “Performance Management” indicates the following six recommendations for conducting an effective performance review.

- Identify what the employee has done well and poorly by citing specific positive and negative behaviors.
- Solicit feedback from the employee about these behaviors. Listen for reactions and explanations.
- Discuss the implications of changing, or not changing, the behaviors. Positive feedback is best, but an employee must be made aware of what will happen if any poor performance continues.
- Explain to the employee how skills used in past achievements can help him or her overcome any current performance problems.

- Agree on an action plan. Encourage the employee to invest in improving his or her performance by asking questions such as “What ideas do you have for?” and “What suggestions do you have for?”
- Set up a meeting to follow up and agree on the behaviors, actions, and attitudes to be evaluated.

While carrying out performance review supervisors have seven primary responsibilities (Dick Grote 2002)

- Review the agenda and time frame for meeting
- Review and discuss the performance appraisal and the individual’s achievements list
- Listen and respond appropriately to the individual’s perceptions and feedback
- Discuss your assessment of the individual’s performance against objectives over the entire cycle, especially strengths/achievements, weaknesses/deficiencies and development needs
- Ensure full understanding of the core message
- Conclude the performance review discussion by scheduling the performance-planning meeting to plan next year’s performance
- Handle all administrative requirements

Just as the manager has responsibilities, so too does the individual. There are six primary ones:

- Discuss the achievements list that an employee wrote
- Discuss the achieved one against the development plan
- Compare the assessment of own performance with that of the appraiser.
- Seek clarification for any assessments or examples that are unclear.
- Consider how the appraiser’s feedback will influence the performance plan for the upcoming appraisal period.
- Listen and respond appropriately to the appraiser’s perceptions and feedback.

2.1.4 Principles of Performance Management System

Performance management is primarily concerned with performance improvement in order to achieve organizational, team and individual effectiveness. Secondly, performance management is concerned with employee development. Performance improvement is not achievable unless there

are effective processes of continuous development. This addresses the core capabilities of the organization and the specific capabilities of individuals and teams. Performance management should really be called performance and development management. Thirdly, performance management is concerned with satisfying the needs and expectations of all of an organization's stakeholder owners, management, employees, customers, suppliers and the general public. In particular, employees are treated as partners in the enterprise whose interests are respected, who have a voice on matters that concern them, and whose opinions are sought and listened to (Armstrong, 2006).

Performance management should respect the needs of individuals and teams as well as those of the organization, recognizing that they will not always coincide. Finally, performance management is concerned with communication and involvement. It creates a climate in which a continuing dialogue between managers and the members of their teams takes place in order to define expectations and share information on the organization's mission, values and objectives. This establishes mutual understanding of what is to be achieved and a framework for managing and developing people to ensure that it will be achieved. Performance management can contribute to the development of a high-involvement organization by getting teams and individuals to participate in defining their objectives and the means to achieve them (Armstrong, 2009).

Just like any other profession performance management have principles which governs the entire system. The following are some of them identified by Armstrong, 2000:

- It translates corporate goals into individual, team, department and divisional goals;
- It helps to clarify corporate goals;
- It is a continuous and evolutionary process, in which performance improves over time;
- It relies on consensus and co-operation rather than control or coercion;
- It creates a shared understanding of what is required to improve performance and how this will be achieved;
- It encourages self-management of individual performance;
- It requires a management style that is open and honest and encourages two-way communication between superiors and subordinates;

- It requires continuous feedback; Feedback loops enable the experiences and knowledge gained on the job by individuals to modify corporate objectives;
- It measures and assesses all performance against jointly agreed goals;
- It should apply to all staff; and it is not primarily concerned with linking performance to financial reward.
- It is owned and driven by line management and not by the HR department; performance management is not a packaged solution but something that has to be developed specifically and individually for each particular organization;

2.1.5 Purposes of Performance Management System

The whole purpose of performance management is to get better results from the organization, teams and individuals by understanding and managing performance within an agreed framework of planned goals, standards and competency requirements. It is a process for establishing shared understanding about what is to be achieved, and an approach to managing and developing people in a way which increases the probability that it will be achieved in the short and longer term. The fundamental goal of performance management is to establish a culture in which individuals and groups take responsibility for the continuous improvement of business processes and for their own skills and contributions (Smither and London 2009).

There are a number of purposes that formal performance management systems might serve. They can provide employees with information about how they are perceived in the organization and where they stand. They can also provide developmental feedback on the strengths the employee should capitalize on and the weaknesses where improvement may be required (Drake Management Review, Volume 1, Issue 1, October 2011)

Performance management as a system can serve as a pillar for the development of individuals, teams and organization in a way that they intend to get to the desired goal. Performance management system has many purposes but the major ones are discussed below (Smither and London 2009)

Strategic: It links the organization's goals with individual goals, thereby reinforcing behaviors consistent with the attainment of organizational goals.

Administrative: It is a source of valid and useful information for making decisions about employees, including salary adjustments, promotions, employee retention or termination, recognition of superior performance, identification of poor performers, layoffs, and merit increases.

Communication: It allows employees to be informed about how well they are doing, to receive information on specific areas that may need improvement, and to learn about the organization's and the supervisor's expectations and what aspects of work the supervisor believes are most important.

Developmental: It includes feedback, which allows managers to coach employees and help them improve performance on an ongoing basis.

Organizational maintenance: It yields information about skills, abilities, promotional potential, and assignment histories of current employees to be used in workforce planning as well as assessing future training needs, evaluating performance achievements at the organizational level, and evaluating the effectiveness of human resource interventions (for example, whether employees perform at higher levels after participating in a training program).

Documentation: It yields data that can be used to assess the predictive accuracy of newly proposed selection instruments as well as important administrative decisions. This information can be especially useful in the case of litigation.

And also for Grote(2002), performance management system has so many purposes like, providing feedback to employees about their performance, determining who gets promoted, facilitating layoff or downsizing decisions, encouraging performance improvement, motivating superior performance, setting and measuring goals, counseling poor performers, determining compensation changes, encouraging coaching and mentoring, supporting manpower planning or succession planning, determining individual training and development needs, determining organizational training and development needs, confirming that good hiring decisions are being made, providing legal defensibility for personnel decisions and improving overall organizational performance.

2.1.6 The importance of performance management system

There are many advantages associated with the implementation of a performance management system in the organizations. According to Aguinis, 2009, a performance management system can make the following important contributions:

1. Motivation to perform is increased: Receiving feedback about one's performance increases the motivation for future performance. Knowledge about how one is doing and recognition of one's past successes provide the fuel for future accomplishments.

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

3. Managers gain insight about subordinates: Direct supervisors and other managers in charge of the evaluation gain new insights into the person being appraised

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

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

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

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

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

9. There is better protection from lawsuits: Data collected through performance management systems can help document compliance with regulations. When performance management systems are not in place, arbitrary performance evaluations are more likely, resulting in an increased exposure to litigation.

10. There is better and timelier differentiation between good and poor performers: Performance management systems allow for a quicker identification of good and poor performers. Also, they force supervisors to face up to and address performance problems on a timely basis (i.e., before the problem is too costly and cannot be remedied).

11. Supervisors' views of performance are communicated more clearly: Performance management systems allow managers to communicate to their subordinates their judgments regarding performance. Thus, there is greater accountability in how managers discuss performance expectations and provide feedback.

12. Organizational change is facilitated: Performance management systems can be a useful tool to drive organizational change. Employees are provided with training in the necessary skills, and are also rewarded for improved performance so that they have both the knowledge and the motivation to improve product quality and customer service.

2.1.7 Possible Outcomes from Effective Performance Management

- Clarifying job responsibilities and expectations.
- Enhancing individual and group productivity.

- Developing employee capabilities to their fullest extent through effective feedback and coaching.
- Driving behavior to align with the organization's core values, goals and strategy.
- Providing a basis for making operational human capital decisions (e.g., pay).
- Improving communication between employees and managers.

2.1.8 Best Practices in Performance Management System

For performance management to be successful there are features that are likely to produce good results in terms of individual, team and organizational performance. However, the practical constraints may not allow for the implementation of these entire features. For example, there may not be sufficient funds to deliver training to all people involved, supervisors may have biases in how they provide performance ratings, or people may be just too busy to pay attention to a new organizational initiative that requires their time and attention. However, as scientist - practitioners, we should strive to place a check mark next to each of these characteristics: the more features that are checked, the more likely it will be that the system will live up to its promise (Smither and London 2009).

In order to know whether the performance management is working or not, first before implementing the system organization wide, it is a good idea to pilot test it because we can identify potential problems and glitches and we can take corrective action before the system is put in place. Pilot testing consists of implementing the entire system, including all of its components, but only with a select group of people. Results are not recorded in employees' records. Instead, the goal is that the people participating in the pilot - test provide feedback on any possible problems and on how to improve the system. In addition to this pilot testing will help to check whether the performance management system is good for the specific organization or not by checking the components of strategic congruence, thoroughness, practicality, meaningfulness, Specificity, identification of effective and ineffective performance, reliability, validity, acceptability and fairness, inclusiveness, openness, correct ability, standardization and ethicality best practice in performance management system (Smither and London 2009)

Finally, as Smither and London stated that, organizations with motivated and talented employees offering outstanding service to customers are likely to pull ahead of the competition,

even if the products offered are similar to those offered by the competitors. Customers want to get the right answer at the right time and they want to receive their products and services promptly and accurately. Only people can make these things happen and produce a sustainable competitive advantage. Performance management systems are key tools that can be used to transform people's talent and motivation into a strategic business advantage. To do so, however, we first need to expand our view of performance management so we go beyond performance appraisal and place performance management within the broader organizational context. Also, we need to integrate performance management with other human resources management functions (for example, staffing, training, compensation, and succession planning) and conduct research on issues of concern to practitioners. Such research has great potential in terms of closing the much-discussed science - practice gap (Smither and London 2009).

That is why performance management is so important for Ethiopian Mulu Wongel Amagnoch Church Development Commission. It helps EMWACDC to achieve the desired mission and maintain its desired culture. It also helps employees to understand how they are contributing to the organization's goals, what is expected of them, how they are doing, and how they can continue to grow, develop, and add value to the business and vision and mission.

2.1.9 Challenges of Performance Management System

The performance management challenge in organizations has many dimensions in today's business environment and creating focused initiatives to overcome these challenges is not a silver bullet approach. In many cases remuneration schemes are driving the performance system, which creates a number on long term consequences in organizational behavior and culture.

1. Lack of Alignment

The first challenge is the lack of alignment due to various organizational processes being created in isolation. The link between Strategy development, budgeting and operational planning is developed by different groups of people with different frameworks being used. The performance management system lacks alignment between individual performance, departmental performance and organizational delivery and so all systems default back to financial measurements.

2. Lack of Measurements

The second challenge happens at various levels of the organization in that poor measures are developed, in many cases targets are set but no relevant measure is put in place. In other cases, no data can be collected or is kept as evidence to track performance.

3. Leadership and Management commitment

The Leadership and Management challenge has a huge impact on integrating and aligning a management system to deliver a comprehensive performance management system. The commitment and understanding of leadership and management of the requirements for achieving a workable performance system is critical to performance success.

4. Managing of the performance system

Managing a performance system in an organization requires a disciplined framework; it requires the organization to work off one master plan broken down into relevant parts and areas of responsibility. The management responsibility at various levels needs to understand the contracting, measurement development and evaluation process very well and apply it consistently. Secondly management needs to appreciate that performance management is not an event but something that is managed daily but recorded and reported at certain times through reviews and evaluations.

5. Managing poor performance/ underperformance

The management of poor performance is normally a reactive action, but in many cases, it is delayed and therefore turns into a discussion that is difficult to make relevant. Another reason poor performance is not managed on time is the lack of valid measurements and the collection of required evidence and measurement data.

2.2 Empirical Literature Review

In this section empirical evidence supporting the performance management system has been presented. However, only few studies are undertaken,

According to Boipono, Tsomele & Mogadime (2014) a study made on implementation of performance management system (PMS) in Schools states that, though PMS is faced with implementation challenges, participants interviewed appreciated the need for a system like PMS that could be used to measure their performance. However, the feeling is that the system should be redesigned to suit the context of environment and not the current one size fit all approach.

Effective communication and timely feedback are also important success factors for a performance management system like PMS as they are formative and help employees to continuously improve their processes towards achieved their set objectives.

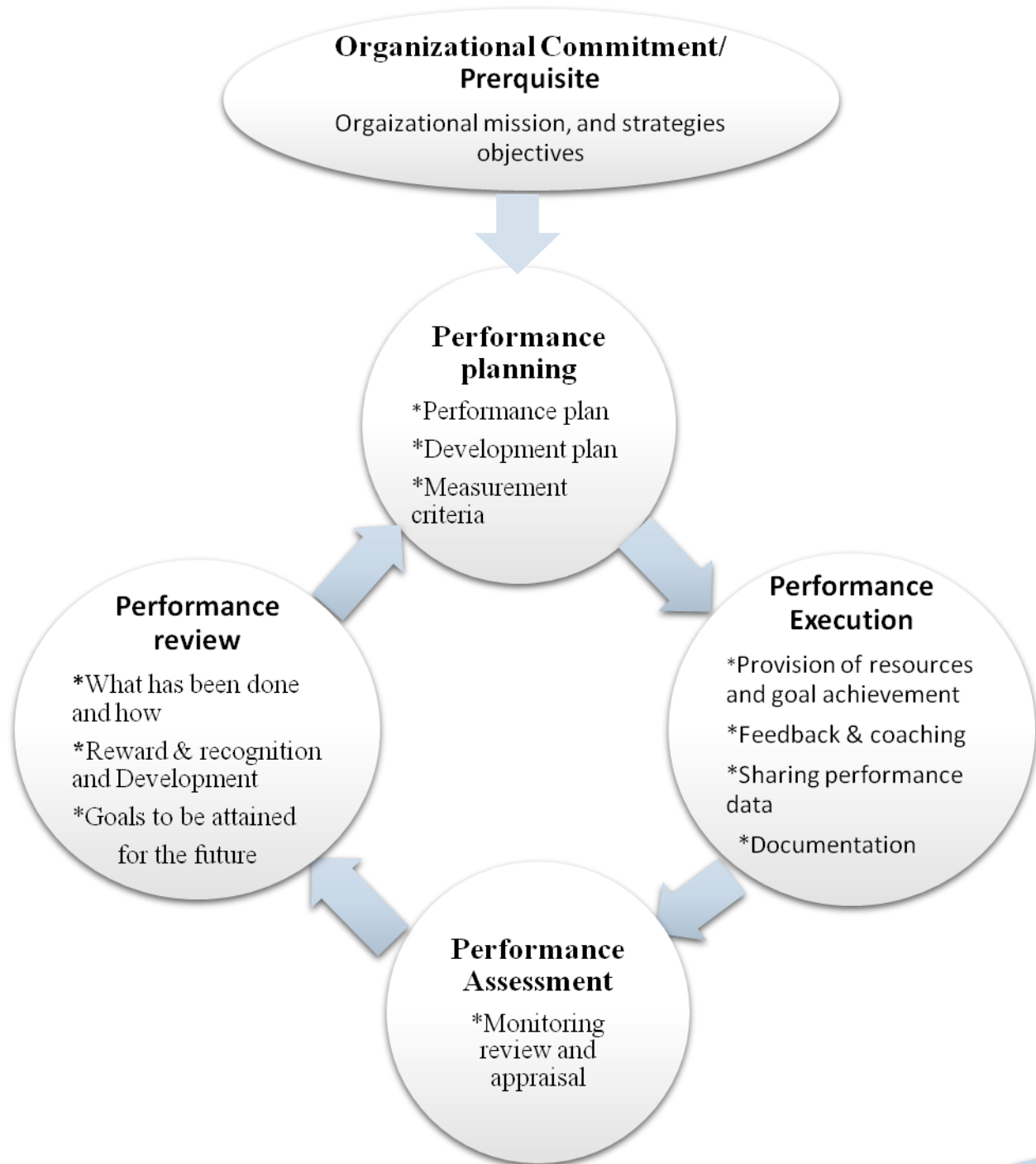
Haileselassie W/Gerima who has conducted a research on performance management practice and challenges in Ethiopian management institute has found that there was no strong link between individual, departmental and organizational goals. In addition to this, the researcher has concluded that there were no employees strongly involved the planning process. Inconsistency in giving performance feedback gives inconsistently, lack of uniformity in gathering information about employee's performance and absence of information technology to assist the gathering and analysis of performance related information were also noted as deficiency of the PMS in the organization under study. Haileselassie W/Gerima (2014).

Based on the literature reviewed above in this chapter the researcher has got a clear insight about the concept and overview of employee performance management system. The researcher has reviewed a number of performance management literature and almost all the literatures agree that performance management is concerned with identification of organizational vision, mission and objectives, bringing managers and employees on the same direction towards the achievement of organizational strategic alignment, creating mutual understanding, provision of coaching and periodic performance review, final performance evaluation, attaching results with reward system depending on the nature of result and creating a felt fair atmosphere in the mind of all employees.

From the conceptual frame work we can understand that, the first thing that we have for implementing performance management system in the organization is organizational commitment to improve performance. Then after, the appropriate PMS application will be developed. And, then performance planning will take place to reach an agreement regarding review and assessment criteria. Provision of continuous support through coaching, mentoring and providing resources to execute their jobs will follow. Then periodic performance assessment and performance evaluation will be executed. Finally, performance review where best performers will be rewarded and provide an action plan to improve areas of weaknesses will be done. Efficiently doing all these processes has its own contribution for performance improvement.

2.3 Conceptual Framework

Figure 2.1 Conceptual framework



Source: Adopted from Dereje Kebede (2015) with a modification to fit the literature review

CHAPTER THREE

RESEARCH DESIGN AND METHODOLOGY

This Chapter of the study deals with the research design and methodology has employed for data gathering as well as the relevant statistical analysis tools that have been employed for analyzing the survey results that has been gathered during the study.

3.1 Research Design

This research has used a descriptive type of research through surveys to assess the practice and challenges of employee performance management system in Ethiopian Mulu Wongel Amagnoch Church Development Commission. This type of research helps to portray accurately the characteristics of a particular individual, Situation or a group. The descriptive survey research design is appropriate choice, because the study is aimed at assessing the implementation of the employee performance management system at the Commission (Creswell, 2003).

3.2 Research Approach

This research has applied both qualitative and quantitative approach (mixed method approach). The core argument for a mixed methods approach is that the combination of both forms of data provides a better understanding of a research problem than either quantitative or qualitative data by itself. Mixed methods designs are procedures for collecting, analyzing, and mixing both quantitative and qualitative data in a single study or in a multiphase series of studies (Creswell, 2012). Hence, by applying the mixed method the researcher has tried to ensure the strength of the findings towards being more objective and generalize able to the entire population.

3.3 Population, Sample Size and Sampling Techniques

3.3.1 Research Population

A population can be defined as all people or items (unit of analysis) with the characteristics that one wishes to study (Kothari, 2004). The research populations of this study were the employees of EMWACDC, with the total number of more than 600employees according to 2020 HR report. The Commission has totally 7 branches and 155 projects in Ethiopia. Due to resource constraint, it is difficult to cover all these branches and projects and to keep the study manageable. However, the study was focused on Head office, Addis Ababa/Central branch and Addis Ababa

projects and their work experience in the Commission more than one year, the research population/ Target population was totally 68 employees.

Table 3.1 Research Target population distribution

Divisions	Target Population
Head office	12
Addis Ababa/ Central Branch	8
Projects under Addis Ababa/Central Branch	48
Total	68

Source: 2020 EMWACDC HR& Admin. Report

3.3.2 Sample Size and Sampling Techniques

The Commission had who works in Addis Ababa, various positions and their work experience have more than one year a total of 68 permanent employees (N=68). According to the above reason the research is focused on only who works in Addis Ababa. Researcher are used all employees sampling technique because the interest of the researcher is to participated the whole population.

3.4 Source of Data

Primary data has collected using questionnaires from the employees of the Ethiopian Mulu Wongel Amagnoch Church Development Commission. The questionnaire was based on the mentioned research questions. This is because questionnaires are advantageous in collecting large amount of data from large number of respondents and help respondents to fill the questionnaires at their convenient time without the interviewer bias.

3.5 Data Gathering Instruments

The primary instrument for data collection in this research was structured questionnaire using a five - point Likert scale, on which label given for respondent to express their level of agreement for each item among the scales and then the average score on each trait is used during data analysis and interpretation.

3.5.1 Questionnaire

In this study, two sets of questionnaires, with open and closed-ended items were designed to obtain the relevant information from employees. The closed-ended items represent the Likert scale and each question having five options. Open-ended questions were provided to give enough freedom to respondents in view of their coming with innovative ideas which will have significance to the research. A questionnaire is a form used that participants in a study complete and return to the researchers. The participant chooses answers to questions and supplies basic personal or demographic information (Creswell, 2012).

3.6 Method of Data Collection

Primary data was collected through the use of self-administered questionnaires. This method of data collection has its own advantage because of it is low cost, it was also proven to be free from bias of the respondents. The questionnaire contained structured questions using a method of Likert Scale ranging. To improve the response rate, there was a cover letter explaining the reasons for the research, why the research is important, why the subjects was selected and a guarantee of the respondents' confidentiality will be provided. To collect the data the research herself will involve in the collection of the questionnaire in order to make the respondents feel comfortable about their response they gave and give support to rater while they are filling the questionnaire. Before distributing the questionnaire, permission will obtain from branch manager and every respondent.

3.7 Pilot Testing

In order to safeguard the quality of the research design, content, and construct validity of the study was checked. The content validity is verified by the advisor of this research, who looked into the appropriateness of questions and the scales of measurement. On the other hand, one of the most commonly used indicators of internal consistency is Cronbach's coefficient alpha and ideally this coefficient should be above .7 (Pallant, 2005). Thus, reliability of the measures is ensured that they are free from error and yield consistent results. As indicated on below table the coefficient for all variables were acceptable or $>.7$.

Table 3.2 Reliability Test

Cronbach's Alpha	No of Items
.819	7

Source: SPSS Reliability test (personal Survey 2021)

3.8 Methods of Data Analysis

Once the required data are collected from the primary data sources, it was analyzed through quantitative and qualitative data analysis methods. And, descriptive statistic helps to describe the general level of agreement of respondents. It reveals the conformity of respondents' response about employee performance management system at EMWACDC.

After the data collected and plausible checks was conduct, and inconsistent data was cleared appropriately. Then coded to the system, so to make the data usefully and relevant to analysis. By doing this it helps to filtered out the incomplete and irrelevant information and accuracy of the data was maintained. The edited data was going through analysis process to come up with concrete conclusions. Data processing and analysis was done by using statistical package for social science (SPSS) version 20 to display findings and it helps make it easier by processing all variable and cases. Regarding to the interpretation for the variables use on Likert scale: measurement used on the basis of survey 1=strongly disagree, 2=disagree, 3=neutral, 4=agree and 5=strongly agree.

In addition frequencies, percentage, mean and standard deviation was used to present the data; tables have also used to ensure easily understanding of the analysis. Finally, the result of statistics analysis has be summarized, tabulated and interpreted appropriately.

3.9 Ethical Consideration

Ethical conduct states that it is the responsibility of the researcher to assess carefully the possibility of harm to research participants, and to the extent that it is possible, the possibility of harm should be minimized (Bryman & Bell, 2007). During the data collection and interpretation processes, the researcher convinced the participants that any confidential information they

disclose will keep confidential and convince them the important of the study will to help the Commission and the employees. The respondents also were told that, the exercise will only for academic purposes and that confidentially will be assured and no one would fall a victim because of any adverse findings in connection with their professional duties. This was to be done in order to motivate them to give their responses without reservation. Every questionnaire attached to a cover letter which clearly explained the purpose of the research. The questionnaire didn't require the names of the respondents; this was to protect their identity and remain anonymous. As a result, the employees were aware from the beginning what the researcher was doing, why and where the information was going and why it was being gathered. Confidential information of the Commission has not disclosed and the collected data have used for the purposes of the study only. Regarding published and unpublished materials used in the literature review and throughout all parts of the study, all citations from copy right holder has made properly.

CHAPTER FOUR

DATA INTERPRETATION AND ANALYSIS

This chapter presents data collected through questionnaire interpreted and analyzed in a brief and organized way.

4.1 Response Rate

The questionnaires were distributed to 68 employees, among which 64 have been returned and this makes the response rate to be 94%. Therefore, the analysis was made based on the 64 respondents' data. The collected data analyzed using descriptive analysis method. The output of the data is presented using tables and graphs in order to make the topic more understandable.

4.1 Demographic Information of Respondents

In this section, the general background and the respondents of the study were summarized by focusing their gender, educational status, years of service and the role classification.

Table 4.1 Demographic Information of the Respondents

Description	Frequency	Percent	Valid Percent	Cumulative Percent
Gender Composition of the respondent				
Female	21	32.8	32.8	32.8
Male	43	67.2	67.2	100.0
Total	64	100.0	100.0	
Educational Status of the respondent				
Certificate	1	1.6	1.6	1.6
College Diploma	7	10.9	10.9	12.5
BA/BSC Degree	32	50.0	50.0	62.5
MA/MBA	24	37.5	37.5	100
Total	64	100.0	100.0	

Service Year/ Experience of the respondent in EMWACDC				
1 to 3 years	4	6.3	6.3	6.3
3 to 5 years	7	10.9	10.9	17.2
5 to 7 years	3	4.7	4.7	21.9
more than 7 years	50	78.1	78.1	100.0
Total	64	100.0	100.0	
Role of the respondents as Supervisor or not				
Yes	45	70.3	70.3	70.3
No	19	29.7	29.7	100.0
Total	64	100.0	100.0	

Source: personal Survey 2021, Questionnaire data

Among the total respondents 43 (67.2%) of them were male and the remaining 21 (32.8%) were female. This shows that the number of female staff is less by half from the number of male staff which means there is gender imbalance in the organization.

Concerning educational status of the respondents, staffs who are degree holders have the largest portion which was around 32 (50.0%), among the total respondents, 24 (37.5%) of them have Master's degree and the rest of the respondents were 7 (10.9%) and 1 (1.6%) graduated with college diploma and certificate respectively. From the above table/Graph we can see that no one from the selected respondents have PHD. The fact that almost all of the respondents being educated in different levels it was believed that they can easily understood the questionnaire as desired by the researcher.

Regarding their service year in the Commission, the large portion of respondents 50(78.1%) fall more than seven years in EMWACDC, the next 7 (10.9%) of the respondents have within the range of three to five years of service and the rest 4 (6.3%) and 3(4.7%) respondents from the sample size have an experience of one to five and seven years respectively. It was the researcher believe that these combinations of the respondents were good enough in finding the accurate information because the majority of respondents have rich experience and easily identify the weaknesses and strengths regarding employee performance management system in the Commission. Unfortunately, there was no employees participated in the study who was below one service year.

When we see the category of role classification the larger share of the respondents goes to Supervisor and other support staff members which is 45 (70.3%) and 19 (29.7%) respectively. This shows that since EMWACDC has majority of professionals it will be easy to transform the knowledge and skill.

4.3 Interpretation and Analysis of implementation of EPMS

4.3.1 Awareness on the strategic objective and business process

The following four questions were devised to measure the level of understanding of employees in terms of familiarizing themselves with the Commission strategic business objectives and Values and business process through performance management system.

Table 4.2 Respondent opinion on awareness on the strategic objective and business process

No	Statement	Response								
			1(SD)	2(D)	3(N)	4(A)	5(SA)	Total	Mean	STD
1.1	I am fully aware of the Commission strategic business objectives & values,	F	1	3	15	34	11	64	3.80	.839
		%	1.6	4.7	23.4	53.1	17.2	100		
1.2	I am clearly aware of the strategic purpose of the business process.	F	0	1	4	35	24	64	4.28	.654
		%	-0	1.6	6.3	54.7	37.5	100		
1.3	Employees goal is aligned with the strategic objective of the work unit as well as the organization.	F	1	5	20	27	11	64	3.66	.912
		%	1.6	7.8	31.3	42.2	17.2	100		
1.4	I believe that performance management system is a systematic process for	F	5	7	16	17	19	64		

improving organizational performance by developing the performance of individuals and teams.	%	7.8	10.9	25.0	26.6	29.7	100	3.59	1.244
Grand mean								3.83	
1(SD) = Strongly Disagree, 2(D) = Disagree, 3(N) = Neutral, 4(A) = Agree,5(SA) = Strongly Agree									

Source: personal Survey 2021, Questionnaire data

As indicated on the above Table, awareness on the strategic objective and business process based on descriptive statistics the four statements are computed, The first question which the highest mean values (Mean=3.5 & STD = .839). For these index the statements that describe most of the employees aware of the strategic business objectives and values and the result shows 45 (70.3%) agree on the issue, on the other hand, 15 (23.4%) and 4 (6.3%) respondents are neutral and disagree respectively. Since performance management is a process that enables employees to perform their roles to the best of their ability which are directly derived from the strategic objective of the organization, they should be well informed about where the organization would like to go. From this we can say that even though majority of the respondents know the mission, vision, values and the desired goal of the Commission, but it is not still quite enough for the effective realization of its objective because when it comes to knowing where the Commission would like to go everybody should talk on the same language.

Regarding respondent's knowledge about their business process/work unit strategic objective, the highest mean values (Mean=4.28 & STD = .654) majority of the employees known business process/work unit strategic objective and the result shows 59 (92.2%) agree and the remaining 4 (6.3%) and 1 (1.6%) respondent neutral and disagree respectively. From this it can be witnessed that majority of them are clear on the contribution of their work unit for the whole picture of EMWACDC but still there are about 7.9% of respondents who did not know where their work unit is striving to go.

Concerning the alignment respondents were asked about their level agreement on the alignment of individual goal to the work unit/departmental as well as organizational goal. Accordingly, the highest mean values (Mean = 3.66 & STD = .912) the result shows 38 employees which 59.4%

responded their individual goals are congruent with their departmental and organization goal whereas 20 (31.3%) were neutral and 6 (9.4%) of them replied that there is no clear line of sight between individual goals and organizational goal and it did not support the strategic objective of the organization.

The last question was focused on the perception of employees regarding Employee Performance Management System. As a result, the highest mean values (Mean =3.59 & STD = 1.244) which means most of the employees perceive the EPM, the result shows 35(56.3%) respondents agree, 16(25.0%) remain neutral and among the total respondent 12(18.7%) of them disagree. This clearly shows that even though more than half of the respondents believed that PMS is a systematic process for improving organizational performance by developing the performance of individuals and teams but still closer to half of the respondent did not aware of PMS.

Generally the overall result of mean score of employees awareness on the strategic objective and business process had high score value (Mean = 3.83) and this result shows that the Commission to aware employees for the strategic objective and business process.

4.3.2 Respondent Awareness on the Purpose of EPM

Table 4.3 Respondent opinion on the Purpose of EPM

No	Statement	Response								
			1(SD)	2(D)	3(N)	4(A)	5(SA)	Total	Mean	STD
2.1	The Commission keeps regularly records on Employees' Performance for further decision.	F	5	10	19	27	3	64	3.20	1.026
		%	7.8	15.6	29.7	42.2	4.7	100		
2.2	The performance management process enables to identify training and development needs.	F	5	14	22	20	3	64	3.03	1.023
		%	7.8	21.9	34.4	31.3	4.7	100		

2.3	The Commission encourages a team work and to create a sense of family/community among staff.	F	2	16	15	26	5	64	3.25	1.024
		%	3.1	25.0	23.4	40.6	7.8	100		
2.4	The Commission takes care of the safety and mental health of employees as well as it works on their growth or competence.	F	8	19	22	13	2	64	2.72	1.031
		%	12.5	29.7	34.4	20.3	3.1	100		
2.5	The Commission addresses performance issues or takes corrective action immediately.	F	11	23	17	11	2	64	2.53	1.069
		%	17.2	35.9	26.6	17.2	3.1	100		
Grand mean									2.95	
1(SD) = Strongly Disagree, 2(D) = Disagree, 3(N) = Neutral, 4(A) = Agree,5(SA) = Strongly Agree										

Source: personal Survey 2021, Questionnaire data

Concerning the question on the Commission keeps regularly records on Employees' Performance for further decision, high mean values (Mean =3.20 STD = 1.026) which means the nearest to half of the respondents 30 (46.9%) agree on the issue, 19 (29.7%) neutral and the remaining 15 (23.4%) disagree.

Regarding respondent's view on the performance management process enables to identify training and development needs., the mean is high (Mean =3.03 & STD = 1.023) as a result 23 (36.0%) of the respondents agree were favored the existing PMS, 22 (34.4%) of them neutral/ refrain from giving their opinion and the remaining 19(29.7%) of respondent disagree / should claim that employees training and development needs are not identified using the current performance management system.

The Commission encourages a team work and to create a sense of family/community among staff, high mean value (Mean = 3.25 STD = 1.024) nearest to half agreed, the result shows 31(48.4%) of the respondent agree, 15(23.4%) neutral and 18(28.1%) disagree.

The Commission takes care of the safety and mental health of employees as well as it works on their growth or competence, the moderate mean value (Mean =2.72 & STD 1.031) the result show 15(23.4%) agree, 22 (34.4%) neutral and the rest of them.27 (42.2%) disagree .

The last question was focused on the perception of employees regarding the Commission address performance issues or take corrective action immediately/timely, the moderate mean value(Mean = 2.53 & STD = 1.069) which means 13(20.3%) agree, 17(26.6%) neutral and more than half of the respondent34(53.1%) disagreed .

According to Boswell and Boudreau (2000) performance management can have two purposes. The first one is evaluative by which each employee’s achievement is measured for making decisions on things like pay raise promotion and termination. The other is to identify the development needs to further improvement of the implementation capacity of the staff. In order to make sure this is happening at EMWACDC were asked to comment on the existing PMS.

The overall mean result had moderate score value (Mean = 2.95) and the result shows that the Commission can work more on Employee performance management system.

4.3.3 Practices of Employee Performance Management

4.3.3.1 Performance Planning

Table 4.4 Respondents opinion on Performance Planning

No	Statement	Response								
			1(SD)	2(D)	3(N)	4(A)	5(SA)	Total	Mean	STD
3.1.1	Work goals are determined by the dialogue between my supervisor & me.	F	5	6	19	34	-	64	3.28	.934
		%	7.8	9.4	29.7	53.1	-	100		
3.1.2	My supervisor and I reach	F	-	15	23	21	5	64		

	on an agreement about the standards that will be evaluating the performance.	%	-	23.4	35.9	32.8	7.8	100	3.25	.909
3.1.3	I actively participate in the preparation of the plan (is not imposed by my supervisor).	F	7	6	11	27	13	64	3.52	1.234
		%	10.9	9.4	17.2	42.2	20.3	100		
3.1.4	I know what my responsibilities are and what is expected for me.	F	-	1	2	21	40	64	4.56	.639
		%	-	1.6	3.1	32.8	62.5	100		
Grand mean									3.65	
SD = Strongly Disagree, D = Disagree, N = Neutral, A = Agree, SA = Strongly Agree										

Source: personal Survey 2021, Questionnaire data

On the first question respondents were asked about the practice of work goal setting in EMWACDC, high mean values (Mean = 3.28 & STD = .934) above half of the respondent agreed work goals are determined by the dialogue between supervisor & employees, which is 34 (53.1%) agree, 19(29.7%) they are neutral and 11(17.2%) are disagree.

Respondents of the study were also asked about their level of agreement whether they reached to an agreement about the standard that will be evaluating the performance, the high mean values (Mean = 3.25 & STD = .909). Accordingly, below 26 (40.4%) replied agree, 23(35.9%) remain neutral and 15 (23.4%) respondents disagree. In this regard most of the literatures argued that standards should be clear to the supervisor as well as the employee, both of them should agree that the standards are fair, it should be specific and as measurable.

The other important point employees was actively participate in performance planning In this question the mean value is high (Mean =3.52 & STD= 1.234) which is 40(62.5%) of respondents have found to be actively involved in the development of their performance plans, the remaining 11(17.2%) has neutral and 13(20.3%) disagree.

The fourth question on performance planning which was forwarded to respondents was about their responsibility and awareness on the expectation from their performance. As a result, the highest mean value (Mean = 4.52 & STD .639) almost all employees known their responsibilities which is 61(95.3%) of respondents agreed and strongly agree that they know the responsibilities and their expectation from them, 2 (3.1%) remain neutral and 1 (1.6%) replied disagree.

As described on the above table, grand mean score of 3.65 implies that the responses are mostly tending to agree on participation on the preparation of performance planning and the majority of the respondents strongly agreed that they know the responsibilities and expected from them.

4.3.3.2 Performance Execution

Performance execution is getting the job done in order to get the desired objectives in an effective and efficient way. Therefore, in order to gather data regarding the process of performance execution respondents were asked the following questions.

Table 4.5 Respondents opinion on Performance Execution

No	Statement	Response								
			1(SD)	2(D)	3(N)	4(A)	5(SA)	Total	Mean	STD
3.2.1	Based on the plan, my supervisor frequently monitors and gives feedback regularly on the implementation of the business process.	F	8	3	25	21	7	64	3.25	1.127
		%	12.5	4.7	39.1	32.8	10.9	100		
3.2.2	I always get support from my supervisor when I face challenges in my daily activities.	F	3	5	15	31	10	64	3.63	1.000
		%	4.7	7.8	23.4	48.4	15.6	100		
3.2.3	EMWACDC provides sufficient resource to	F	5	20	24	13	2	64		

	individuals to achieve objectives & to execute their job properly.	%	7.8	31.3	37.5	20.3	3.1	100	2.80	.962
3.2.4	When there are any changes in the commission the supervisor gives me information and I adjust my objectives accordingly.	F	1	8	16	31	8	64	3.58	.922
		%	1.6	12.5	25.0	48.4	12.5	100		
Grand mean									3.31	
SD = Strongly Disagree, D = Disagree, N = Neutral, A = Agree, SA = Strongly Agree										

Source: personal Survey 2021, Questionnaire data

Regarding the researcher forward a question are there a regular feedback on implementation of the business process, the mean value is high (Mean = 3.25 & STD=1.127) the result shows to see the respondent's agreement. 28(43.7%) of the total respondents agreed that they get regular feedback for their performance from their supervisor. However, 25(39.1%) of the respondents remain neutral and the rest 11(17.2%) disagreed.

The other most important point in the performance execution phase is existence of a mechanism by which subordinates discusses any obstacles that halt the implementation of plans as per the agreed and expected level. Since plans are done for the future which is uncertain there could be issues that deviates the implementation from the original plan. In such times there should be communication between the employees and the supervisor. As a result a high mean score (Mean = 3.6 & STD 1.00) and the result shows 41(64%) believe that they have got the necessary support from their supervisor while they face challenges in their day-to-day activities and 8 (12.5%) of the respondents did not get the proper support they deserve from their supervisor. The remaining 15 (23.4%) would like to be neutral.

Respondents of the study were asked about the Commission provided sufficient resources to them to execute their job, the respondents replied 15 (23.4%) agree, 24 (37.5%) neutral, 25(39.1%) disagree a result of mean value is moderate (Mean= 2.80 & STD = .962). In this regard the Commission did not work on it in a better way; the employees are also challenged by

no sufficient resource allocation to execute their job properly. Without sufficient resource it is difficult for employees to achieve the planned objective. Thus, supervisors have a responsibility of ensuring the availability of the necessary supplies and funding to perform the job properly. This will affect their level of performance.

Respondents were also asked about their awareness on any changes in the organizational goal, high mean value (Mean = 3.58 & STD = .922) which is 39(60.9%) of the respondents are agree that anytime there is a change they will be informed and their unit and individual goal will also be cascade from the new organizational goal whereas 16 (25.0%) respondents seem neutral and 9(14.1%) of them disagree. This analysis shows us that there is no uniform practice all over the Commission because some of them are informed and some of them are not and this will affect the performance of the organization because the organization goes in one direction whereas individuals go in another direction.

Generally the overall result of high mean score (Mean = 3.31) of the practice of performance execution in the commission is good.

4.3.3.3 Performance Assessment

Performance assessment is a process of evaluation the extent to which the desired behavior and results stated in the performance planning stage have been achieved during the specific period of time. Thus, in the following table the data gathered from the questionnaire will be presented whether EMI is conducting the assessment stage correctly or not.

Table 4.6 Respondents opinion on Performance Assessment

No	Statement	Response								
			1(SD)	2(D)	3(N)	4(A)	5(SA)	Total	Mean	STD
3.3.1	My actual performance is measured against the pre-mutually agreed set of objectives and standards.	F	3	6	26	27	2	64	3.33	.867
		%	4.7	9.4	40.6	42.2	3.1	100		
3.3.2	I get the opportunity to	F	2	10	12	31	9	64		

	assess my performance (self-appraisal method).	%	3.1	15.6	18.8	48.4	14.1	100	3.55	1.022
3.3.3	Customer and peers are also requested to give feedbacks on my performance.	F	16	22	9	15	2	64	2.45	1.194
		%	25.0	34.4	14.1	23.4	3.1	100		
3.3.4	My performance considers on yearly performance not affected only by recent accomplishments.	F	1	6	16	29	12	64	3.7	.937
		%	1.6	9.4	25.0	45.3	18.8	100		
Grand mean									3.26	
SD = Strongly Disagree, D = Disagree, N = Neutral, A = Agree, SA = Strongly Agree										

Source: personal Survey 2021, Questionnaire data

Respondents of the study were asked about their level of agreement whether they reached to an agreement with their supervisor about the objectives and standards that will be used to evaluate their work. Accordingly, the mean value is high (Mean = 3.33 & STD=.867) which means 29 (45.3%) respondents agree, 26 (40.6%) replied neutral and, 9 (14.1%) remain disagree.

Item two refers to a question indicates the above table that high mean value (Mean = 3.55 & STD 1.022) which is 40(62.5%) of the respondents replied that they have given a chance to assess their own performance, 12(18.8%) were neutral and the rest 12(18.7%) were not agreed on it. According to the literature if both the employee and supervisor have a chance to make an assessment and had a meaningful dialogue about the expected result it will be easy for a manager to honestly and ethically assess how well an individual had done the task. Employees participation in the assessment stage will result with the provision of relevant information, ensures buy-in from the users of the system, reduces fears and anxieties, reduces resistance to change, and generates commitment to the system. In this regard EMWACDC has done a lot but still it is not enough to make the performance management system process smooth and free from bias.

Item three refers to a question about performance evaluation consider the feedbacks of customer and peers/subordinates. Consequently the mean value is moderate (mean = 2.45 & STD =1.194), 17(26.5%) of the respondents have witnessed that there is a practice of asking peers opinion before rating the performance, 9(14.1%) have no idea whether there is such practice or not and 38(59.4%) of the respondents replied that their supervisor did not ask their peers and customer opinion about their performance while making an assessment,

Based on literatures 360° feedback broadens the perspective on evaluating an individual by using multiple data sources which helps to find the results more compelling than a traditional evaluation from a single supervisor perspective, improve staff performance and ensure business objectives are attained and identify areas of concern which require management's attention. The accuracy of the evaluation is dependent on the quality of the data gathered. Performance data is obtained through observations of behaviors or, less ideally, by inferring behaviors through knowledge of results.

Item four refers to a question about your performance considers on yearly not affected only by recent accomplishment. The mean result is high (Mean =3.7& STD = .937) which is 41(64.1%) of the respondents agree, 16(25%) have neutral and7 (11%) of the respondents disagree. At the end of the year employees' performance should be rated properly and transparently. The way performances are rated should be clearly communicated to each employee. It should be fair enough to express actual performances.

The overall result of high mean score (Mean = 3.26) which is the Commission has done a lot on performance assessment practices.

4.3.3.4 Performance Review

Performance Review is the meeting between the supervisor and the employee to review their assessment and to be on the same page about the Employees Performance. This meeting is usually called the appraisal meeting or discussion. The appraisal meeting is important because it provides a formal setting in which the employee receives formal feedback. Hence, the researcher tried to forward the following question regarding performance review and found out the result which is presented below.

Table 4.7 Respondents opinion on Performance Review

No	Statement	Response								
			1(SD)	2(D)	3(N)	4(A)	5(SA)	Total	Mean	STD
3.4.1	My supervisor encourages open discussion with respect to performance related issues.	F	2	17	17	23	5	64	3.19	1.022
		%	3.1	26.6	26.6	35.9	7.8	100		
3.4.2	I have gotten training opportunities to enhance my performance.	F	11	25	16	10	2	64	2.48	1.054
		%	17.2	39.1	10	15.6	3.1	100		
3.4.3	EMWACDC Performance management system considers reward and recognition schemes.	F	27	21	12	4	-	64	1.89	.928
		%	42.2	32.8	18.8	6.3	-	100		
3.4.4	The reward schemes, like Promotion, appreciation letter, pay rises etc. are determined by the outputs of the employees' performance.	F	4	11	25	20	4	64	3.14	.990
		%	6.3	17.2	39.1	31.3	6.3	100		
Grand mean								2.68		
SD = Strongly Disagree, D = Disagree, N = Neutral, A = Agree, SA = Strongly Agree										

Source: personal Survey 2021, Questionnaire data

The first question respondent opinion on performance review focuses on the discussion between supervisors and employees after assessment have been made, the mean value is high (Mean

=3.19 & STD 1.022) which is 28(43.7%) of them agreed, 17(26.6%) replied neutral and the remaining 19 (29.7%) of the respondent disagree.

After the performance appraisal process is completed and the competency gaps are identified employees should be given equal opportunity to attend trainings and developmental programs. According to the question the result of mean is moderate (Mean 2.48 & STD = 1.054), which is 12 (18.7%) of the respondents agreed that development opportunities have been created to them, 16(25.0%) is neutral. On the other hand, about 36(56.3%) of the respondents show that training and development opportunities have not been availed to them.

According to Boswell and Boudreau (2000) performance management can have two purposes. The first one is evaluative by which each employee's achievement is measured for making decisions on things like pay raise promotion and termination. The other is to identify the development needs to further improvement of the implementation capacity of the staff. In order to make sure this is happening at EMWACDC were asked to comment on the existing PMS. . According to the third item the low mean score (mean= 1.89 & STD= .928) implied that 4(6.3%) responses were in favor of the existing PMS to address the development issue ,12(18.8%) of the respondent refrain from giving opinions and the remaining 75% of the respondent the PMS doesn't consider reward and recognition schemes

The other objective of the employee performance process to determined reward schemes like pay raise, promotion and appreciation letter etc, high mean value (Mean = 3.14 & STD =.990) which is 24(41%) of those who gave their responses agreed that the PMS is serving to decide on employees benefits, 25(39.1%) didn't want to express their thoughts and the remaining 15(23.5%) respondents do not believe that such benefits are not related to performances.

Generally the overall result of mean is low 2.68 from this we can understand that still the Commission has done more on the performance review.

4.3.4 Challenges that hinder employee performance management

System Implementation

Table 4.8 Respondents Opinion on Major Challenges of PMS

No	Statement	Response								
			1(SD)	2(D)	3(N)	4(A)	5(SA)	Total	Mean	STD
4.1	Employees aware the Strategic plan of the Commission, is it clear, realistic and attainable.	F	8	20	21	13	2	64	2.70	1.034
		%	12.5	31.3	32.8	20.3	3.1	100		
4.2	The performance evaluation criteria are fair, clear and capable of the true measurement.	F	7	23	16	14	4	64	2.77	1.109
		%	10.9	35.9	25.0	21.9	6.3	100		
4.3	Interpersonal relationships influence the employees' performance management process and the outcome decisions.	F	3	9	26	24	2	64	3.20	.894
		%	4.7	14.1	40.6	37.5	3.1	100		
4.4	Senior management do not influence the outcome of the assessment process.	F	1	6	22	26	9	64	3.56	.906
		%	1.6	9.4	34.4	40.6	14.1	100		
Grand mean								3.06		
SD = Strongly Disagree, D = Disagree, N = Neutral, A = Agree, SA = Strongly Agree										

Source: personal Survey 2021, Questionnaire data

Concerning the question on the awareness of the strategic plan of the Commission, it clear, realistic and attainable, moderate mean value (Mean =2.7 & STD = 1.034) which is value15 (23.4%) agree on the issue, On the other hand, 21 (32.8%) are neutral, 28 (43.8%) respondents disagree. Since performance management is a process that enables employees to perform their roles to the best of their ability which are directly derived from the strategic objective of the organization, they should be well informed about where the organization would like to go. From

this we can say that majority of the respondents questioned the strategic plan and the desired goal of EMWACDC it is not effective realization of its objective because when it comes to knowing where the Commission would like to go everybody should talk on the same language. This lack of awareness about the strategic plan might be due to communication gap in the Commission as a whole or due to the gap at departmental level.

In communicating the performance evaluation criteria /standards to employees; moderate mean score (Mean = 2.77 & STD = 1.109) which is 18 (28.2%) agreed, 16 (25.0%) neutral and 30(46.8%) have disagreed, Based on the response entailing that the rater in EMWACDC doesn't fair, clear and capable of the true measurement will be used to evaluate their performance. In this regard most of the literatures argued that standards should be clear to the manager as well as the employee, both of them should agree that the standards are fair, it should be specific and as measurable as possible, it should be clear whether the standards is to be accomplished by the specific date or whether it is ongoing and because it is achievable and agreed on, it should be periodically evaluated and changed if necessary. Criteria should be consistent with the institutional requirement, communicated well, should be uniformly applied and developed with the active participation of employees. This study for confirming the performance evaluation criteria was not derived from the job description instead are more behavioral which doesn't indicate how much work they do, besides the rater doesn't have deep knowledge about their work content.

The respondents of this study were also asked that if the performance appraisal process of the Commission was influenced by interpersonal relationships, the mean score is high (Mean = 3.20 & STD = .894) which is 26 (40.6%) agreed to it, 26 (40.6%) neutral and 12 (18.8%) disagreed,. The result reveals that in EMWACDC, interpersonal relationships influence the evaluation and the decisions in the performance appraisal process.

Regarding the influence of senior management on the outcome of the performance appraisal process, about high mean value (Mean = 3.56 & STD = .906), which is 35(54.7%) of the respondents agree, 22(34.4%) neutral and the remaining 7(11%) are disagree.

In general the overall score of mean is high (Mean=3.06)

CHAPTER FIVE

FINDINGS, CONCLUSIONS AND RECOMMENDATIONS

This chapter deals with summary of the major findings, conclusions and recommendations

5.1 Summary of Major Findings

Based on the analysis of collected data the following major findings are presented according the research objectives.

Employee performance objective and strategic objective linkage

More than three quarter of the respondents clearly aware the commission strategic business objective and values. In addition to this more than half of them stated individuals and work unit linkage is directly related with the strategic objective.

Following this they are also properly know the role of performance management system for improving the commission individual and collective team work. Besides, most likely above half percent individuals and work unit linkage is directly related with the strategic objective, and almost all respondents have fully understood the strategic business process.

Purpose of employee's performance management

Almost half of the respondents agreed that performance evaluation record is properly kept and used for further decision and they are also agreed team work has to be encouraged for smooth and collaborative action.

In the contrary the majority said the commission doesn't encourage and motivate the employees by providing reward and career development privileges. Moreover, an immediate corrective measure was not applied across performance issue.

Practices of employee performance management

Performance planning

Around half of the respondents have stated that work goal was determined through dialogue between supervisors and individuals. Majority of the respondents have stated that they have been actively participated in the plan preparation, and determined to execute their roles and responsibilities. In the contrary employees weren't agreed with the supervisor when they set performance evaluation standard.

Performance execution

More than half of the respondents agreed usually support were given from the supervisor when they face challenges, and aware when there is new information and most of them they get frequently monitor and feedback from their immediate supervisor. On the other hand mostly didn't get sufficient resource to execute their specific duty.

Performance assessment

Most of the respondents said that the employee gets the opportunity to assess their personal performance, which was conducted based on the set goals and standards. Subsequently they have accepted the overall yearly performance result weather it was good or bad. On the other side there is no room to get feedback from customers and peers/subordinate.

Performance review

Most of the employees have an open discussion with their supervisor on performance and related issues but the commission doesn't provide on job training opportunity. In addition to this there is no merit-based promotion for those who performed well.

Major challenges of employee performance management system

Nearly half of the respondents said the strategic plan is clear, realistic and attainable, and senior management don't influence and interfere on the outcome of performance result. However, the criteria set for evaluating their personal performance isn't fair, clear and capable. Besides, the strategic plan of the commission it is not clear, realistic and attainable and not fully aware of all employee.

5.2 Conclusion

After gathering the primary data I have made an assessment on the challenges and practice of employee performance management system. It was conducted by tables and descriptive analysis.

Accordingly, responses have brought various advantages; such as employees were clearly understood the organization's strategic business objectives, values and business process, properly knew their roles, responsibilities, and believe that the final endeavor could enable for contributing a successful achievement. Moreover, most employees participate in the overall planning process, set work goal hand in hand with their respective supervisor, accessed to self-evaluation, and team work was has encouraged.

Nevertheless, Challenges have also seen; such as lack of sufficient resource allocation for execute their job properly, not clearly identified practice mechanism to address the performance issues, performance review weren't provided reward and recognition to those who are highly performed their task timely. Furthermore, respondents said that there is a drawback of Strategic plan of the Commission, which was not clearly understood by them; as a result it has brought a challenge during implementation period.

Therefore, following the above stated findings I suggest a new mode of directions should be set for the commission in order to achieve a sustainable employee performance management system. Particularly it is highly elaborated on the recommendation part.

5.3 Recommendations

On the basis of the findings and conclusions reached, the following recommendations are forwarded in order to improve the PMS and its practices;

- The commission should provide some privileges by applying on job training, merit-based salary increment, and promotion based on assessment result in order to achieve a better performance and encouragement.
- Timely corrective measures have to be addressed when there is a gap occurred on the performance issue and fair, clear and capable performance evaluation criteria have to be set to fill each and every gap that appears during work execution.

- Sufficient resources shall be provided for executing their specific duty.
- Assessment result shouldn't come only from the employees and supervisors, but it has to agglomerate customers and peers/subordinate groups.
- It should take care of the safety and mental health of employees as well as its works on their growth.
- The commission should be developed clear, realistic and attainable strategic plan and fully aware to all staff.

Generally following my research if the commission undertakes some strategic measures by adopting some positive remarks, it would create amicable working environment, eventually both employees and the commission will meet their prospective goals accordingly. At last I would like to suggest further research shall be conducted on this to excel my current study.

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EMWACDC 2020 HR report, Manuals

Appendix- I: Questionnaire

St. Mary's University

School of Graduate Studies

Questionnaire to be filled by respondents

Dear Respondents,

I am conducting a research on “Employee Performance Management System Practices and Challenges” at Ethiopian Mulu Wongel Amagnoch Church Development Commission.” In this regard I kindly request you to provide me reliable information that is to the best of your knowledge, which is very important for enabling me to meet the intended study.

In the mean time I strongly assure you that your feedback will contribute a paramount knowledge for academic purpose and it will be kept as confidentially. Moreover, in advance I strongly extend my deep appreciation for your kindness and having a timely positive response.

With regards;

Directions

- No need to write your name,
- Please fill this questionnaire if your work experience in Ethiopian Mulu Wongel Amagnoch Church Development Commission is more than one year,
- Put" √ " or "X" mark in the box's respective to the question items,
- If you have any question, please contact me on 0911-001472,

Part I. General Information about the Respondent

1. Gender Female Male

2. Educational Status High School Graduate Certificate

College Diploma BA/BSC Degree MA/MBA PHD

3. Experience (Service Year in EMWACDC)

1 to 3 years 3 to 5 years 5 to 7 years more than 7 years

4. Do you have a supervisory role? Yes No

Part II. Survey Opinion on Employee Performance Management System.

Instruction: please read each question and indicate the extent of your agreement by "√" or "X" mark.

Level of Rating: 1= Strongly Disagree (SD), 2= Disagree (D), 3= Neutral (N),
4= Agree (A) and 5= Strongly Agree

1. Awareness on the Strategic Objective and business process.

S. No	Statement	Level of Rating				
		1(SD)	2(D)	3(N)	4(A)	5(SA)
1.1	I am fully aware of the Commission strategic business objectives and values. ስለኮሚሽኑ ስትራቴጂያዊ ዓላማዎችና እሴቶች ሙሉ ሙሉ አውቃለሁ።					
1.2	I am clearly aware of the strategic purpose of the business process. ስለሥራ ሂደቱ / ስለሥራ ክፍሉ ዓላማ በግልጽ አውቃለሁ።					
1.3	Employees' goal is aligned with the strategic objective of the work unit as well as the organization. የሰራተኞች ግብ ከሰራ ክፍሉ እንዲሁም ከድርጅቱ ስልጠናዎች ጋር የተጣጣመ ነው።					
1.4	I believe that a performance management system is a systematic process for improving organizational performance by developing the performance of individuals and teams. የሰራ ምዘና አስተዳደር ስርአት የሰራተኛውን ንፍቅ ያደጋግባል። ይህም በማሳደግ ድርጅቱን ለማሳደግ የሚረዳው ሰራተኛውን ይረዳል።					

2. Purpose of Employees performance Management

S. No	Statement	Level of Rating				
		1(SD)	2(D)	3(N)	4(A)	5(SA)
2.1	The Commission keeps regularly records on Employees' Performance for further decision. ኮሚሽኑ የሰራተኛውን የሰራ አፈጻጸም በመደበኛ ስራ ሰዓት ይደብዳል እንዲሁም ለተለያዩ ዓይነት ድጋግ ለመስጠት ይጠቀምበታል።					
2.2	The performance management process enables to identify training and development needs.					

	የአፈፃፀም አስተዳደር ሂደቱ የሥልጠናና የልማት ፍላጎቶችን ለመለየት ያስችላል።					
2.3	The Commission encourages a team work and to create a sense of family/community among staff. ኮሚሽኑ የብድን ስራን ያበረታታል እንዲሁም በሰራተኞች መካከል ቤተሰብ አይነት አንዲኖር ያደርጋል።					
2.4	The Commission takes care of the safety and mental health of employees as well as it works on their growth or competence. ኮሚሽኑ የሰራተኞችን ደህንነትና የአእምሮ ጤንነት ይከብራል እንዲሁም እድገታቸውንና ብቃታቸውን ይሰራል።					
2.5	The Commission address performance issues or take corrective action immediately. ኮሚሽኑ የአፈፃፀም ችግሮችን ወዲያው ይፈታል ወይም የአርምት አርምቺ ይወስዳል።					

3. Practices of Employees performance Management

3.1 Performance Planning

S. No	Statement	Level of Rating				
		1(SD)	2(D)	3(N)	4(A)	5(SA)
3.1.1	Work goals are determined by the dialogue between my supervisor & me. የስራ ግብ የሚወሰነው በእኔና በግብዓት መካከል በሚደረግ ውይይት ነው።					
3.1.2	My supervisor and I reach on an agreement about the standards that will be evaluating the performance. የሥራ አፈፃፀምን በሚገመገሙ መለኪያዎች/ደረጃዎች ላይ ግብዓት እኔም ጋር ስምምነት ላይ ደርሰናል።					
3.1.3	I actively participate in the preparation of the plan (is not imposed by my supervisor). በአቅድ ዝግጅት ላይ በንቃት እሳተፋለሁ /በበላይ አካል የተዘጋጀ አቅድ አልተጣኝም /።					
3.1.4	I know what my responsibilities are and what is expected for me የእኔ ሃላፊነት ምን እንደሆነና ከእኔ ምን እንደሚጠበቅ አውቃለሁ።					

3.2 Performance Execution

S. No	Statement	Level of Rating				
		1(SD)	2(D)	3(N)	4(A)	5(SA)
3.2.1	Based on the plan, my supervisor frequently monitors and gives feedback regularly on the implementation of the business process. ግብዓት በአቅዱ ላይ በመመስረት አፈፃፀሙን ላይክትትል ያደርጋል እንዲሁም ግብረመልስ ይሰጠኛል።					
3.2.2	I always get support from my supervisor when I face challenges in my daily activities. በዕለት ተዕለት አንቅስቃሴዎቼ ላይ ችግሮች ሲጋጥሙኝ ሁልጊዜ ከግብዓት ጋር ጋፍ አገኛለሁ።					
3.2.3	EMWACDC provides sufficient resource to individuals to achieve					

	objectives & to execute their job properly. ኮሚሽኑ ዓላማውን ለማሳካት ናሠራተኞች ሥራቸውን በሚገባ ማከናወን እንዲችሉ ግብአቶችን በበቂ ሁኔታ ያቀርባል።					
3.2.4	When there are any changes in the commission the supervisor gives me information and I adjust my objectives accordingly. በድርጅቱ ውስጥ ለውጦች ሲኖሩ ጎላፊ ዬሁል ጊዜ መረጃ ስለሚሰጠኝ በዚህ መሠረት ዓላማዬን አስተካክላለሁ።					

3.3 Performance Assessment

S. No	Statement	Level of Rating				
		1(SD)	2(D)	3(N)	4(A)	5(SA)
3.3.1	My actual performance is measured against the pre- mutually agreed set of objectives and standards. ትክክለኛው አፈፃፀሜ የሚለካው ቅድመ-ስምምነት ባደረግን በትዕላማና የመለኪያ መስፈርት መሰረት ነው።					
3.3.2	I get the opportunity to assess my performance (self-appraisal method). አፈፃፀሜን ለመገምገም እድሉን አግኝቻለሁ (የራስ-ምዘና ዘዴ)።					
3.3.3	Customer and peers/subordinates are also requested to give feedbacks on my performance. ደንበኞችና የስራ ባልደረቦች ስለ አፈፃፀሜ አስተያየት እንዲሰጡ ይጠየቃሉ።					
3.3.4	My performance considers on yearly performance not affected only by recent accomplishments. የአፈፃፀም ግምገማው የሙሉ ዓመት ስራዬን የሚያጠቃልል እንጂ የቅርብ ጊዜ አፈፃፀሜ ላይ ብቻ የሚያተኩር አይደለም።					

3.4 Performance review

S. No	Statement	Level of Rating				
		1(SD)	2(D)	3(N)	4(A)	5(SA)
3.4.1	My supervisor encourages open discussion with respect to performance related issues. ጎላፊ ዬሁል ጊዜ ገቢ ተመለከተ ግልጽ ውይይት እንድናደርግ ሁኔታዎችን ያመቻቻል።					
3.4.2	I have gotten training opportunities to enhance my performance. አፈፃፀሜን ለማሳደግ የሥልጠና ዕድሎችን አግኝቻለሁ።					
3.4.3	EMWACDC Performance management system considers reward and recognition schemes. የኮሚሽኑ የአፈፃፀም አስተዳደር ስርዓት የሽልማትና አውቅና እቅዶችን ከግምት ያስገባል።					
3.4.4	The reward schemes, like Promotion, appreciation letter, pay rises etc. are determined by the outputs of the employees' performance. የአፈፃፀም ግምገማው ጤነኛ ደመወዝና ሌሎች ጥቅማጥቅሞችን ለመወሰን ግምት ውስጥ ይገባል።					

4. Major Challenges of Employee Performance Management System

S.No	Statement	Level of Rating				
		1(SD)	2(D)	3(N)	4(A)	5(SA)
4.1	Employees aware the Strategic plan of the Commission, is it clear, realistic and attainable. ሰራተኞች የኮሚሽኑን ስትራቴጂካዊ እቅድ ያውቃሉ፤ ግልጽ ተጨባጭ እና ተደራሽ ነው።					
4.2	The performance evaluation criteria are fair, clear and capable of the true measurement. የአፈፃፀም ምዘና መለኪያዎች ትክክለኛ፣ ግልጽና ለመመዘን ብቃት አላቸው።					
4.3	Interpersonal relationships influence the employees' performance management process and the outcome decisions. የግለሰቦች የግልግንኙነት በሰራተኛው ሰው ጤታ ላይ ተጽዕኖ ያሳድራል።					
4.4	Senior management do not influence the outcome of the assessment process. የበላይ አመራር አካላት በሰራተኛው ጤታ ላይ ተጽእኖ አያገርጉም።					

➤ Which of the steps of performance management system do you find challenging and what makes it challenging? (Planning, Execution, Assessing, and Reviewing)

➤ What are the major challenges you faced as a result of Performance Management System?

➤ Are there any other comments you would like to make about your performance management system arrangements not covered in the question above?

Thank You!!!

Appendix-II: Reliability tests

Reliability test or pilot test

Scale: SAMPLE VARIABLES

Case Processing Summary

		<u>N</u> _o	%
Cases	Valid	10	100.0
	Excluded	0	.0
	Total	10	100.0

a. List wise deletion based on all variables in the procedure.

Reliability Statistics

Cronbach's Alpha	<u>N</u> _o of Items
.819	7

Scale: ALL VARIABLES

Case Processing Summary

		<u>N</u> _o	%
Cases	Valid	64	100.0
	Excluded	0	.0
	Total	64	100.0

a. List wise deletion based on all variables in the procedure.

Reliability Statistics

Cronbach's Alpha	<u>N</u> _o of Items
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.915	29
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