



ST.MARY'S UNIVERSITY
SCHOOL OF GRADUATE STUDIES

THE ASSESSMENT OF CHALLENGES AND BENEFITS
OF PERFORMANCE MANAGEMENT SYSTEM
IMPLEMENTATION:
CASE OF COMMERCIAL BANK OF ETHIOPIA
SELECTED CITY BRANCHES IN ADDIS ABABA

BY
YIDNEKACHEW FEKADE

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ADDIS ABABA, ETHIOPIA

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ADDIS ABABA, ETHIOPIA

**ST.MARY’S UNIVERSITY SCHOOL OF GRADUATE
STUDIES FACULTY OF BUSINESS**

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DECLARATION

I hereby declare that this work entitled “the challenges and benefits of performance management system implementation: the case of commercial bank of Ethiopia selected city branches in Addis Ababa” is my original work. I have produced it independently except for the guidance and suggestion of my research advisor. I further confirm that this paper has never been submitted to any other university for any degree or diploma. Finally, I declare that all source materials used in this research has been dully recognized and acknowledged.

Declared by: YidnekachewFekade

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Date: _____

ENDORSEMENT

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

Advisor

Signature & Date

Contents

CHAPTER ONE INTRODUCTION	1
1.1. Background of the study	1
1.2. Background of the Organization	3
1.3. Statement of the problem	3
1.4. Basic Research Questions	4
1.5 Objective of the study	4
1.5.1. General Objective	4
1.5.2. Specific objective.....	5
1.6 Significance of the study.....	5
1.7 Scope of the Study	5
1.8 Limitation of the Study	5
1.9 Definition of terms	6
1.10 Organization of the paper.....	6
CHAPTER TWO LITERATURE REVIEW	7
2.1 Definition of Performance	7
2.1.1 Performance Management	8
2.1.1.1 History of Performance Management	8
2.1.1.2 Definition of Performance Management.....	8
2.1.1.3 Aim of Performance Management	9
2.1.1.4 Performance Management process	12
2.1.2 Typical Performance Management System	14
2.1.2.1 Performance planning	14
2.1.2.2 Ongoing Feedback	14
2.1.3.3 Employee Input.....	15
2.1.3.4. Performance Evaluation.....	15
2.1.3.5 Performance Review	15
2.1.3 Evaluation of performance.....	16
2.1.4 The relationship between Performance management system and employee performance	17
2.1.4.1 Developing and Planning-Mission and individual objectives.....	17
2.1.4.2 Managing and reviewing performance.....	17

2.1.3.3	Rewarding performance	17
2.1.4	Effective Performance Management.....	18
2.1.5	Evaluating Employee Performance.....	20
2.1.6	Challenges to Effective Performance Measurement or Evaluations	21
2.1.7	Philosophy of Performance Management	22
2.2	Empirical Literature	24
CHAPTER THREE RESEARCH METHODOLOGY		26
3.1	Research Design.....	26
3.2	Source of data and Gathering Techniques	26
3.3	Instrument and Scale.....	26
3.4	Study Population and Sampling Techniques.....	26
3.5	Sample Size.....	27
3.6	Method of Data Gathering	28
3.6.1	Questionnaire	28
3.6.2	Interview	29
3.7	Methods of Data Processing and Analyzing	29
3.1	Ethical Consideration.....	29
CHAPTER FOUR DATA PRESENTATION AND ANALYSIS.....		30
4.1	INTRODUCTION	30
4.2	Demographic Information of Respondent.....	30
4.3	Challenges that hinder implementation of performance management system on employee performance.	33
CHAPTER FIVE		47
SUMMARY, CONCLUSION AND RECOMMENDATION		47
5.1	Summary	47
5.2	Conclusion	49
5.3	Recommendation	49
REFERENCES.....		51

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ABBREVIATIONS AND ACRONYMS

CBE – Commercial Bank of Ethiopia

PMS – Performance Management System

CRO – Customer Relation Officer

CSO – Customer Service Officer

CSM – Customer Service Manager

G.C – Gregorian calendar

HRD – Human Resource Development

HR – Human Resource

List of Tables

LIST	PAGE
Table 3.1 Summary of selected branch and employees.....	20
Table 4.1 Demographic data	24
Table 4.2 Employee training on performance management System of CBE.....	26
Table 4.3 Alignment between organizational and individual goals.....	26
Table 4.4 Fair and proper distribution of task and responsibility.....	28
Table 4.5 Tendency of giving unbalance target.....	29
Table 4.6 Provision of sufficient resource	30
Table 4.7 Target capability to identify higher performer with under performer.....	30
Table 4.8 Compatibility of performance management System of CBE with employee.....	31
Table 4.9 Feature of PMS implementation in CBE.....	32

List of Figures

LIST	PAGE
Figure 2.1 Criteria of effective performance measurement.....	10

ABSTRACT

Nowadays the source of sustained competitive advantage has shifted from financial resource to technological resource and human capital. Therefore, many organizations try to rely on employees' knowledge; skills and competence to enhance organizational competitiveness. The main objective of this study, therefore, is to assess the challenges and benefits of performance management system implementation in commercial bank of Ethiopia selected city branches. A total of 342 samples were drawn from the target population using simple random sampling technique. 309 respondent's questionnaires were completed and returned. This represents 90 percent respondent rate. Close-ended questionnaires were distributed to employees of selected city branches and structured interview forwarded to six selected branch managers. Data analysis was done through descriptive statistic, specially used mean, standard deviation, frequency and percentage. The finding show that: the employee understanding towards PMS is differ based on their demographic character, there were challenges of PMS implementation in CBE, some benefits also gained from PMS implementation and the feature of PMS implementation in CBE is not according to theoretical aspect.

Key words: *Performance management System, Challenges, Benefits, Human Resource Management. Commercial Bank of Ethiopia*

CHAPTER ONE INTRODUCTION

1.1. Background of the study

According to Wilson (2001), with in this competitive and rapidly changing environment, people and people management are seen by a growing number of commentators as being the key to business success. In the current globalization and full of competitive world, companies that want to gain sustainable competitive advantage require to focuses on employee management and retaining employee with key skills. Even though many organization access to advanced technology, the people are the one who make the real difference. Therefore, focal attention should be given to human performance management. In this aspect, organizations should give serious attention to human capital and plan its activity by means of integrated and coherence rather than ad-hoc thinking.

On the other view, Mahapatral (2010)states that evaluating employees' performance is a key responsibility of managers and performance appraisal is a powerful tool which documented feedback on employee's level of performance. This documented level of performance help the organization to determine organizational actions regarding employment, transfer, bonuses, and pay raise. As Mahapatral (2010) stated, the actual appraisal document become part of an employee's permanent record and greatly influence lives and careers. Employees, who know their activities could be measured, mostly try to contribute the best one to become better performer.

According to Armstrong (2009), performance management is a systematic process for improving organizational performance by developing the performance of individuals and teams. In this aspect organization is a collection of individual and teams and that organizational best performance roots from best activities of individuals and teams in the organization. The result of every individuals and teams compared against the agreed framework, the planned work and standard that required competency. Also, as Noe et al, (2011) stated that, performance management system should aim at achieving employee behavior and attitudes that support organizational strategy, goals and cultures. This indicates that every organization has strategy, goals and working cultures in which way every activities being performed. Hence, the implementation of performance management system may help organization to check whether or

not the desired organizational goals and strategy being achieved or not. The best performance of employee in achieving organizational goals and strategy may benefit themselves and organization as a whole. That is why Armstrong (2009) stated that the overall objective of performance management is to develop the capacity of people to meet and exceed expectations and to achieve their full potential to the benefits of themselves and the organization.

To understand performance management today it is helpful to consider the historical backdrop of approaches to management and organization behavior. Arguably, the first real sense we get of a formalization of the management of performance comes with F.W.Taylor (1856 – 1917) and the scientific school of management. Taylor believed that effective performance would come from a very structured approach to the design of work, with workers having very specific task to complete, with specific target to reach and clearly identify financial reward. Motivation was driven by a simple economic transaction with workers carrying out their roles in the most effective way possible to reach the highest possible wages. Whilst we recognize that managing performance is an activity of much greater complexity today, it is important not to lose sight of the fact that there are money working relationships that are reliant on the delivery of a basic transaction for effective performance (Ashdown, 2014).

According to Ashdown (2014), the human relations school leads to a much greater focus on social factors at work on the behavior of employees within an organization. Rather than just focusing on the rational, the complexities of humans their psychological and social needs were recognized as important factors in organization performance. In more recent times two key teams have emerged in the development and enhancement of performance management in organization;

The reason why we choose this thesis topic is that nowadays the source of sustained competitive advantage has shifted from financial resource to technological resource and to human capital. So, many organizations try to rely on employee for success and competitiveness. Commercial bank of Ethiopia is one of the organizations that implemented the performance management system in order to encourage, measure, evaluate, improve and reward employee's performance at work. Based on this respect, performance management system has come to play an indispensable role in helping organizations to achieve their goals and strategy by implementing in the right way.

1.2. Background of the Organization

Commercial bank of Ethiopia (CBE) history dated back to its establishment of the state bank of Ethiopia in 1942. It was legally established as a share company in 1963. In 1974 CBE merged with the privately owned Addis Ababa bank. Since then it has been plying significant role in the development of the country. Currently CBE has more than 28 million account holders and the number of mobile and internet banking users also reached more than 3 million.

Commercial bank of Ethiopia reached more than 1,656 branches stretched across the country. It has strong correspondent relationship with more than 50 foreign banks like; Commerz Bank A.G, Royal Bank of Canada, City Bank and HSBC Bank. CBE combine a wide capital base with more than 30,000 talented and committed employees. It's vision also "To become world-class commercial bank by the year 2025".

1.3. Statement of the problem

Employee's job performance is an important issue for all employers. However, satisfactory performance does not happen automatically. Therefore, it is more likely with good performance management system. Performance management system consist of process used to identify, encourage, measure, evaluate, improve, and reward employee's performance at work. Every year most employees experience an evaluation of their past performance. This may be a five minutes informal discussion between employees and their supervisor or a more elaborate several week process involving many specific steps (De Cenzo and Robbins, 2005).

According to Ying (2012), the importance of performance management system is on continuously improving organizational performance, and this is achieved by improved individual employee performance. Therefore, improving employee performance by using performance management system is away to improve organizational performance.

The bank's performance management system shall focus on employee's competency development. Also it focus on ongoing and continues process of communicating and clarifying job responsibilities, proprieties, performance expectations and development planning optimizing employees performance alignment with the strategic goals (Human Resource Policy of CBE, 2020).

Performance Management System (PMS) is important for alignment and assessment of organization team and individual effort towards achieving business goals and organizational success. Also implementation of PMS helps to create a work environment in which people are able to perform to the best of their abilities, to consistence framework for articulating performance expectations and to provide employees with opportunities for growth and recognition (CBE training manual of PMS, 2020). Based on this advice from Frankfurt School of Finance and Management, CBE has been implementing the PMS since 2020 G.C.

Performance management system evaluates employees of CBE regardless of position, place of work and academic status. The overall performance of CBE is cumulative of all branches, and the performance of every branch of CBE is the cumulative effort of its all employees. Every employee in each branch evaluated based on the contract given in the beginning of every quarter.

The implementation of PMS in CBE to show the gap of putting in practice in a little base, it was not assessed what challenge faced in implementation of PMS in CBE and what benefit gained on employees performance because of implementation. So, this research aimed at assessing the challenge faced and the benefit gained on employee's performance by implementation in CBE to forwarding possible solution for identified challenges and to sustain more benefit from PMS implementation in CBE.

1.4. Basic Research Questions

- ✓ What are the challenges being faced in the implementation of PMS in CBE?
- ✓ What are the understanding levels of employees regarding PMS of CBE?
- ✓ What are the benefits gained on PMS implementation in CBE?
- ✓ What is the feature of PMS implementation in CBE?

1.5 Objective of the study

In accomplishing this research thesis, it has both general and specific objectives.

1.5.1. General Objective

The objective of this study is to assess the challenges and benefits of PMS implementation in commercial bank of Ethiopia.

1.5.2. Specific objective

The specific objectives of this study were the following:-

- To identify challenges faced during PMS implementation in CBE.
- To examine the understanding levels of employees regarding PMS of CBE.
- To examine the benefit of PMS implementation in CBE.
- To assess the feature of PMS implementation in CBE.

1.6 Significance of the study

Since CBE has recently designed its Employees' Management (EPM) system as one strategic aspect of its HRD strategy, and has started to implement it, from the broader perspective, this study helps the Bank HRD to see its progress in terms of the effective implementation of the EPM system and to depict areas of focus for the assurance of successful implementation of the EPM system. Furthermore, it helps as a source document and as a stepping stone for those researchers who want to make further study on the area afterwards.

1.7 Scope of the Study

According to Mahapatro (2010), performance management is a process which contributes to the effective management of individuals and teams in order to achieve high levels of organizational performance. The organizational performance depends on individual and team performance. Also this individual and team performance depends on the knowledge of individual; the challenge existed in the process and the process variable by itself. The implementation of performance management system also has benefits that may affect individuals and teams positively.

This researcher assessed only the challenges and benefits of PMS implementation in CBE selected city branch in Addis Ababa

1.8 Limitation of the Study

In conducting this study the researcher faced different problems. Some of them are as follow: -

- This research conducted only selected city branches in Addis Ababa and result generalized to the whole population of the bank.

- Some respondents were unable to fill and return questionnaires properly. But the researcher tried to collect as possible as the distributed questionnaires to respondents patiently.

1.9 Definition of terms

Performance: is an outcome or accomplishment achieved by a person or a team (Armstrong, 2009).

Performance management: an approach to creating a shared vision of the purpose and aims of the organization, helping each individual employee understand and recognize their part in contributing to them, and in so doing manage and enhance the performance of both the individual and the organization (Fletcher, 2001).

Performance management system: is an integrated set of planning and review procedures which cascade down through the organization to provide a link between each individual and the overall strategy of the organization (Smith & Goddard, 2002).

1.10 Organization of the paper

This paper organized by five chapters.

The first chapter provide introduction of the study. It includes statement of the problem, basic research question, objective of the study, scope of the study, significance and limitation of the study. The second chapter consists with the related literature reviews concerning performance management system and various issues relating performance management and employee performance which explained in theoretical and empirical literatures. Chapter three focused on research design and methodology which includes research design, source of data and gathering techniques, instrument and scale, study population and sampling techniques, sample size, method of data gathering and analysis, pilot test and ethical consideration. In the fourth chapter data which collected by questionnaires and interview presented, analyzed and interpreted. Finally chapter five contains all summary, conclusion and recommendation.

CHAPTER TWO LITERATURE REVIEW

2.1 Definition of Performance

Presently, organizations are faced with new competitive conditions, and have to cope with dynamic environments, which lead them to the era of continuous improvement, value-addends, doing more with less, and productivity. These developments have brought performance management to center stage. Accordingly, organizations are beginning to implement performance management that reflects the new shape of the organization and its emphasis on integration of work, multidimensional influence, and flexible jobs. As a HRD practice, performance management in organizations is viewed as the total system of gathering relevant information, providing specific feedback to individuals and work groups, and applying such information for the improvement of organizational effectiveness. Therefore, performance management goes beyond the ratings and formats that have been the focus of so much research and practices. Instead performance management is a means to execute organizational strategy by signaling to employees what is really important in the organization, fixing accountability for behavior and results, and helping to improve performance (Eul-Kyoo, 2006).

A manager who creates a performance definition ensures that individual employees or teams know what is expected of them, and that they stay focused on effective performance. The managers do this by paying careful attention to three key elements; goals, measures, and assessment (Cascio, 2006).

Goal setting: - has a proven track record of success in improving performance in a Variety of setting and cultures. Studies show that goal direct attention to the specific performance in question (e.g. percentage of satisfied customers), they mobilize effort to accomplish higher level of performance, and they foster persistence for higher level of performance. The mere persistence of goals is not sufficient. Manager must also be able to measure the extent to which goals have been accomplished. In defining performance the third requirement is assessment. Regular assessment of progress towards goals focuses the attention and efforts of an employee or a team. If a manager takes the time to identify measureable goals but then fails to assess progress towards them, he's asking for trouble. To define performance properly, therefore, you must do three things well; set goal, decide how to measure accomplishment and provide regular

assessment of progress. Doing this well have no doubt in the minds of your people what is expected of them, how it will be measured, and where they stand at any given point in time (Cascio, 2006).

2.1.1 Performance Management

2.1.1.1 History of Performance Management

The success of every institution depends on the quality and commitment of its human resource. In order to insure continued efficiency and effectiveness of staff members each organization has to carry out employee performance appraisal from time to time so as to keep them in check and replace, motivate, retain or take any other appropriate action. Organizations using a performance appraisal system to evaluate their employees, struggle with issues of implementation, adoption and linkage with other human resource system, (Devries D.L, 1983). Performance management processes have become prominent in recent years as means of providing a more integrated and continuous approach to the management of performance than was provided by previous isolated and often inadequate merit rating or performance appraisal schemes, (Armstrong, 2009).

2.1.1.2 Definition of Performance Management

Before designing a performance management system there needs to be a clear definition of performance management system. Performance management 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, (Aguinis, 2009).

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. Processes exist for establishing shared understanding about what is to be achieved, and for managing and developing people in a way that increases the probability that it will be achieved in the short and longer term. It focuses people on doing the right things by clarifying their goals. It is owned and driven by line

management, (Armstrong, 2009). Performance is essentially what an employee does or does not do. Performance of employees that affects how much they contribute to the organization could include:

- Quantity of output
- Quality of output
- Timeliness of output
- Presence at work
- Cooperativeness

Obviously other dimensions of performance might be appropriate in certain jobs, but those listed are common to most. However, they are general; each job has specific job criteria or job performance dimensions that identify the elements most important in that job, (David A. DeCenzo & Stephen P. Robbins, 2005).

2.1.1.3 Aim of Performance Management

The overall aim of performance management is to establish a high performance culture in which individuals and teams take responsibility for the continuous improvement of business processes and for their own skills and contributions within a framework provided by effective leadership. Specifically, performance management is about aligning individual objectives to organizational objectives and ensuring that individuals uphold corporate core values. It provides for expectations to be defined and agreed in terms of role responsibilities and accountabilities (expected to do), skills (expected to have) and behavior's (expected to be). The aim is to develop the capacity of people to meet and exceed expectations and to achieve their full potential to the benefit of themselves and the organization. Importantly, performance management is concerned with ensuring that the support and guidance people need to develop and improve are readily available, (Armstrong, 2009).

Performance is about upholding the values of the organization – ‘living the values’ (an approach to which much importance is attached at Standard Chartered Bank). This is an aspect of behavior but it focuses on what people do to realize core values such as concern for quality, concern for people, concern for equal opportunity and operating ethically. It means converting espoused values into values in use: ensuring that the rhetoric becomes reality, (Armstrong, 2009). The performance management process must convey to employees how well they have performed on established goals. It's also desirable to have these goals and performance measures mutually set

between the employee and the supervisor. Without two-way feedback about an employee's effort and its effect on performance, we run the risk of decreasing his or her motivation. However, equally important to feedback is the issue of development. By development, we are referring to those areas in which an employee has a deficiency or weakness, or an area that simply could be better through effort to enhance performance. Finally comes the issue of documentation. A performance evaluation system would be remiss if it did not concern itself with the legal aspects of employee performance, (David A. DeCenzo & Stephen P. Robbins).

➤ **Strategic Purpose**

One of the most fundamental purposes of performance management is to align individual and organizational objectives. This means that everything people do at work leads to outcomes that further the achievement of organizational goals. The real concept of performance management is associated with an approach to creating a shared vision of the purpose and aims of the organization, helping each employee understand and recognize their part in contributing to them and in so doing, manage and enhance the performance of both individuals and the organization. Alignment can be attained by a cascading process so that objectives flow down from the top and at each level team or individual objectives are defined in the light of higher-level goals. But it should also be a bottom-up process, individuals and teams being given the opportunity to formulate their own goals within the framework provided by the defined overall purpose, strategy and values of the organization. Objectives should be *agreed* not set, and this agreement should be reached through the open dialogues that take place between managers and individuals throughout the year. In other words, these needs to be seen as a partnership in which responsibility is shared and mutual expectations are defined, (Armstrong, 2009). One of the primary ways strategies are implemented is through defining the results, behaviors and to some extent employee characteristics that are necessary for carrying out those strategies and then developing measurement and feedback systems that will maximize the extent to which employees exhibits the characteristics, engage in the behaviors and produce the results, (Noe.Hollenbeck.Gerhart.Wright, 2008).

➤ **Administrative Uses**

A performance appraisal system is often the link between the rewards employees hope to receive and their productivity. The linkage can be thought of as follows:

Productivity performance appraisal rewards Compensation based on performance appraisal is at the heart of the idea that raises should be given for performance accomplishments rather than for seniority. Under performance-oriented systems, employees receive raises based on how well they perform their jobs. The manager's role historically has been as an evaluator of a subordinate's performance, which then leads to managers making compensation recommendations or decisions for employees. If any part of the process fails, the most productive employees do not receive the larger rewards, resulting in perceived inequity in compensation. (David A. DeCenzo & Stephen P. Robbins)

➤ **Development Purpose**

Another purpose of performance management is to develop employees who are effective at their jobs. When employees are not performing as well as they should, performance management seeks to improve their performance. The feedback given during a performance evaluation process often pinpoints the employee's weakness. Ideally, however, the performance management system identifies not only any deficient aspects of the employee's performance but also the causes of these deficiencies, for example, a skill deficiency, a motivational problem or some obstacle holding the employee back. (Noe, Hollenbeck, Gerhart, Wright, 2008) .

2.2.4 Characteristics of Performance Management

Performance management is a planned process of which the primary elements are agreement, measurement, feedback, positive reinforcement and dialogue. It is concerned with measuring outputs in the shape of delivered performance compared with expectations expressed as objectives. In this respect, it focuses on targets, standards and performance measures or indicators. It is based on the agreement of role requirements, objectives and performance improvement and personal development plans. It provides the setting for ongoing dialogues about performance and continuing review of achievements against objectives, requirements and plans. But it is also concerned with inputs and values. The inputs are the knowledge, skills and

behaviors required to produce the expected results. Developmental needs are identified by defining these requirements and assessing the extent to which the expected levels of performance have been achieved through the effective use of knowledge and skills and through appropriate behavior that upholds core values. Performance management is a continuous and flexible process, which involves managers and those whom they manage acting as partners within a framework that sets out how they can best work together to achieve the required results. It is based on the principle of management by contract and agreement rather than management by command. It relies on consensus and co-operation rather than control or coercion. Performance management focuses on future performance planning and improvement rather than on retrospective performance appraisal. It functions as a continuous and evolutionary process, in which performance improves over time. It provides the basis for regular and frequent dialogues between managers and individuals about performance and development needs. It is mainly concerned with individual performance but it can also be applied to teams. The emphasis is on development, although performance management is an important part of the reward system through the provision of feedback and recognition and the identification of opportunities for growth. It may be associated with performance or contribution-related pay, but its developmental aspects are much more important, (Armstrong, 2009).

2.1.1.4 Performance Management process

Performance management processes have become prominent in recent years as means of providing a more integrated and continuous approach to the management of performance than was provided by previous isolated and often inadequate merit rating or performance appraisal schemes. Performance management is based on the principle of management by agreement or contract rather than management by command. It emphasizes development and the initiation of self-managed learning plans as well as the integration of individual and corporate objectives. It can, in fact, play a major role in providing for an integrated and coherent range of human resource management processes which are mutually supportive and contribute as a whole to improving organizational effectiveness, (Armstrong, 2009). While research and experienced practitioners have identified several characteristics that are prerequisites for effective performance management systems, there are also many decisions that need to be made to design

a system ideally suited for a given organization's needs. One such decision is what purpose(s) the system will serve. For instance, performance management systems can support pay decisions, promotion decisions, employee development and reductions in force. A performance management system that attempts to achieve too many objectives is likely to die of its own lack of focus and weight. There is no one type of system or set of objectives that is best suited for all organizations. The purposes for a given performance management system should be determined by considering business needs, organizational culture and the system's integration with other human resource management systems, (Armstrong, 2009).

One important caveat to consider is that while performance management for purposes of decision-making and employee development are certainly related, these two objectives are rarely supported equally well by a single system. When a performance management system is used for decision-making, the appraisal information is used as a basis for pay increases, promotions, transfers, assignments, reductions in force or other administrative HR actions. When a performance management system is used for development, the appraisal information is used to guide the training, job experiences, mentoring and other developmental activities that employees will engage in to develop their capabilities. Although it is theoretically possible to have a performance management system that serves both decision-making and development purposes well, this can be difficult to achieve in practice. In addition, research has shown that the purpose of the rating (decision-making versus development) affects the ratings that are observed.¹ Ratings used for decision-making tend to be lenient, with most employees receiving ratings on the high end of the scale. Ratings for developmental purposes tend to be more variable, reflecting both employee strengths and development needs. An example will illustrate why it can be difficult to emphasize equally decision-making and development within the same system. Managers in this organization evaluate their employees and then meet to calibrate their ratings and make reward decisions. Managers then conduct review sessions with every employee to discuss the employee's performance, pay increase and stock option grant. Developmental feedback is supposed to be included in the meeting. However, the range of percentage increases and stock options is large, thereby allowing managers to link performance with rewards effectively. With so much at stake, the majority of the meeting typically focuses on justification by both parties, rather than on how the employee can develop. The climate of the meeting is not conducive to giving and receiving feedback, and employees are reticent to discuss their

development needs for fear this will negatively impact their rewards. Even in the strong performance-based culture of this organization, the decision-making aspect of performance is, by default, given more emphasis, (Elaine D. Pulakos, 2004). Elaine, D. Pulakos (2004).

2.1.2 Typical Performance Management System

2.1.2.1 Performance planning

At the beginning of the performance management cycle, it is important to review with employees their performance expectations, including both the behaviours employees are expected to exhibit and the results they are expected to achieve during the upcoming rating cycle. Behaviours are important because they reflect how an employee goes about getting the job done—how the individual supports the team, communicate, mentor others and so forth. We are all familiar with employees who may achieve exceptional results but are extremely difficult to work with, unhelpful or exhibit maladaptive behaviours at work. Because such behaviours can be extremely disruptive, behaviour is important to consider in most work situations. On the other hand, an employee can be extremely helpful, considerate and interpersonally effective, yet never achieve any important results. Behavioural and results expectations should be tied to the organization's strategic direction and corporate objective, (Elaine D. Pulakos, 2004).

2.1.2.2 Ongoing Feedback

During the performance planning process, both behavioural and results expectations should have been set. Performance in both of these areas should be discussed and feedback provided on an ongoing basis throughout the rating period. In addition to providing feedback whenever exceptional or ineffective performance is observed, providing periodic feedback about day-to-day accomplishments and contributions is also very valuable. Unfortunately, this does not happen to the extent that it should in organizations because many managers are not skilled in providing feedback. In fact, managers frequently avoid providing feedback because they do not know how to deliver it productively in ways that will minimize employee defensiveness. For the feedback process to work well, experienced practitioners have advocated that it must be a two-

way communication process and a joint responsibility of managers and employees, not just the managers, (Elaine DI. Pulakos, 2004).

2.1.3.3 Employee Input

Employee input has been used effectively in many organizations. It sometimes takes the form of asking employees to provide self-ratings on performance standards, which are then compared with the manager's ratings and discussed. However, experienced practitioners have found that this type of process and discussion can lead to increased defensiveness, disagreements and bad feelings between employees and managers, if managers ultimately rate employees less effectively than they have rated themselves. An alternative way of collecting employee input is to ask employees to prepare statements of their key results or most meritorious accomplishments at the end of the rating period, (Elaine D. Pulakos, 2004).

2.1.3.4. Performance Evaluation

As any human resource activity performance evaluation is very essential because it serves as a base to develop employees and recognize the accomplishment of employees. Due to the inherent difficulties in collecting good objective performance measures, many organizations have moved the evaluation of results to collecting information on employees' most commendable accomplishments and the impact of these contributions. It allows for results to be considered that may have objective performance measures associated with them, such as team leadership skills, (Elaine D. Pulakos, 2004).

2.1.3.5 Performance Review

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. Experienced practitioners have found that competency models and performance standards like those described above help managers and employees identify and address development needs. Obviously, any performance standards that are not currently being met should be identified as development areas. If all current job standards are being met, employees and managers can look to the next level's performance standards to identify requirements and developmental areas to pursue in preparation for advancement, (Elaine D. Pulakos, 2004).

2.1.3 Evaluation of performance

According to Wayne the most fundamental requirements for any rater is that he or she has an adequate opportunity to observe the rate's job performance over a reasonable period of time.

The immediate supervisor: if appraisal is done at all, it will be probably be done by immediate supervisor. She/he is probably most familiar with the individual's performance. Furthermore the immediate supervisor is probably best able to relate the individual's performance to what the department and organization are trying to accomplish, (Wayne, 2006).

Peers: in some jobs, such as outside sales, the immediate supervisor may observe a subordinate's actual performance only rarely. Peers can provide perspective on performance that is different from that of immediate supervisor to avoid potential friendship bias another approach is to require input from number of colleagues, (Wayne, 2006).

Subordinates: Appraisal by subordinates can be a useful input to the immediate supervisor's development, and the rating is of significantly higher quality when used for that purpose, (Wayne, 2006).

Customers Served: in some situation the customer of an individual's or organization's service can provide a unique perspective on job performance, (Wayne, 2006).

2.1.4 The relationship between Performance management system and employee performance

2.1.4.1 Developing and Planning-Mission and individual objectives

The first stage of performance management system is developing and planning. In this stage, business needs to set up mission and objectives, and then clarify the individual responsibility and duty. A mission is an organization's character, identity, and reason for existence. It can be divided into four inter-relating parts: purpose, strategy, behavior standards and values. Purpose addresses why an organization is in being; strategy considers the nature of the business; behavior standards are the norms and rules of 'the way we do things around here'; values are the beliefs and moral principles that lie behind the behavior standards, beliefs that have normally been formulated within the organization by a founding dynasty or a dominant management team. In order to maximize performance, organizations focus on the efforts of the organization on explicit, challenging and realistic aims and objectives. A clear mission answer the question: what business should the company be in, and it should be the guide line for employees and manager's behavior and performance (*Ying, 2012*).

2.1.4.2 Managing and reviewing performance

In this second stage, there are lots of activities that include observing and document efforts and accomplishments; provide feedback, coach and counsel employee regarding performance. In this stage, enhancing communication within the organization, so that employees are not only aware of the objectives and the business plan but can contribute to their formulation (*Ying, 2012*).

2.1.3.3 Rewarding performance

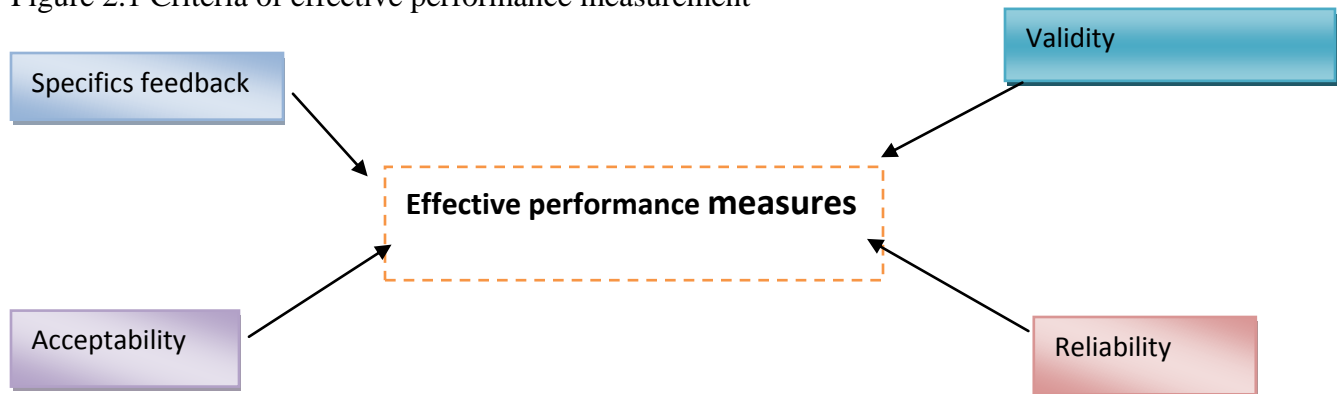
Rewarding performance happens on the end of performance period. The main activities include evaluating employee's accomplishments and skills; discussing evaluation with employees. It evaluates the effectiveness of the whole process and its contribution to overall organizational performance to allow changes and improvements to be made, and also provides the feedback to the organization and to individual staff about their actual performance. The effectiveness of any

organization is dependent on the quality of its personnel. The right people must be originally selected into the organization, motivated to works; and sound personnel promotion and training decisions must be made in filling non entry level. An effective personnel performance evaluation system is a crucial cornerstone in this process, as it provides the data needed for most of the required administrative decisions. This system plays a key role in motivating people to utilize their abilities in pursuing the organization's goals (Ying, 2012).

2.1.4 Effective Performance Management

For performance management to achieve its goals, its methods measuring performance must be effective. Selecting this measurement is critical part of planning a performance management system. Criteria that determine the effectiveness of performance measurement includes measure's fit with the organization's strategy, its validity, its reliability, the degree to which it is acceptable to the organization, and the extent to which it gives employees specific feedback. This criterion are summarizing with: -

Figure 2.1 Criteria of effective performance measurement



Source: Steenet al, (2009)

A performance management system should ensure the organization's strategic goals are translated in to specific units, functions, and individual goals and objectives. A performance management system aim at achieving employee behavior and attitudes that support the organization's strategy, goals and culture. If a company emphasized customer service, then its performance management system should define the kinds of behavior that contribute to good

customer service. Performance appraisal should measure whether employees are engaging in those behaviors. Feedback should help employees improving in those areas (Steenet al, 2009).

Validity is the extent to which a measurement tool actually measures what it is intended to measure. In the case of performance appraisal, validity refers to whether the appraisal measures all the relevant aspects of performance and omits irrelevant aspect of performance (Steenet al, 2009).

With regards to performance measure, reliability describes the consistency of the results that the performance measure will deliver. In the other reliability is consistency of results when more than one person measures performance. Simply asking a supervisor to rate an employee's performance on a scale of 1 to 5 would likely have low interrater reliability refers to consistency of results over time. Whether or not a measure is valid and reliable, it must meet the practical standard of being acceptable to the people who use it. For example, the people who use a performance measure must believe that it is not too time consuming. Likewise, if employees believe the measure is unfair, they will not use the feedback as a basis for improving their performance (Steenet al, 2009).

The effective measurement of human performance in organization requires more than formal reporting and annual ratings. A complete appraisal process includes informal day- to - day interaction between managers and worker's as well as formal face- to - face interviews. Although rating themselves are important, even more critical is what managers do with them (Mejiaet al, 2003).

Finally, a performance measure should communicate to employees what is expected of them and how they can meet those expectations. Being specific also means the performance measures can usually be defined in quantitative terms, if a measure does not specific what an employee must do to help the organization achieve its goals, it does not support the strategy. If the measure fails to point out employee's performance gaps, they will not know how to improve (Steenet al, 2009).

2.1.5 Evaluating Employee Performance

Employee performance should be evaluated regularly. Employees want feedback—they want to know what their supervisors think about their work. Regular performance evaluations not only provide feedback to employees, but also provide employees with an opportunity to correct deficiencies (Benowitz, 2001).

As Benowitz, (2001) stated that evaluations or reviews also help in making key personnel decisions, such as the following:

- Justifying promotions, transfers, and terminations
- Identifying training needs
- Providing feedback to employees on their performance
- Determining necessary pay adjustments

Most organizations utilize employee evaluation systems; one such system is known as a performance appraisal. A performance appraisal is a formal, structured system designed to measure the actual job performance of an employee against designated performance standards. Although performance appraisals systems vary by organizations, all employee evaluations should have the following three components:

- ✓ Specific, job-related criteria against which performance can be compared
- ✓ A rating scale that lets employees know how well they're meeting the criteria
- ✓ Objective methods, forms, and procedures to determine the rating

Traditionally, an employee's immediate boss conducts his or her performance appraisal. However, some organizations use other devices, such as peer evaluations, self-appraisals, and even customer evaluations, for conducting this important task. The latest approach to performance evaluation is the use of 360-degree feedback. The 360-degree feedback appraisal provides performance feedback from the full circle of daily contacts that an employee may have (Benowitz, 2001).

2.1.6 Challenges to Effective Performance Measurement or Evaluations

According to Mejia et al, (2003) the primary means is to understand barriers that stand in the way; Managers confront at least five challengers in the area. That are:-

- 1) **Rater error and bias:** - A rater error is an error in performing appraisals that reflects consistent barriers on the part of the rater. One of the most prominent rater errors is halo error, the tendency to rate similarly across dimensions.
- 2) **Influence of liking:** - liking can cause error in performance appraisal when rater allow their like or dislike of an individual to influence their assessment of that person's performance. Liking play a potent role in performance measurement because both likings and ratings are person focused.
- 3) **Organizational politics:** - thus far we are taken a rational perspective on appraisal. In other words, we have assumed that the value of each worker's performance can be estimated. Unlike the rational approach, the political perspective assumes that the values of the worker's performance depend on the agenda, or goals, of the supervisor. In other words, the political approach to appraisal holds that performance measurement is a goal oriented activity and that the goal is seldom accuracy.
- 4) **Individual or Group focused:** - if the organization has a team structure, managers need to consider team performance appraisal at two levels: - 1) individuals contribution to team performance and 2) the performance of the team as a unit. To properly asses individual contributions to team performance, managers and employees must have clear performance criteria relating to traits, behaviors, or outcomes. Behavioral assessment are typically most appropriate for assessing individual contributions to team performance because, they are more easily observed and understood by team members and others who interact with team. Assessing a performance of a team as a unit means that managers must measure performance at the team, not individual level. Outcomes measures that tap in to dimensions such as quantitative or qualitative seem most appreciable. Team members may be the best sources for identifying and developing team level criteria. Going to team members to help develop criteria encourages their participation in selecting measurement that they feel they can direct influence.
- 5) **Legal issue:** - this means that performance appraisal must be free of discrimination at both individual and group levels. Some courts have also held that performance appraisal

system should meet the same validity standards as selection tests. As with selection tests, adverse impact may occur in performance evaluation when member of one group are promoted at a higher rate than members of another group based on their appraisals.

2.1.7 Philosophy of Performance Management

Performance management seeks to link individual and team job performance to the objective and strategy of organization. It is a continuous process that involves managers and employees in the identification and evaluation of key performance objective and competency that contribute to the attainment of the objective and strategy of the organization. Performance management fosters and reward excellent performance by motivating all employees to perform at their best, keeping in view the principles of fairness and transparency. It is a dynamic process which involves activity involvement of both managers and their employees on an equal footing (Kohli, 2010).

Performance management in any organization is an integral part of effective HR management. Effective performance management must not be confused with a mechanical evolution excursive or with purely monetary rewards. On the contrary, it must be based on realistic assessment of the complex motivations of human beings as well as the need to generate and preserve cohesion within the organization. The organization is responsible for providing an effective and fair performance management system that encourages effective communication between employees and managers and ensure that managers have the skills and time to carry out performance management successfully (Kohli, 2010).

Employees at all level are responsible for actively communicating with their managers about their performance, taking an active role in planning their performance with a view to meet organizational and individual goals, being accountable for their behaviors and actions, and continually striving for excellent their performance in supporting of organizational objectives and strategy. Managers are responsible for setting performance criteria with the participation of employees; communicating throughout the performance cycle about employee's goals, performance, and development; recognize successful performance and counseling for improved performance; and ensuring that employees have the tool, resource, and the training and development needed to carry out their job successful (Kohli, 2010).

Hence, performance management helps organization in managing consistent performance in a manner which holds employees and managers accountable for supporting its objective and strategy, successful fulfilling assigned job responsibilities, and accomplishing individual performance goals. This would require the following pre-request: -

- Business process are as simple as possible
- Line of leadership and management are clear
- Employees are employed, which is an important driver of innovation
- A distinct organizational culture
- Workplace extractions are based on honest, integrity, and trust
- Openness to change

Besides these elements, effective performance management requires a lot of clear communication, often face-to-face, between managers and employees. If a manager does not interact frequently and effectively with this employee, then he has far fewer opportunities to steer them onto a path of greater productivity and optimized output. Successful businesses with long-term objectives view performance management as a process of getting to know their HR well. All too often, performance management levels behind winners and losers among the employees being linked to reward administration. Unfortunately, the vast majority businesses today are ignoring the potential assets gained from using performance management to promote a higher quality of HR. yet the best performance management does indeed teach the employee base just as much as it grades it. Their for, performance management is essential based on human dimensions, and its success is closely linked with how organizations create opportunities for wholesome growth and development of employees in course of attainment of organizational objective and strategy. Multiple justice mechanisms in the same context may interact to influence perceptions of fairness, satisfaction, and commitment of employees (Kohli, 2010).

According to Kohli(2010), the philosophy behind performance management can be captured in the following six core strategies: -

Clarify job responsibilities and clearly state agreed-upon goals (or performance expectation/ performance standards/ performance criteria).

Communicate regularly by giving and receiving feedback throughout the year on performance, goals, directions, and changing expectations.

Counsel to improve performance problems and/ or develop employee performance.

Compare performance to agreed-upon goals periodically and evaluate results.

Cultivate continuous learning, employee's growth, and development.

Celebrate exemplary performance.

Hence, performance management would require a positive approach to management of HR, a congenial work culture, and value-based management (Kohli, 2010).

2.2 Empirical Literature

Theoretical literature dictates the positive relationship between the performance appraisal quality and affective organizational commitment, and job satisfaction and benefit. Empirical literatures from different time are also summarized as follow:

According to Wanjalo, (2015), performance appraisal police can be effective tool in employee performance if it is perceived to be objective and fair in facilitating their upward mobility. Also most banks involve their employees in performance appraisal process and this lead to improved employee performance.

Based on this result, there is a significant relationship between performance appraisal and employee's performance. This implies that one of the major factor that affect the worker's performance in banks in the performance appraisal conducted over time.

As Wanjalo, (2015), stated that managing performance, coaching, and communication has significant and positive relationship with employee performance. Then, organization should provide the opportunity for employee development. Firstly, organization needs to encourage employee to improve their knowledge and skills. Secondly, organization should promote employees of they have outstanding performance.

According to Ying, (2012), there is a compared in significant relationship between performance management system and employee performance. Not all activities in performance management system influence employee performance positively. Therefore, manager and employees need to

aware that the performance management activities need to be revised when they find employee is depressed or unsatisfied. Furthermore, when the manager or professionals set up objectives, they should consider the culture or the organization, the knowledge and skills of employees and other problems. It is obvious that performance management is useful and meaningful for an organization to improve employees and organization performance.

Brown (2010) studied the relationship between performance appraisal quality, job satisfaction, commitment, and quitting on non-managerial employees working in the Austrian public sector. Finally, he identified that employees who reported a low performance appraisal quality (lowest levels of trust in supervisor, poor communication, and lack of clarity about expectations, and the perception of a less fairness in the performance appraisal process) also reported lower levels of job satisfaction and commitment. This proved the strong positive relationship between the performance appraisal quality and affective organizational commitment and job satisfaction.

CHAPTER THREE RESEARCH METHODOLOGY

3.1 Research Design

The researcher used descriptive research design to answer the research questions and to give general information about the implementation, benefit and challenges of PMS in CBE. According to Kothari, (2004) the main character of descriptive method is that the researcher has no control over variable; he can only report what has happened or what is happening.

Based on Cooper and Schinder, (2011) descriptive study try to discover answer to the questions, who, what, where and sometime how. Hence, this design is important for the study because it help to describe and interpret the actual events which are exist up to now that have influence on PMS of CBE.

3.2 Source of data and Gathering Techniques

The researcher was used only primary data source. This is because the researcher found that secondary data collection and analysis will not appropriate for the study. Primary data was collected through questionnaires (close-ended) and structured interviews. The researcher was conducted interview to managers of different branch; since they are evaluator and near supervisor of employees. On the other way, the questionnaires was distributed to appropriate employees (clerical employees and having experience of one year and above) to collect the other primary data.

3.3 Instrument and Scale

Data was collected by using primary data collection methods those are questionnaires and interview. Questionnaires and interview selected because of their suitability for the study. The questionnaire was designed using Liker's scale rating measurement having one to five categories to be measured on continuous scale.

3.4 Study Population and Sampling Techniques

This study is conducted on commercial bank of Ethiopian especially selected city branches which have a total population of 2366. The Commercial Bank of Ethiopia branches are

controlled by 15 district office. Now in Addis Ababa there are four districts. The researcher select two districts based on conveniently to conduct study. CBE branches classified in to four groups (Grade 1, 2, 3, and 4) based on numbers of staff, volume of transaction, opened year and resource mobilization capability. The smallest branch is Grade 1 and the largest branch is Grade 4. But in Addis Ababa there is no Grade one branch since it is the capital of Ethiopia with high number of transaction and more ability for deposit mobilization. Based on this data the researcher was selected purposively one branch from each Grade which is under two district offices. Also the researcher selects employees who have one year and above experience purposively. Depends on the above data the researcher was conduct 6 branches and 342 sample respondents. According to C.R. Kothari, (2004), purposive sampling is deliberate selection of particular unit of the universe for constituting a sample which represents the universe.

3.5 Sample Size

This study made on employees of Commercial Bank of Ethiopia in city branches and has total number of 2,366. The researcher considers two district in the city, that are north district with the population of 1,102 and south district with the population of 1,264.

The sample size to collect data through questionnaire for this research was determined by using Yamane's (1967) formula.

The researcher used a sample size of 342 (three hundred and fortytwo) employees. Yamane scientific formula was used to get this sample size which was appropriate for the purpose of this study. This formula is used when the population is finite. The researcher assumed a 95% confidence level and 5% acceptable error level.

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

Where;

n = Sample

N = Population Size

e = error level

$$n = \frac{2,366}{1 + 2,366(.05)^2} = 342$$

The researcher selected branches from each district and selected employees from each branches presented as follow.

Table 3.1: Summary of selected branch and employees

District	Branches	Number of Employees In Branch	Number of Respondent taken
South	Finfine(G-4)	106	91
	Yosef(G-3)	43	35
	Saris AdisuSefer. (G-2)	36	29
Sub-Total -----		185	155
North	Addis Ababa(G-4)	166	131
	M. Gandhi Road ...(G-3)	45	37
	Cherchil Road(G-2)	24	19
Sub-Total -----		235	187
Total-Sample			<u>342</u>

Note: - G-4, G-3, and G-2, represents that Branch Grade level. The highest one is G-4 and the lowest one is G-2

3.6 Method of Data Gathering

3.6.1 Questionnaire

To gather the primary data, the researcher was distributed the questionnaire to the selected employees of selected branch who are working in different process. According to Mohapatra and Anusree, (2014) questionnaire are serve four functions – enable data collection from respondent, leads a stricter to interviews, provide a standard means for writing down answer and help in processing collected data.

3.6.2 Interview

The researcher used another additional method of primary data gathering was interview. Structured interview was prepared and conducted with 6 branch managers. Since the branch managers of CBE are the immediate supervisor of the branch staff, they may have efficient and sound information about the PMS implementation in CBE.

3.7 Methods of Data Processing and Analyzing

The primary data collected from questionnaires was processed by data filtering and editing to make them meet the objective of the study aimed at drawing constructive conclusions and recommendations. The responses in the completed questionnaire was coded and entered into a data entry template. The data collected from respondents through questionnaire was analyzed by using descriptive statistics such as mean, standard deviation, frequency and percentages was employed to present the responses obtained from the respondents. This analysis was made by using computerized software SPSS (Statistical Package for Social Science) version 20.0. In other way the data that was collected from interview analyzed cautiously based on the research questions. This qualitative data were presented based on the real response of the interviewee without any biases. Also the researcher used tables and a chart for data presentation.

3.1 Ethical Consideration

Since the researcher aimed for only academic purpose, any information gathered from questionnaires and interviews strictly used for academic use only without disclosing to the third party. The respondent identity has not disclosed in the process of questionnaires and interview administration. The researcher also properly cited in the reference part of the paper those literatures, documents and studies which are contributed by any means to the research.

CHAPTER FOUR DATA PRESENTATION AND ANALYSIS

4.1 INTRODUCTION

This chapter presents the data collected from employees of Commercial Bank of Ethiopia in city branches based on questionnaires to employees and interview to branch managers. In this thesis the researcher take two district of CBE from four districts in Addis Ababa city. From each district three branches selected based on their grade (one branch from each grade). The total questionnaires distributed to employees are equal to 342 (Three Hundred Forty Two) that are the sample size, however; from that only 309 (i.e. 90%) employees returned questionnaires. Therefore; the analysis made based on the data collected from 309 respondents only.

The analysis may has two main parts that are the questionnaire and interview presentation and analysis parts. The questionnaire part may have two semi-parts. Those are respondent demographic presentation and main questionnaire semi-parts; which also have four sections. The data collected from questionnaire analyzed by using descriptive method. And the result presented by using frequency table, mean, and one way ANOVA, graph and charts to maximize clearness for other party. Finally, the data gathered from interview analyzed based on acceptable and critical way.

4.2 Demographic Information of Respondent

This section of the chapter presents the demographic character of the respondent who participated in this study. In this study the researcher included Gender, Age, Educational qualification, and Working experience of respondents. Also the researcher presented the demographic character of respondents by using table and graphs which are existed in computerized software called SPSS (Statistical Package for Social Science).

Table 4.1 Demographic data

Sex of Respondents	Frequency	percentage
Male	198	64.08%
Female	111	35.92%
Age of Respondents	Frequency	%age
21-27	155	50.16%
28-36	114	36.89%
37-50	31	10.03%
Above 50	12	2.91%
Education background	Frequency	%age
diploma	6	1.94%
1 st degree	238	77.02%
masters	65	21.04%
length of service	Frequency	%age
1-3 years	105	33.98%
4-6 years	130	(42.07%)
Above 6 years	74	23.95%

Source: Own survey, 2021

As indicated in the above chart 4.1 gender information, from the total respondent 198 (64.08%) are male worker and 111 (35.92%) are female worker. Based on the above data the researcher concludes that the majority of respondent are male worker of the bank. However, it is possible to say the participants of female worker of the bank in the study are good and appreciable and , from the total respondent of this research the largest portion of age that is 155 (50.16) falls between the age of 21-27. The next largest age groups are between 28-36 that are 114 or 36.89% of total population. And also from the total population of the study 31 (10.03%) and 9 (2.91%) holds by the age group between 36 - 45 and >45 respectively. This shows that the majority of commercial bank of Ethiopia workers are very young with creative and attractive capability of doing tasks. , from the participant of this study those who have huge number that is 238 (77.02%) are first degree holder. The next largest qualification is master's holders that counted as 65 (21.04%) and finally the least one diploma qualification are around 6 (1.94%). This shows most employees of commercial bank of Ethiopia are first degree holders. Employees who have master's degree also very considerable. Because of the bank gives serious attention to educational qualification recently, most employees have degree and masters. Also those who have diploma try to upgrade their qualification. Beside this fact the researcher conclude that this more qualified employee of the commercial bank of Ethiopia have paramount benefit to the bank for better service excellence and work performance. The total respondent of the study majority 130 (42.07%) are served the bank between 4-6 years and the respondent who serve the bank between 1to3 counted as 105 (33.98%). Also those who serve the bank above 5 years and participate in this study are 74 (23.95%). This shows that majority of the respondent have an experience of 4 to 6 years and above 6 years. Hence, it is possible to conclude that the participant of this study have enough job experience for relevancy of the study. These employees have sufficient information about the back root of the bank and the current status with respect of performance management system implementation.

4.3 Challenges that hinder implementation of performance management system on employee performance.

Table 4.2 - Employee training on performance management System of CBE.

I have not participated in any form of training regarding PMS in (CBE)					
		Frequency	Percent	Mean	STD
Scale	Strongly Disagree	40	12.9	3.5922	1.36589
	Disagree	34	11.0		
	Neutral	34	11.0		
	Agree	105	34.0		
	Strongly Agree	96	31.1		
	Total	309	100.0		

Source: Own survey, 2021

As indicated on the above table 4.3.1, regarding the accessibility of training on performance management system to employee, majority of respondent responded as 105 (34%) are agree and 96 (31.1%) are strongly agree. On the other side 34 (11%) are disagree and 40 (12.95) are strongly disagree. Also there are 34 (11%) of respondent stand neither agrees nor disagrees. Based upon this data it is possible to say that majority of respondent are agreed on the bank do not provided training on performance management system. As the data shows, we observed there are employees who have attained on training but employees who have not take training are very large. Theories stated that Inadequate training to employee is one of the cases of performance problem. This is because employees who have no training do not contribute his/her maximum effort. Hence, the bank needs to provide training concerning performance management system to make employee effortful and best performer. From the interview respondent's the challenges they face are: -

- The bank has not given serious attention towards attitudes change of the worker.
- Performance management system measurement elements are not successful.
- Existence of change resister Employees.
- Employee data trucking system very boring for managers.
- It may create conflict between employees and managers.
- Creating unequal sharing of responsibility for equal position with respect of end result.

- The system is not attractive to do and confusing at the time of making evaluation.
- Window layout may create unreasonable difference between employee results.
- Employee benefit package is not attached with the system
- The target given and the actual environmental fact is differ each other..etc.

Table 4.3 alignment between organizational and individual goals

There is lack of alignment between organizational and individuals goals					
		Frequency	Percent	Mean	STD
Scale	Strongly Disagree	15	4.9	3.5922	1.36589
	Disagree	34	11.0		
	Neutral	83	26.9		
	Agree	114	36.9		
	Strongly Agree	63	20.4		
	Total	309	100.0		

Source: Own survey, 2021

Table 4.3.2 illustrate that from the total respondent 114 (36.9%) are agree, 63 (20.4) are strongly agree, 34 (11%) are disagree, 15 (4.9%) are strongly disagree and 83 (26.9%) are neutral. This result shows that majority of respondent do not believe on strong alignment between organizational and individual goals. Theoretically, one of the benefits of performance management system is helping in aligning organizational mission and strategy for effective goal achievement and individual performance expectation. Conversely, there is lake of alignment between organizational and employee goals. The researcher concludes that the goal of the bank and its employee does not align. For this reason, even if employees are main part of organizational success because of their fruitful contribution for effective goal achievement; whenever there goal has not aligned with organizational goal still the bank has not use employees best performance.

Table 4.4 Fair and proper distribution of task and responsibility

There is no fair and proper distribution of tasks and responsibility for similar position.					
		Frequency	Percent	Mean	STD
Scale	Strongly Disagree	25	8.1	3.4528	1.29537
	Disagree	56	18.1		
	Neutral	68	22.0		
	Agree	71	23.0		
	Strongly Agree	89	28.8		
	Total	309	100.0		

Source: Own survey, 2021

As the above table 4.3.3 depict that, concerning miss existence of fair and proper distribution of tasks and responsibility for similar employee 71 (23%) are agree and 89 (28.8%) are strongly agree. On the other hand 56 (18.1%) are disagree and 25 (8.1%) are strongly disagree. Beside this the remaining 68 (22%) respondents are neither agree nor disagree. Depending upon this explanation the researcher observed that very large respondents are living with an attitude of no fair and proper distribution of tasks and responsibility for similar position. Based on the above data, the researcher possibly concludes that the fair and properness of task and responsibility distribution for similar position of CBE is not sufficiently managed. So, the bank needs to give serious attention for fairness and proper distribution of task and responsibility among similar position within its branches. The existence of this problem may create negligence among employee and downfall the moral of best performer in every branches of CBE.

Table 4.5 Tendency of giving unbalance target

There are tendency of giving unbalance target to my branch					
		Frequency	Percent	Mean	STD
Scale	Strongly Disagree	15	4.9	3.5113	1.10078
	Disagree	43	13.9		
	Neutral	80	25.9		
	Agree	111	35.9		
	Strongly Agree	60	19.4		
	Total	309	100.0		

Source: Own survey, 2021

Table 4.3.4 stated that with respect of existence of giving unbalance target to branches, from the total respondent 111 (35.9%) are agree, 60 (19.4%) are strongly agree, 43 (13.9%) are disagree and 15 (4.9%) are strongly disagree. Also the remaining 80 (25.9%) of respondent are neutral. Regarding this response the researcher observed that majority of respondent have an agreement on CBE cascade targets to its branch is unbalance. Hence, it is possible to say that vast employees of the bank believe on existence of providing unbalance target to branches of CBE. So, the bank should have to see how the target cascaded to various branches. And it should make analysis for scientific ways of cascading a plan or target. Also the bank needs to find best way of doing target and plan for effective and efficient achievement of its plan or target without complain.

Table 4.6 Provision of sufficient resource

The bank does not provide properly sufficient resource to execute the job.					
		Frequency	Percent	Mean	STD
Scale	Strongly Disagree	15	4.9	3.4239	1.12450
	Disagree	56	18.1		
	Neutral	77	24.9		
	Agree	105	34.0		
	Strongly Agree	56	18.1		
	Total	309	100.0		

Source: Own survey, 2021

As depict on the above table 4.3.5 from the total respondent, 105 (34%) are agree, 56 (18.1%) are strongly agree, 56 (18.1%) are disagree, 15 (4.9) are strongly disagree and the remaining 77 (24.9%) are neither agree nor disagree. Based on the table illustrated above the majority of respondent replied that the bank do not provide resource sufficiently that help to execute the job effectively. There are also respondents who support the provision of resource in the bank is sufficient. However, the researcher possibly says that the bank need check its activity with respect of providing sufficient resource in order to execute the job.

Table 4.7 Target capability to identify higher performer with under performer

The target given to me to evaluate my performance is not actually identified higher performer or underperformer					
		Frequency	Percent	Mean	STD
Scale	Strongly Disagree	15	4.9	3.3398	1.10389
	Disagree	59	19.1		
	Neutral	90	29.1		
	Agree	96	31.1		
	Strongly Agree	49	15.9		
	Total	309	100.0		

Based on the above table 4.3.6 with respect of weather target given to employees of CBE have a capability to identify the higher performer from those who are underperformer; from total respondent 96 (31.1%) are agree and 49 (15.9%) are strongly agree. In the other side 59 (19.1%) are disagree and 15 (4.9%) are strongly disagree. In addition of this the remaining 90 (29.1%) are neutral. Depending up on this data it is possible to understand that most respondent answer indicates that the target given to employee is incapable to identify the best performer with underperformer. There is also employees responded that the target of CBE is capable to identify best performer with underperformer. However, based on the majority response the researcher argue that target distribute to employee of CBE may not help to identify underperformer from that of best performer.

Table 4.8 Compatibility of performance management System of CBE with employee

The existing performance management system implementation of CBE is not compatible with employees.					
		Frequency	Percent	Mean	STD
Scale	Strongly Disagree	15	4.9	3.4693	1.07956
	Disagree	49	15.9		
	Neutral	68	22.0		
	Agree	130	42.1		
	Strongly Agree	47	15.2		
	Total	309	100.0		

Source: Own survey, 2021

As shown on the above table 4.3.7, from the total population 130 (42.1%) are agree, 47 (15.2%) strongly agree, 49 (15.9%) are disagree, 15 (4.9%) are strongly disagree and the remaining 68 (22%) are neutral. Based on this data the majority agree that the current performance management system of CBE is not compatible with employee. This indicates that performance management system of CBE currently implemented is not compatible with its employees. Based on this analysis the researchers argue that incompatibility of the system with employee may affect employee's motivation towards the job and that leads to affect employee performance.

4.4 Feature of PMS implementation in CBE.

In this section of analysis part the researcher analyzed the feature of performance management system which is exist in CBE. These part analyses the major element which are included in processing part of performance management system that have an effect on employee's performance.

Table 4.9 Feature of PMS implementation in CBE.

Note: Strongly agree: 5, agree: 4, Neutral: 3, disagree: 2 strongly disagree: 1									
N o.	Questions	1+2		3		4+5		Mean	STD
		F	%	F	%	F	%		
8	I am informed clearly about strategic objective of CBE.	55	17.8	40	12.9	214	69.2	3.6893	1.10220
9	I am clear about what is expected from me and my job responsibilities.	15	4.9	34	11	260	84.1	4.1942	.81851
10	The results of evaluation match with my actual performance.	173	56	49	15.9	87	28.1	2.553	1.32455
11	My supervisor evaluates my work based on recorded evidence only.	80	25.9	80	25.9	149	48.2	3.2751	1.21892
12	My supervisor has good understanding, knowledge and skill of employee								

	evaluation.	80	25.8	65	21	164	53.1	3.3042	1.25538
13	There is meeting with my supervisor after evaluation made to review results.	99	32	65	21	145	46.9	3.2201	1.27289
14	My supervisor regularly discusses with me about day-to-day performance of myself.	136	44.1	59	19.1	114	36.9	2.8706	1.25463
15	My performance regularly assessed based on the plan cascaded to me.	87	28.1	59	19.1	163	52.8	3.3333	1.17974
16	The cascaded plans motivate me to achieve more.	173	56	59	19.1	77	24.9	2.4207	1.37381
17	My supervisor rates me according to the plan agreement.	80	25.9	46	14.9	183	59.2	3.4239	1.24507
18	I obtain reward when I become best performer in the branch.	170	55	49	15.9	90	29.1	2.5016	1.38551

Source: Own survey,2021

As shown on the above table 4.3.8, with respect to strategic objective of CBE understanding; from the total respondent 214 (69.2%) are responded as positively that they have good understanding. Also the other 55 (17.8%) are responded negatively as they have little or no

understanding with regard of the strategic objective of CBE. On the other hand the remaining 40 (12.9%) are neither agree nor disagree. This data show that the majority of employees have clearly informed about the strategic objective of CBE. However, there are also employees who have not informed and no idea of strategic objective of CBE. So, it is possible to argue that even if the majority employees have informed about strategic objective of CBE the bank need to equally inform to make employee effortful towards the strategic objective.

The other question raised in the process of performance management system is whether or not the employee clear about what is expected from them and their job responsibility. With this regard from the total respondent 260 (84.1%) are responded as they are clear. On the other side 15 (4.9%) are not clear. In addition to this 34 (11%) are indifference. Making our base this data most of the employees of CBE know about what is expected from them and their job responsibility. So, the researcher argues that the majority employee of the bank has clear with their job responsibility and expected from them.

Concerning the result of evaluation much or not with actual employee performance in performance management system process 87 (28.1%) are responded as the result is much with them actual performance. But the majority that are 173 (56%) are argue that the result gained in evaluation is not much (express) their actual performance. The remaining 49 (15.9%) are neutral. This indicates that most employees do not believe on that the result they gain much with their actual performance. Depending up on this data the researcher possibly says that the result of evaluation in performance management system is not expressing the actual employee performance.

Regarding the supervisor evaluation of employee based on recorded evidence or not, from the total respondent 149 (148.2%) are agree and 80 (25.9%) are responded as negatively that their supervisor is not evaluate their performance only recorded evidence. The residual 80 (25.9%) are neither agree nor disagree. As shown in this data the majority respondent have confidence on their supervisor evaluation measure their performance only based on recorded evidence. Beside this fact employee who are no confidence on their supervisor evaluation and those who are indifference have considerable number. Based on this data it is possible to say that the majority employee of the bank has good confidence on their supervisor. However, there are also

considerable numbers of employee who do not believe their supervisor evaluation only base recorded evidence.

With respect of supervisor good understanding, knowledge and skill of employee evaluation, from the total respondent 164 (53.1%) are responded as agree and 80 (25.8%) are disagree. The other 65 (21%) are neutral. This signifies that most of respondent are confidential on the knowledge and skill of their supervisor regarding employee evaluation. The researcher argue that majority of the employee believe on the required skill and good knowledge of their supervisor about employee evaluation. Beside this there are also considerable employees who are not believed on employee evaluation ability of their supervisor.

The other question raised to employee is whether or not there is meeting employees with their supervisor to review result after evaluation made. With this regard 145 (46.9%) respondents are positively responded as they has meeting with their supervisor. In the other hand 99 (32%) respondents are disagree. In addition to this point 65 (21%) respondents are indifference. Depending up on this data majority of employees has meeting with their supervisor to review result after evaluation. Also employees who have no meeting with their supervisor are very considerable.

Also there is question that shows whether or not supervisor have a regular discussion with employee about their day to day performance. Based on the above table data from the total respondent 114 (36.9%) respondent are agree and 136 (44.1%) are negatively responded that their supervisor do not regularly discuss with them about their performance. The other 59 (19.1) employees are indifference. This shows that even if there are employee who are agree with that question, but majority of employee are not accept this idea. Based on this fact the researcher possible concludes that majority of CBE employees have no follow up from their supervisor regarding their day to day performance.

Concerning the assessment of employees performance based on the cascaded plan, from the total respondent 163 (52.8%) are agree and 87 (28.1%) are disagree. Also the remaining 59 (19.1%) are neither agree nor disagree. It indicates that majority of the respondent responded as their supervisor depend on cascaded plan when doing their evaluation. Also there are considerable respondents are answered that their supervisor not only used the cascaded plan when evaluating their performance. Depending on this result we possible say that most of CBE employee believe

that their supervisor depend on cascaded plan when evaluating employee performance. But beside this fact based on the employee who responded as negatively, there is some subjectivity in evaluating employee performance.

The other question raised to employee of CBE is relating to that the cascaded plan motivate them to achieve more. As shown on the above table 77 (24.9) are positively answered and 173 (56%) are not agree with that the cascaded plan motivate them to achieve more. In addition to this respondent the other 59 (19.1%) respondent are stand for neutral. This shows that most of respondent are do not believe on that the cascaded plan encourage them to perform more. Based on this data the researcher concludes that the cascaded plan of CBE do not motivate its employee to perform more.

With respect of whether CBE supervisor rate employee according to the plan agreement or not, from the total respondent 183 (59.2%) are agree with this question and the other 80 (25.9%) are disagree. Also the remaining 46 (14.9%) are neutral. This indicate that majority of respondent answered that their supervisor rate employees based on the plan agreement. So, making our base this fact that CBE supervisor has rate their subordinates according to the plan they agree at the beginning of the time. This shows good experience in rating employee performance based on the agreement.

The last question wants to analyze with respect of obtaining reward when employees become best performer. Based on the above table result from the total respondent 90 (29.1%) are answered that they obtained reward when they become highest perform and 170 (55%) are responded that they do not obtained at the end of evaluation when they become best performer. In the other side 49 (15.9%) are responded as indifference. Based on the above data that the researcher conclude that most of CBE employee do not obtains reward for their best (better) performance at the end of evaluation result.

Qualitative Analysis

The researcher tried to present the result of interview with qualitative expression and acceptable manner. The interview questions was structured and prepared and forwarded to branch manager of the selected branch. As mention in chapter three research methodology part, in this interview six branch manager from each grade was participated. The interview process computed as by

face to face communication between the branch managers and interviewer (researcher). Also the researcher recoded the idea of interviewee on a paper by writing when they responding the answer.

1) Do you think that your branch individual employees are clear with the overall strategy of the bank and their performance target?

As the branch managers responded, with respect of the overall strategy of the bank employees are clear. This is why because that we express the strategic objective of the CBE when we have any meeting with our employee. In addition to this opportunity employees have an access to investigate any needed concept and knowledge from internal e-mail (CBE.portal). This internal portal facilitated by the bank in order to make our employee informed about the overall strategy of the bank and any work related concept. However, even if the bank create an access to gain easily the required work related information we do not believe on that all employee equally try to effort to update themselves with the required knowledge and information. In our perception this is because of difference among employee regarding work area and interest. The position difference may create information difference because of the time they have to investigate new information released on internal e-mail. For example back office worker have better time to explore regarding the new thing happened in our bank than front worker.

Regarding their performance target almost all employees have better understanding. This is why because employees evaluate their performance per every quarter. At the beginning of each quarter we make agreement regarding what expected from them in every aspect of work performance and target (financial and non-financial target). At the end of each quarter every employee evaluated based on the target given at the beginning. At that time they may see they result and discuss with us about their activity. So, this may create better understanding of employee about their performance target.

2) Do you follow your employee's performance regularly? If yes, how?

Yes, we follow our employee performance regularly but that is not sufficiently. We know that communicating on process is better than communicating on result. Hence, we are following our subordinate in:-

- We have meeting in every fifteen days with our employee to assess our branch performance and employee activity.
- When an employee faced poor performance continuously we may provide advice regarding his/her poor performance.
- By checking the customer opinion book. This is when there is customer complaining.

3) Do you think that the implementation of performance management system in CBE help employees to improve their performance? If yes, clarify?

Yes of course, because of performance management system implementation employees performance improved day to day. This occurred because that employee receives an agreement in every quarter regarding their expectation. That may create motivation to become best performer. So, these motivations to perform more make them more productive and improve their performance from time to time. This shows that every employee try to do better when he/she know that his/her work measured.

But at the initial time of performance management system implementation (before three years) employees have the highest motivation to perform and compete each other. That was because they were has expectation of this performance management attached with their benefit (the one who do better gain more benefit and the one who is underperformer may punished by benefit. However, currently the motivation becomes decline from time to time. This is because of no attachment of employee performance with their benefit.

4) What achievements have observed with relating to employee performance since, performance management implementation in CBE?

The implementation of performance management system created so many benefits to employee and to the bank. From those benefit some of them are: -

- By creating competition among CBE branches to attract customer, it increases service excellence.
- It creates career development opportunity for employees.
- It creates team work within the branch employee to increase their service quality.
- It helps the bank to process from subjective measurement of employee performance to objective measurement.

- It creates an opportunity for those who have best talented employee to become better performer.
- It minimized conflict among employees on duties and responsibilities.
- It helps to create competent employee in the bank.
- It created motivation among employee.

CHAPTE FIVE

SUMMARY, CONCLUSION AND RECOMMENDATION

5.1 Summary

This paper has explored that the benefits and challenges of performance management system implementation in commercial bank of Ethiopia. This is done to answer questions related with challenges faced on employee performance and benefits gained for both employees and organization because of performance management system implementation. In addition this paper tries to answer questions related to well-suitability of the current performance management system with employee of the bank and assessed that employee understanding of performance management system depends on some demographic character or not. Employee performance may have an effect organization performance that organizational performance depends on the summation of its employee activities. However, employee's effective performance manly depends on knowledge or understanding and the situation that are external to employee's factors.

Implementation on employee performance analysis

- In this part researcher revealed that there is lack of alignment between organizational and individual objectives.
- With respect of task, responsibility and target distribution, most employees replied that was unfair.
- The needed resource to perform job properly also not provided sufficiently.
- The bank performance management system is not compatible with employee and the result viewed by performance management process is not actually much with employee real performance.

Finding on Feature of PMS implementation in CBE.

- Based on this paper analysis regarding the strategic objective of CBE and about employee their own job responsibility; they has clear information. So, they know what expected from them and the overall strategy of CBE.

- The supervisor assessed employee based on the cascaded plan only and rate employee according to the plan agreement.
- The employee work also evaluated based on recorded data only but there is some gap with this aspect and exist subjectivity.
- Supervisor knowledge and skill of employee's evaluation is good but there is some gap regarding supervisor evaluation quality. Also there is meeting of employees and supervisor after evaluation made to review result. Beside of those who have meeting there are also employees who have no meeting to review result of employee performance.
- In other side, this paper reviled that the result of most of employee is not much with actual employee performance.
- In addition to this fact most of supervisors are not follow their employee performance regularly.
- Also the cascading plan do not motivate employee to achieve more. Even, employees who are best performer in particular period were not rewarded as higher performer to encourage them for future performance attainment.

Finding on interview analysis

- ✓ As our analysis shows that employee have better understanding about their performance target than the general strategic objective of the bank. This happened because of employees give serious attention to their individual target that general strategy of the bank. Even if it is not sufficient manager follow up of their employee by making meeting, providing advice to poor performer and based on customer opinion book; Performance management system implementations in CBE create improvement of employee performance. Since implementation of PMS employees become more competitive and better performer.
- ✓ Since implementation of PMS in CBE different challenge observed from those difficulties some of them are data tracking difficulty, lack of awareness to change employee attitudes, no attachment between performance and reward, incompatibility between target and actual environment and others. Beside the challenge there are also benefit which are it make employee competent, increase team work in the branch, increase motivation, minimize conflict among employee about role they play and others.

5.2 Conclusion

From the study, most of Commercial Bank of Ethiopia worker is very young with creative and attractive capability in doing tasks and also majority of CBE employees are 1st degree holders and those who have master's degree are also very considerable. That indicates most employee of CBE is high-quality with respect of educational qualification.

There are also different challenges faced by employee on their performance because of performance management implementation in CBE. These difficulties rose from lack of training to employee, lack of alignment between organizational and employee objective, unfair and un proper distribution of task and responsibility among employees, tendency of giving un balance target, insufficient provision of resource, incapability of target to identify best performer than poor performer, the system is not well suited with employees. In addition to this challenge there are also some difficulties like Benefit package of employee is not attached with their performance and that created negligence regarding their performance, having some subjectivity create conflict between manager and employee that discourage employee future performance, target and actual environment difference may create poor employee performance, existence of unequal sharing of task and responsibility. This may happened on difference for back office worker and front office worker and existence of change resister employee. These employee perceptions may affect the other employee performance.

As an indicated the above the process of employee performance management system the result of employee performance is not much with their actual performance. There is also lack of supervisor regular discussion with employee concerning employee day to day performance. Also the cascaded plan that given to employee is not real to measure employee actual performance because that plan is not depend on research and assessment of the working environment. The plan given to branch is based on guess rather than strategic. Also employees who are best performer are not rewarded for their good performance. This may discourage employees for their future performance.

5.3 Recommendation

- ❖ To undermine the challenges that may affect employee performance, the bank should provide sufficient resource that help to execute the job perfectly. Also making the target

based on scientific way by researching and analyzing the environment is very essential to motivate employee for better performance.

- ❖ CBE also need to check and correct the alignment between its organizational objective and employee objective. This may help the bank to gain unrestricted effort and performance from its employee. Employees those who are happy and successful in personal objective have a great power to contribute more to the success of organizational goals.
- ❖ The bank also needs to make the performance management system well-suitable to the current employee and provide fair and proper distribution of task and responsibility to all employees to increase productivity.
- ❖ Since, the result of employee evaluation not represent the actual performance of employee, the bank need to check the implemented system as a whole and factors that are existed in the process of evaluation.
- ❖ The other issues that CBE must check and take the necessary adjustment about follow up of employee day to day performance. This paper find out that most supervisor of the bank do not make a regular follow up of employee day to day performance. So, the bank needs to check its managers and supervisors in order to make employee effortful and better performer.
- ❖ The other issue discussed by this paper is that the cascaded plan of the bank do not motivate employee to achieve more. CBE must cascade plan of resource mobilization based on fact by making analysis of environmental factors. So, the bank should avoid cascading a plan by guess.
- ❖ Also the bank should give reward to those who have better performance. Anybody needed acknowledgement for his/her superiority in doing something. Based on this fact the bank should prepare reward for those who are better performer and also attach the performance management system with benefit package of employees.

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Appendix

Questionnaires to respondent

St. Mary's University

School of Post graduate

Department of Masters of Business Administration

This questionnaire is prepared by Yidnekachew Fekade, a student of post graduate in St. Mary's University. The objective of the questionnaire is to collect data regarding the challenges and benefits of Performance Management System implementation which will be used to prepare a thesis required for M.A degree. You /Respondent/ are kindly requested to read the question seriously and respond accordingly. The result of this survey will be treated with utmost confidentiality and will be strictly used for academic purpose only.

Thank you in advance for your cooperation!!

General Instruction

- *You are not required to write your name in this questionnaire.*
- *Attempt all questions seriously.*
- *Please answer questions by tick (✓) mark.*

Part one: - Respondent demographic information

- 1) Sex: - Male Female
- 2) Age: - 21-27 28-35 36-45 >45
- 3) Education:- Diploma First degree Masters Above masters

- 4) Position: - Customer service officer (CSO) Senior controller (auditor)
- Senior customer service officer-cash Customer Relation officer
- Senior customer service officer-account KYC analyst
- Customer service manager (CSM)
- Other please specify: -
- 5) Service Year: - 1-3 years 4-5 years above 5 years

Part two: - Research main questions

Note: Strongly agree: 5, agree: 4, Neutral: 3, disagree: 2 strongly disagree: 1						
Challenges that hinder implementation of performance management system on employee performance.		1	2	3	4	5
1	I have not participated in any form of training regarding PMS in CBE.					
2	There is lack of alignment between organizational and individuals goals.					
3	There is no fair and proper distribution of tasks and responsibility for similar position.					
4	There are tendency of giving unbalance target to my branch.					
5	The bank does not provide properly sufficient resource to execute the job.					
6	The target given to me to evaluate my performance is not actually identified higher performer or underperformer.					
7	The existing performance management system implementation of CBE is not compatible with employees.					
Feature of PMS implementation in CBE.		1	2	3	4	5
8	I am informed clearly about strategic objective of CBE.					
9	I am clear about what is expected from me and my job responsibilities.					

10	The result of evaluation much with my actual performance.					
11	My supervisor evaluates my work based on recorded evidence only.					
12	My supervisor has good understanding, knowledge and skill of employee evaluation.					
13	There is meeting with my supervisor after evaluation made to review results.					
14	My supervisor regularly discusses with me about day-to-day performance of myself.					
15	My performance regularly assessed based on the plan cascaded to me.					
16	The cascaded plans motivate me to achieve more.					
17	My supervisor rates me according to the plan agreement.					
18	I obtain reward when I become best performer in the branch.					

THANK YOU!!

Interview Questions to respondent

St. Merry University College

School of Post Graduate

Department of Master of Business Administration

These interview questions prepared by *Yidnekachew Fekade* who is student of St. Merry University College. The researcher is currently conducting master thesis for the purpose of fulfilling requirement of Master's Degree in Masters of Business Administration at St. Merry University College.

The following question will be asking you about challenges and benefits of performance management system implementation in commercial bank of Ethiopia. And you are selected because of your role. Since you are close supervisor at your branch you are appropriate for the subject matter. Your response will be kept confidentially and strictly used academic purpose only.

Thank You in Advance for your Cooperation!!

- 1) Do you think that your branch individual employees are clear with the overall strategy of the bank and their performance target?
- 2) Do you follow your employee's performance regularly? If yes, how?
- 3) Do you think that the implementation of performance management system in CBE help employees to improve their performance? If yes, clarify?
- 4) What challenges have you observed on employee performance since, implementation of performance management system in CBE?
- 5) What achievements have observed with relating to employee performance since, performance management implementation in CBE?

THANK YOU!!