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The Effect of Employees' Performance Appraisal on Job Satisfaction with the Moderator of Personality Traits: The Case of Ethiopian Airlines

Addis Ababa University

College of Business and Economics

Masters of Business Administration

A Thesis Submitted to Addis Ababa University College of Business and Economics in Partial Fulfillment of the Requirements for Master's Program, MBA (in management)

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POST GRADUATE PROGRAM OF BUSINESS ADMINISTRATION

This is to certify that this research titled “The Effect of Employees’ Performance Appraisal on Job Satisfaction with the Moderator of Personality Traits: In a Case of Ethiopian Air Line”. Approved by the Board of Examiners it is submitted to Addis Ababa University's College of Business and Economics in partial fulfillment of the Master of Business Administration in Management degree requirement. Alem Gebreslassie Gidey thesis is an original research project she completed on her own time under our guidance. The Board of Examiners has given their approval.

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This research, titled "The Effect of Employees' Performance Appraisal on Job Satisfaction with the Moderator of Personality Traits: In a Case of Ethiopian Air Line," is the result of my in-depth research. This research has not been submitted to any other university for a degree. It is submitted to the College of Business and Economics at Addis Ababa University in Partial Fulfillment of the Requirement for the degree of Master of Business Administration. All sources of materials used for the Research have been duly acknowledged, cited, and referenced.

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LETTER OF CERTIFICATION

This is to certify that Alem Gebreslassie Gidey has carried out her study under my supervision on the topic of The Effect of Employees' Performance Appraisal on Job Satisfaction with the Moderator of Personality Traits: The Case of Ethiopian Air Line. This work is original and is acceptable for Submission in partial fulfillment of the requirement for the award of MBA Degree in Management.

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Date _____

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Acronyms

CCO:	Chief commercial Office
CEO:	Chief Executive Office
COO:	Chief Oppression Office
JS:	Job Satisfaction
HR:	Human Resource
HRM:	Human Resource Management
MBO:	Management By Objective
PA:	Performance Appraisal
PAS:	Performance Appraisal System
QMS:	Quality Management System

Abstract

The main purpose of this study was to examine the effect of employees' performance appraisal on their job satisfaction with the Moderator of Personality traits in Ethiopian Airlines. During conducting this study the researcher applied Descriptive and explanatory research designs, as well as a quantitative research approach, was applied. The population of the study consisted of employees of the Ethiopian Airline working in Addis Ababa. The appropriate sample has been drawn by applying stratified random sampling. The primary(from the respondent) and secondary data(from the report of the Ethiopian airlines thus, internet, and other documented materials) sources were used for this research. A self-administered questionnaire was designed to collect relevant information from the selected 165 respondents. Among these 150 questionnaires were returned and analyzed using Statistical Package of Social Science (SPSS) SPSS version 23 and a process micro written by Dr. Andrew F... The percentage, mean and standard deviation of descriptive analysis were employed. The inferential analysis including Pearson correlation and multiple linear regressions was also employed. The study indicated that analysis of the states of employee performance appraisal in Ethiopian Airlines was practiced was done using means and standard deviations at moderate extent which means practice it or it's applied neutrally(2.5-3.49 moderate extent). In addition, the research found that four BIG FIVE Personality Traits variables have a substantial and positive relationship with employee job satisfaction. Openness to new experiences, conscientiousness, extroversion, and agreeableness are the four moderate factors. Neuroticism, on the other hand, was found to be inversely associated with employee work satisfaction. Furthermore, the study discovered that, in terms of the predicting power of independent variables, the employee's performance appraisal method had to predict the power of airline work satisfaction.

Keywords: *performance appraisal, BIG FIVE Personality traits, and job satisfaction.*

CHAPTER ONE

INTRODUCTION

1.1 Background of the Study

Ethiopian Airlines has a total number of employees of 15,941. Out of this 6,198 (38.88%) are males and 9,743 (61.12%) are females with different educational backgrounds. Out of the total number of employees, 14,533 (91.17%) are full-time employees while 1408 (8.83%) are a fixed-term contract and part-time employees (Ethiopian Airlines Profile, May 31, 2021). The information from the study would be conducted from May 2021 to September 2021. The performance appraisal is perceived as essential human resource activity which is used to assist and develop the current performance of the employees by supervisors (Girma et al., 2016)

The practice of the performance appraisal started mainly in the 1940s and with the assistance of this system, advantage rating was once used for the first time near the Second World War as a method of justifying an employee's wages (Karimi et al., 2011). During the 1950s, great interest developed in the performance appraisal of technical, expert & managerial personnel. It was identified that appraisal, on a systematic basis, used to be an indispensable section of well-designed development programs. Even though the writers of this paper do not find when the overall performance appraisal device began in Ethiopian airlines.

Ethiopian Airlines has set goals to achieve its target. They have been provided with suppliers to efficiently plan, organize, manage and monitor jobs, and effectively employ management departments to achieve set targets. Human resource management is concerned with how an organization's workforce is managed. Human resource management is concerned with how an organization's workforce is managed. They are responsible for attracting and retaining good workers, as well as training and development, to increase employee productivity, efficiency, and satisfaction, and to consistently promote the organization's overall success (Collings et al., 2009). Organizational targets and goals serve as yardsticks for evaluating success. Human Resource Management specialists evaluate their employees' performance using performance evaluations because their contributions are critical to organizational success (Rotich, 2015). However, the desired performance of employees that an organization demands is dependent on favorable workplace attitudes such as job satisfaction and motivation, and expected commitments. As a

result, negative attitudes in the workplace undermine the achievement of organizational goals (Moorhead & Griffin, 1992).

Performance evaluation, which has been described as an "absolutely crucial part of an organization" (Rasch, 2004), continues to capture the interest. Because of the essential function it plays in research and organizations, an organization's growth. Many organizations invest large amounts of money in rewards and incentives to encourage employee loyalty and build cooperation, which in turn leads to the development and increase of employee job satisfaction and recognition programs (Denning, 2001).

(Armstrong, 2006) assessed the role of performance appraisal as a tool to meet new challenges in the organization. (Daoanis, 2012) Discussed the necessity of performance evaluation's role in the organization in ensuring that employees perform their assigned work according to the required standards. Staff benefits and incentives are also tied to performance evaluation. Evaluating and assessing employee and staff performance is one of the most common practices in most organizations, (Karimi et al., 2011).

Performance appraisals are indispensable for organizations in the light of making their employees cognizant of their performance improvements and growth, their abilities, and their potential as well. There is a substantial effect on other aspects of HR and the strategy of an organization as a whole because of the performance appraisal system. The effectiveness of performance appraisals lays the bedrock for ensuring success in matters concerning employees such as selection, training, and employee inspiration practices. It enables employees to build their own developmental goals which eventually culminate in an employee's personal growth. Thus, there is no doubt that a well-executed performance appraisal is sufficient to satisfy an organization's and its employees' needs. (Bond, 2003). Recent studies suggest that appraisals have a positive impact on organizational performance, and they also highlight the necessity for appraisal systems to be simple to understand and obligations to be clarified to employees (Daoanis, 2012).

Regardless of the foregoing advantages, performance appraisal is regarded as one of the most difficult areas of HR administration most problematic aspects. (H. J. Smith et al., 1996) argues that all stakeholders concerned with the appraisal processes including employees, their respective

supervisors, and HR managers are collectively not satisfied with appraisal systems in their firms. Appraisal systems are also described to be an error full (Jeklin, 2016).

The effect of the employee performance appraisal system on job satisfaction and the related issue has been a topic of much research done by academics and practitioners in previous years. However, most of the studies that have been done in Ethiopia focus on the effect of employee performance appraisal practice on job satisfaction. And none has focused on the moderate effect of the BIG FIVE Personal Traits on job satisfaction. Therefore, this study would be try to evaluate the effects of the employee performance appraisal system in the moderate traits practice of Ethiopian airlines.

1.2 Statement of Problem

In Ethiopian Airlines' moderately traits practice, there is a performance appraisal system. Problem Description Employee job satisfaction is enhanced by performance appraisal, which creates motivation, potential, commitment, and loyalty to the organization many organizations invest in performance appraisals due to the importance of these aspects in achieving organizational objectives. However, researchers also cite a gap in the appraisal system when attempting to measure the effects of performance appraisal on Ethiopian Air Lines employees' job satisfaction, advising that dissatisfaction could indicate Performance evaluation is not entirely effective as a tool to develop employees and encourage them to be more efficient.

The obvious result of poor employee performance appraisal practices is the loss of employee satisfaction and employees. In the case of Ethiopian Air Lines, although it has the objective of being customer-centric, offering the best quality of services for customers, and meeting customers' needs standards, employees' performance appraisal performance has not been significantly considered a key source to meet the objective. As a result, the effect of performance appraisal on job satisfaction in the moderator of big five traits has not received the attention it deserved in terms of the considerable influence that it can contribute tting the Airlines' vision, mission, and objectives.

Several studies on the effects of employee performance appraisal on job satisfaction and their relationship and types are mentioned in-depth and have been conducted by research

According to (B. Gupta & Parmar, 2018) Job satisfaction can be affected by many reasons, and an ineffective appraisal system like the system is not based on effective performance measurement it would reduce the job satisfaction.

According (to Personal & Archive, 2013) Performance appraisal system is applied in the organizations to identify the skilled and best performers employee.

Generally, the majority of empirical studies that have been done in Ethiopia including Ethiopian airlines focus on the effect of employee performance appraisal practice on job satisfaction. And none has focused on the moderate effect of the BIG FIVE would be trying to evaluate the effects of employee performance appraisal system in the moderate traits practice on job satisfaction of Ethiopian airlines.

There is a research gap because of identifying the significant relationship between performance evaluation and examining the moderate variable (Big Five traits) on the effect of job satisfaction. my research would be add a contribution to filling a gap in describing how the study was identify the effects of performance appraisal on employees' job satisfaction of the moderator personality traits in Ethiopian Air Lines. Furthermore, there is research to identify the significant relationship between performance evaluation and examining the effect of the Big Five on job satisfaction.

1.3 Research Question

The researcher bears in mind that the following research questions enhance the idea to conduct the study and get appropriate findings.

1. What is the relationship between employee performance appraisal and job satisfaction?
2. what is the effect of employees 'performance appraisal on job satisfaction?
3. What is the moderating variable effect (big five personality traits) between performance appraisal and job satisfaction.

1.4 Objectives of the Study

1.4.1 General Objective

The general objective of the research is to examine the effect of employees' performance appraisal on job satisfaction with the modretor of personality traties in Ethiopian Airlines.

1.4.2 Specific Objective

The specific objectives of the research are as follows:

- To establish the relationship between employees' performance appraisal and job satisfaction in Ethiopian Air Line.
- To investigate the effect of employees' performance appraisal on job satisfaction of Ethiopian Air Line.
- To identify the moderating effect of the relationship between performance appraisal and job satisfaction.

1.5 Significance of the Study

The significance of the study can be seen from many perspectives. First, the study would be significant for Ethiopian Airlines to realize the effect of employees' performance appraisal on job satisfaction the moderator of personality traits which in turn will help the Airlines to emphasize employees' performance appraisal to enhance job satisfaction. Second, managers and leaders within the airline must recognize and acknowledge that the employees' performance appraisal can positively and negatively affect the employees' job satisfaction and how HRM staffs and their employees approach their performance appraisal-related practices. It intends to help the managers and leaders of Ethiopian Airlines to identify the challenges that hinder effective employees' performance appraisal and to learn how to mitigate those problems. Third, it would give insight to people who wish to replicate the findings of the study in related areas. The finding and recommendations from this study provide means of designing appropriate strategies and directives that can support addressing the deficiency of employees' performance appraisal practices to improve employees' job satisfaction levels.

1.6 Scope of the Study

The study was surrounded conceptually, geographically as well as methodologically.

Conceptually, this study focuses on the effect of employees' performance appraisal on job satisfaction in Ethiopian Airlines. The dimensions of the study are employees' performance appraisal and personality traits.

Geographically, the geographic scope of the study was the study would undertake 150 employees respondent in Ethiopian Airlines Head Office (Addis Ababa), methodologically, the research

designs considered in the study were descriptive research designs where a quantitative research approach has employed. On the other hand, the questionnaires were distributed to collect primary data from respondents.

1.7 Limitations of the Study

Due to the spread of the COVID-19 pandemic, collecting data through interviews and focus group discussions would become impossible. The busy schedule of managers together with the fear of personal contact due to the pandemic would make data collection more challenging. Therefore, this research was done based on the standard questionnaires only so that the research has some basins of data. The major limitation of the study is failure to include other employees who are working at another branch or regions.

Due to resource limitations and unmanageable population size, the researcher would be forced to focus on Ethiopian Airlines Head Quarter (Addis Ababa). Accordingly, the respondents from whom the data would be collected are also limited to the employees who are working in Head Quarter (Addis Ababa) of selected departments. The challenge is some of the respondents would not fill in or complete the questions.

1.8 Organization of the Study

This research is organized into five parts it includes chapter one is the background of the study, statement of the problem, objectives of the study, scope, limitations, and organization of the study it includes.

The second chapter is to analyze the related literature a focus on the concepts of transactions through the internet, and the meanings of key terms. Based on the review, factors identification, variable definitions, and conceptual model development are included in this chapter.

The third chapter is dedicated to methodological issues. In this part, the research approach and design, the target population, the sample size, the sampling technique, data collection instruments, data analyzing statistical tools and techniques, data interpreting mechanisms, and ethical considerations are presented.

The fourth chapter would provide analysis, interpretation of data, presentation, and findings of the study.

Finally, in the fifth chapter, a summary of the findings, conclusions, and recommendations, as well as recommendations for future research, would be presented as a reference.

1.9 Definition of Key Terms

Performance Appraisal: It is a systematic, periodic, and as objective as humanly feasible assessment of an employee's performance in topics relevant to his proper motivation. (Joel & Jebaseelan, n.d.).

Job Satisfaction: This is the feeling of the employee toward the job they do with regards to conditions of work and the rewards accrued (Armstrong & Armstrong, 2006).

Performance Appraisal Process: As per DeCenzo (2010) the appraisal process is the establishment of performance standards by the organization's strategic goals, communication expectations, measuring actual performance, comparing actual performance with standards, discussing the appraisal with the employees, and initiating corrective action.

Big five traits:-To understand the relationship between personality and academic activities, the Big Five personality traits were used as a model. Several separate groups of researchers employed factor analysis of verbal descriptors of human behavior to define this model.

CHAPTER TWO

REVIEW OF RELATED LITERATURE

2. Introduction

This section of the study contains both theoretical and empirical literature. Thus, this chapter presents an overview of the performance appraisal and job satisfaction and their definitions, and concepts of Big Five personality traits, these topics are thoroughly discussed by referring to different books and journals available in the libraries and on the internet.

2.1 Theoretical review of Performance Appraisal

This time although there are various ideas about performance evaluation, the researchers believe that equity and expectancy theories are the most useful. ((Girma et al., 2016), 2002; Richer, 2002;(Vroom, 1964)) and goal theory (Armstrong, 2002) were selected for this investigation.

2.1.1 Equity Theory

Equity simply means fairness. Employees are motivated when there is transparency in their evaluations and when they feel that they are treated fairly in compensation, and promotion. If workers feel that they are treated inequitable manner, they reduce their efforts as well(Hyde, 2005). As explained by (Ogolo John Ibinwangi, 2016) Employees get de-motivated, both concerning their job and their company, if they believe their inputs are greater than the outcomes they receive, according to the theory. Employees are likely to react in a variety of ways, including demotivation, decreased effort, annoyance, and, in the worst-case scenario, disruption. Employees get de-motivated; both concerning their job and their company if they believe their inputs are greater than the outcomes they receive, according to the notion. Employees are likely to react in a variety of ways, including demotivation, diminished effort, annoyance, and, in the worst-case scenario, disruption.

Employees keep a mental record of their job's inputs and outputs, and then utilize that record to compare their inputs and outputs to those of others. Effort, performance, skills, education, and experience are examples of inputs, whereas compensation, benefits, and promotions are examples of results. Employees may feel demotivated and unsatisfied with their jobs if they feel their input-to-output ratio is not comparable to that of their peers. and it focuses on ensuring fairness in the distribution of organization resources. The influences made by an employee are

represented as inputs and the returns made by the organizations are referred to as output. Consequently, equity theory deals with a ratio of inputs to outputs.

2.1.2 Expectancy Theory

Expectancy theory (Vroom, 1964) Theory Employees would be motivated if they feel their efforts would lead to better performance (expectancy) and are eager to exert a high level of effort because higher performance will lead to rewards (instrumentality), and rewards are valued to them. This effort will result in a positive performance evaluation, which will be followed by organizational benefits such as bonuses, pay increases, or promotions, all of which will help you achieve your own goals. (Vroom, 1964) This theory depends on the hypothesis that individuals adjust their character or they change behavior in such a way that they can achieve their goals. As a result of this hypothesis, an employee performance evaluation system was born to anticipate performance in future events. (Salaman et al., 2005).

The three components of the theory namely; Expectancy, Instrumentality, and Valence were discussed by(Vroom, 1964).

- 1) Expectancy is about the belief an employee holds with regards to his efforts being sufficient to help him attain his desired performance goals and it is usually determined by the employee's past experiences.
- 2) Instrumentality, on the other hand, is the belief an employee holds about receiving rewards in the form of promotion or salary increment if he meets performance expectations.
- 3) Valence represents how an employee values the reward he stands to get if he meets performance expectations. When an employee places a high value on the reward, in turn, more likely to act to earn the reward which is highly valued. Such like is usually an individual's goals; his/her needs and values (Salaman et al., 2005).

2.1.3 Goal-setting theory

In the year Locke had proposed the goal-setting theory. The goal-setting theory suggests that individual goals established by an employee play a vital role in motivating him/her for higher performance. This is due that the employees keep continuing their goals. If these goals are unattained, then they move to either improve their performance or amend the goals and make

them more convincing (Salaman et al., 2005). There is a strong link between goals and performance. According to research, the most effective performance is achieved when goals are detailed and challenging, when they are used to monitor performance and are linked to feedback on results, and when they encourage engagement and acceptance. Moderators' ability and self-efficacy may influence the motivational effect of objectives. Goal setting is commonly accepted by managers as a technique for improving and maintaining performance. The key findings of goal setting are that people who are given particular, challenging but achievable goals do better than those who are given easy, ambiguous, or no goals at all, according to hundreds of research. Individuals must, however, have sufficient ability, accept the goals, and receive performance feedback

2.2 Performance Appraisal and Job satisfaction

2.2.1 Employee's Performance

High performance leads an organization and has more opportunities than individuals with low performance. (Iqbal et al., 2013). "Performance is related to that organization hires the person to do and do well" (*Campbells-Determinants-of-Job-Performance-Model-Campbell-et-Al-1993Campbell 1993*, n.d.). Performance is not only related to the actins but also involves judgment and evaluation process (Ilgen & Schneider, 1991). The activities that can be examined and measurable are reflected as performance(*Campbells-Determinants-of-Job-Performance-Model-Campbell-et-Al-1993Campbell 1993*, n.d.).Organizations need high performance from their employees to meet their objectives and gain a competitive advantage. (Sonnentag & Frese, 2005)differentiate between work and performance. The professional core contributes to the work related to the human abilities through which the employee conducted activities. Performance is not related to the technical core characteristics but it cares about the organization's psychological environment and social environment in that organization achieve its objectives. It involves activities such as supporting employees or being a dependable employee of the organization (Sonnentag & Frese, 2005). Performance appraisal emphasizes the performance variables, not personal traits ((A. Smith et al., 1998).

(Kane et al., 2016) argued that success should be measured in terms of job-related behavior. Murphy in 1991that analyzing performance based on personal characteristics has several disadvantages. (Iqbal et al., 2013) The validity and reliability of attribute-based performance

appraisals are challenged more, as superior officials' perceptions may be biased. (*PERFORMANCE(Squires and Adler, 1998, n.d.)*) An appraisal based on the traits of employees has little value. (Malos, 1998) Fair evaluation is based on job-related behaviors, not individual characteristics. Employees must believe that there is a lot of opportunity for them in performance appraisals. (Langenberg & Wesseling, 2016). Without fairness, the performance appraisal system, awards, and motivation would all suffer. (*Ch, n.d.*)Innovations, job satisfaction, and developments create negative impact and frustration.

2.2.3 Performance Appraisal

Different authors defined performance appraisal in the following manner. Performance appraisal management practice refers to a comprehensive and integrated approach that aims to improve individual and team performance to achieve organizational success. (Armstrong,2005). According to Angelo, & Robert, (2006) performance evaluation is a unique, formal, organizationally endorsed event that occurs once or twice a year and includes established performance dimensions criteria to be used in the evaluation process. Performance appraisal can also be explained as a formal approach to monitoring employees that frequently involves the evaluation of performance based on the decisions and feelings of subordinates, peers, supervisors, other managers, and even employees themselves According to (Agyare et al., 2016)and. (Jackson & Schuler, 2005) there are three key reasons why performance appraisals are undertaken: Performance review is one of the reasons for performance appraisals and they explain performance reviews as a chance for managers to have discussions with their staff about their progress in their current positions, their strengths, and areas that need to be developed further. Reward reviews is the second reason they mentioned and describe as separate discussions that are linked to the appraisal system and the way decisions on rewards like payment, benefits, or promotion and feedback can be communicated by the manager. Potential reviews is the final reasons they described, which involves discussions about growth opportunity of employees, the type of future career and the way these can be achieved.

In a similar discussion, (Zaremba & Smoleński, 2000) described the two typical reasons why the performance appraisal is undertaken. The first one is evaluative purposes and the second is developmental purpose. According to (Zaremba & Smoleński, 2000), using performance appraisal for key HR decisions such as remuneration and salary administration, promotion,

retention, termination, layoffs, giving employees the needed recognition, and identifying poor performance is covered by the evaluative function. This demonstrates an amalgamation of two of the purposes of performance appraisal, namely performance reviews and reward reviews as it is discussed by (Agyare et al., 2016). Since employees are delegated numerical scores based on how well they perform, it is also considered an evaluative process. Following that, each employee's scores are communicated to him or her.

The clarification of staff's work expectations, assisting with individual employee development, and the collective growth of the whole workforce are linked with Performance, as well as confirming that pay structure designing includes performance (*Webarticle-IJPPM-PMA De Waal, 2004, n.d.*). According to (Joel & Jebaseelan, n.d.) Performance appraisal can be defined as a systematic, periodic evaluation of employees' performance potentials in terms of the job requirement for a better job.

Evaluating an employee's current or past performance with performance standards is called performance appraisal. Establishing work standards, measuring the employee's actual performance against these standards, and giving the person opportunities to improve the performance or continue to perform above parameters are also all part of the appraisal. (Dessler, 2005). As it was discussed by (V. V. S. R. Gupta et al.1988), performance appraisal is the systematic assessment of the performance of employees by their respective supervisors. Performance appraisal is an instrument for determining, analyzing, and organizing the differences among workers against the job standards. It is an official system of appraisal in which the individual is competed with others and is ranked or rated. In general, performance appraisal is made once a year or twice a year by the supervisor or manager.

2.2.4 Modern Appraisal

According to (Personal & Archive, 2013) A performance appraisal is a structured and formal communication between subordinates and supervisors, which most of the time takes the form of a periodic annual or semiannual interview, in which the performance of an employee is examined and discussed to identify weaknesses, strengths, and opportunities for improvement as well as skills development. Appraisal results are utilized, either directly or indirectly, to help decide award outcomes in many organizations, but not all. In other words, the evaluation results

are utilized to identify the top performers who should receive the majority of merit higher salaries, bonuses, and promotions. Employee performance reviews can be one of the most effective strategies for improving performance, morale, and productivity

2.2.5 Employee Performance Appraisal Approaches

According to Creamer (Janosik, 1999), Performance Appraisal Approaches are based on the organization's management practice of competency evaluation and can be followed by two approaches: behavior-based approach, and result-focused approach.

2.2.5.1 Behavior-Based Approaches

As described by Creamer (Janosik, 1999) Behavior-based approaches are a type of performance appraisal that evaluates employees based on specific performance indicators. Rating scales and the forced-choice approach are two examples. Another type that falls under the behavioral checklist, which establishes certain criteria or rules, is part of the behavior-based approach or benchmarks that an employee must meet. The behaviors may differ depending on the type of employment being evaluated. This approach is considered advantageous since it avoids comparing one employee's performance to that of another employee and instead focuses on individual performance measures(Agyare et al., 2016).

2.2.5.2 Results-Focused Approach

The emphasis in results-focused techniques is on the outcomes of the appraisals (Agyare et al., 2016). Management by Objectives is an example of a widely utilized result-based strategy (MBO). Management by objectives (MBO) is a current method of performance evaluation that assesses performance objectively. Managers and their employees discuss MBO, and both parties agree on the goals to achieve and when they should be accomplished(Agyare et al., 2016). (Agyare et al., 2016)also discusses psychological appraisals and 360-degree appraisals. The 360-degree appraisal approach described by (Agyare et al., 2016) describes a 360-degree appraisal method as one that adopts an all-encompassing perspective. It means that all parties involved in the employee's performance, such as the manager, supervisor, and team members, provide feedback. Employee profiles and reports are also used. In addition to all of this, the employee's detailed feedback is used. Employee profiles and reports are also used. In addition to all of this,

the employee's detailed feedback is utilized. Psychological evaluation, on the other hand, is more objective.

Psychological evaluations, on the other hand, are particularly beneficial in forming teams because they use a psychological factors such as an employee's ability to understand problems, thinking capacity, emotional stability, and intellect.

2.2.6 Stages in Performance appraisal

The greatest performance appraisal systems are those in which the supervisor or management coaches and monitors employees regularly rather than waiting until the last minute to evaluate them.

According to(V. V. S. R. Gupta et al., 1988), there are some stages in performance appraisal to make the appraisal more effective and appropriate. These stages are the following.

- i. ***Establishment of standards:*** The first step in performance appraisals is to establish defined benchmarks against which performance may be measured. Before preparing the appraisal criteria, the numerous issues should be thoroughly reviewed with management. The various factors should be discussed with the management before preparing the appraisal standards.
- ii. ***Communication of standards:*** Employers should be informed of the expectations placed on them, and feedback from employees should be obtained to determine whether or not the employees have met those expectations.
- iii. ***Measurement of performance:*** To get information about the employee's actual performance, personal observation or reporting, which can be oral or statistical, should be used.
- iv. ***Comparison of actual performance:*** The actual performance of an employee is compared with the standards established to know the variation in performance of an employee.
- v. ***Discussion with employees (feedback stage):*** The appraisal results should be communicated to subordinates so that they are aware of their strengths and weaknesses.

- vi. **Corrective action:** the corrective action may involve two stages. Immediate action is taken to adjust the differences then formal training programs may be organized in addition to personal coaching and advising.

2.3 Job satisfaction

Job Satisfaction reflects the employee's feelings about the job. If the employee does not understand how the employee feels about his or her work situation and does not manage the situation, it will affect the employee's attitude to the job. Therefore, the use of techniques to enhance and motivate employees' attitudes toward their work, such as rewards, can affect job satisfaction if an employee is not happy and productive.

Concerned with rewards (Kim, 2005).As Schwegker (2001) Employment satisfaction is defined as a pleasurable emotional state resulting from an assessment of one's job as fulfilling or supporting one's job values. Job dissatisfaction, on the other hand, is an undesirable emotional state that an employee experiences if he/she realizes that his/her job prevents him/her from attaining his/her values.

Satisfaction is classified as intrinsic, extrinsic, or total. As it has been defined by (Wegge, Schmidt, Parkes, & Van Dick, 2007), job satisfaction helps organizations in identifying work behaviors including institutional citizenship and absenteeism. In the same way, (Saari & Judge, 2004) states that organizations can identify or track staff attrition with job satisfaction. Additionally, it is indicative of work performance (Chen et al., 2006). Therefore, an organization's efforts in improving their employees' job satisfaction can alleviate undesirable job attitudes such as absenteeism (A. Cohen & Golan, 2007).

Organizations, however, are cautioned that job satisfaction may have a negative correlation to productivity on the job as reported by Judge, (Judge et al., 2001)in a meta-analysis that revealed low correlations between job satisfaction and performance. Some factors which influence job satisfaction include how complex an employee's task is. Usually, employees who have low to moderate complexity tasks have low job satisfaction while those who have high-complexity tasks have higher job satisfaction(S. Cohen et al., 2007).

In general, organizations cannot easily determine if job satisfaction will lead to increased productivity due to the assertion that an employee's performance may be influenced by his/her personality(Bowling, 2007), this should thus be considered by organizations in deciding on increasing the job satisfaction of its employee.

2.3.1 Factors affecting job satisfaction

In the organization, the more one's performance is judged objectively by the quality of work performance rather than artificial criteria such as being related to highly placed executives or relatives in the organization, the better genuine job satisfaction occurs which comes from a feeling of security(Firnberg, 2018).

Job satisfaction is affected by an intrinsic and extrinsic driving element, the quality of supervision, social interactions with employees, and the degree to which employees succeed or fail in their work (Armstrong, 2002).

The most important thing to keep in mind is that job satisfaction can be influenced by a variety of variables. What makes employees happy at work varies from employee to employee and day today. Further from the above-listed characteristics, job satisfaction is influenced by the employee's characteristics, the manager's attributes and management style, and the nature of the work itself. To maintain high levels of satisfaction in the workforce, the managers who want to do so must understand the needs of each member of the workforce(Firnberg, 2018).

2.4 The Moderating Effects of Personality Traits

Big Five: Personality traits, particularly those of the rate, are crucial individual difference variables that have been generally disregarded in the earlier literature on appraisal systems, as stated above. The researcher would formulate hypotheses on the moderating effects of personality factors on the link between performance appraisal (PA) and job satisfaction in this part. The researcher will begin by examining the Big Five personality traits. (Costa & McCrae, 1995), a well-established taxonomy that has been validated in a series of psychological studies,(BARRICK & MOUNT, 1991). The five dimensions comprise extraversion, conscientiousness, agreeableness, neuroticism, and openness to experience.

2.4.1 Extraversion

Extraversion is defined as a person who is communicative, talkative, assertive, energetic, outgoing, and sociable, as well as engaging in status-seeking behaviors. (BARRICK & MOUNT, 1991). Regular performance evaluations should have a greater impact on job satisfaction for individuals who score high on extraversion. Employees with a high level of extraversion have a higher level of self-confidence and are more likely to be monitored, as appraisals shall have a big impact on status or average performance within a work department. Indeed, among salespeople and managers extraversion has been connected to improved job performance. ((BARRICK & MOUNT, 1991),(TETT et al., 1991). In addition, extroverted people love social interactions such as the bilateral relationship between a supervisor and subordinate, and they are more likely to get direct feedback from a supervisor (Krasman, 2010). Stronger competition among employees, which may be driven in part by performance evaluations, is also more likely to be viewed positively because extroverted people are more likely to use aggressive or self-centered conflict resolution techniques. (Antonioni, 1998).

2.4.2 Conscientiousness

Conscientious people are individuals that are careful, responsible, and organized. They perform a thorough job, and they accomplish work efficiently and successfully (BARRICK & MOUNT, 1991). Staffs that show higher levels of performance motivation and are detail-oriented with a heavy-duty and goal orientation are more diligent and successful in their jobs. (BARRICK & MOUNT, 1991);(Judge & Ilies, 2002). When employees are evaluated, as appraisals; a significant driver of job performance also gives specific feedback, we expect conscientious employees to be more content with their employment. PA may be regarded as fair by more responsible and thorough employees, especially when higher efforts are rewarded with higher bonus payments or promotions. These individuals may spend more time and effort achieving pre-determined objectives and doing jobs correctly. The following debate may be especially applicable when performance evaluations are tied to monetary outcomes.

2.4.3 Agreeableness

The characteristics of agreeableness include cooperation, tolerance, trusting, a forgiving temperament, as well as being considerate and nice to others (BARRICK & MOUNT, 1991). People who score high on the agreeableness scale are frequently regarded as caring about the

well-being of others, particularly those who live or work with them. Formal appraisal methods can reveal information about employees' relative performance inside a work unit, which can lead to inequity among coworkers. Employees that are agreeable care about their coworkers and attempt to avoid performance evaluations based on relative performance. Regularly being evaluated in a formal procedure might reduce job satisfaction, especially if the evaluation has monetary implications. When collaboration is not rewarded through goal agreements, performance appraisals can be seen as an obstacle in cooperative work relationships.

2.4.4 Neuroticism (Emotional Instability)

Being anxious, emotional, and insecure, getting nervous easily, and worrying a lot are common characteristics of the dimension of neuroticism or emotional instability (BARRICK & MOUNT, 1991). Since neurotic employees may fear negative consequences from performance comments, being formally appraised may reduce their job satisfaction. Evaluations of performance that are linked to financial consequences, in particular, create uncertainty about goal achievement and, as a result, future payoffs. It has also been established that these employees have a lower rate of job success. (BARRICK & MOUNT, 1991), and prefer the avoiding style in conflicts) (BARRICK & MOUNT, 1991), and are less goal-oriented (Judge & Ilies, 2002). We assume a negative moderating effect for more nervous employees based on these points of view. Feedback, on the other hand, may help to lessen ambiguity by providing employees with clarifying information. ((Krasman, 2010). This suggests that feedback may be regarded as a means of clarifying goals, which should result in a more favorable interaction term for neurotic employees. The net effect is identical at this time and remains an empirical question for further investigation.

2.4.5 Openness to experience

Openness to experience encompasses qualities like being curious, intelligent, original, being innovative, having an active mindset or visionary (BARRICK & MOUNT, 1991) as well as becoming creative and extraordinary (Judge & Ilies, 2002).

A performance evaluation may express a clear and slight working environment, are expected to be perceived as an obstacle for innovative behavior, as they often rely on short-term oriented performance indicators. But as monetary performance and customer acceptance of new products are more vital in the long term (Memon et al., 2019), more imaginative and open-minded employees may feel restricted in their working environment during the time they are being

formally appraised which in turn leads to lower levels of job satisfaction. In another way, (Judge & Ilies, 2002) describe that people who are more open to experience are more likely to seek reflective feedback, a type of indirect feedback based on the evidence of how one is treated by a supervisor, instead of getting direct and explicit feedback.

Furthermore, one may expect a positive influence on job satisfaction for more open employees, if performance appraisals have a developmental character, for instance, are linked to training investments (BARRICK & MOUNT, 1991). Staff who is curious, intelligent, or imaginative might find it easier to attain their goals and earn surplus money like in product development if appraisals are linked to monetary outcomes. Now, the net impact is unclear from the outset and stays as an empirical question.

2.5 Empirical Review

Among many studies that deal with employee job satisfaction and performance appraisal system are the study conducted by Kenya Revenue Authority, (M'mbui, 2011). The study revealed that the findings have indicated a positive and significant relationship between performance appraisals and job satisfaction. On the other hand, research conducted at Kenya Commercial Bank, By(Yesserie, 2015), the study pursued that the mechanism of performance appraisal utilized by the bank influences employee motivation and overall job satisfaction.

Another study was the study of(Lira, 2014). The result of mount showed concerning the aspects that determine the satisfaction of appraisal discussion and the aspect of overall performance appraisal system the result was a significant difference. With this respect, only one aspect of the appraisal system that is (satisfaction with the way the appraisal forms helped discuss performance) was significantly related to both dependent variables for managers and employees. This shows that the appraisal form is an important aspect of managers' and employees' satisfaction and managers are more satisfied with the performance appraisal system than employees. The major finding of cook and Crossman contradicted the finding of mount that they stated that being a rater or rate doesn't make a difference as far as satisfaction with the appraisal system is concerned.

They further argue that managers are more dissatisfied with the performance appraisal than employees. Managers know about the performance appraisal of their organization more than

employees and since all systems are having a certain problem the knowledge of those problems dissatisfied managers.

Mount justified his finding by raising two points that managers are given training about performance appraisal whereas employees are not and managers are givers of information about performance appraisal results wear as employees are on the receiving end. Mount considers the role the managers and employees play in the performance appraisal system as an independent variable and satisfaction as a dependent variable and argue that managers are more satisfied than employees because they do have a greater system knowledge and play a vital role in the system than employees. According to mount an effort to enhance satisfaction with the appraisal system should take into consideration the unique perspectives of managers and employees in the appraisal process.

It is a commonly held and seemingly not unreasonable (Vroom, 1964) belief that an increase in job satisfaction will result in improved performance. But research has not established any strongly positive connection between satisfaction and performance. A review of the extensive literature on this subject by (Yanchovska, 2021) concluded that there was little evidence of any simple or appreciable relationship between employee attitudes and their performance.

An updated review of their analysis (Vroom, 1964) covered 20 studies, in each of which one or more measures of job satisfaction or employee attitudes were correlated with one or more criteria of performance.

(Yanchovska, 2021) concluded that Productivity is seldom a goal in itself but a means to goal attainment. Therefore, the researcher might expect high satisfaction and high productivity to occur together when productivity is perceived as a path to certain important goals and when these goals are achieved. Under such conditions, satisfaction and productivity might be unrelated or even negatively related.

It can be argued that it is not job satisfaction that produces high performance but the high performance that produces job satisfaction, and that a satisfied worker is not necessarily a productive worker and a high producer is not necessarily a satisfied worker. People are motivated to achieve certain goals and would be satisfied if they achieve these goals through improved performance. They may be even more satisfied if they are then rewarded with extrinsic

recognition or an intrinsic sense of achievement. This suggests that performance improvements can be achieved by:

- Giving people the opportunity to perform,
- Ensuring that they have the knowledge and skill required to perform and,
- Rewarding them by financial or nonfinancial means when they do perform.

It can also be argued that some people may be complacently satisfied with their job and would not be inspired to work harder or better. They may find other ways to satisfy their needs.

Employees' attitudes and satisfaction with an organization's performance appraisal system is a key area of research in terms of its effectiveness and methodologies for evaluation, with a focus on employees' satisfaction and perception of the overall process. Employee perception of fairness of performance appraisal system has been linked to satisfaction with the system, according to Levy and William, who found that perceived fairness of performance review and performance appraisal system is the most essential performance appraisal concern faced by organizations in their review of performance appraisal study. According to their research, the majority of employees believe their performance appraisal mechanism is neither accurate nor fair; therefore the system and process can be a source of frustration when employees believe it is biased and irrelevant.

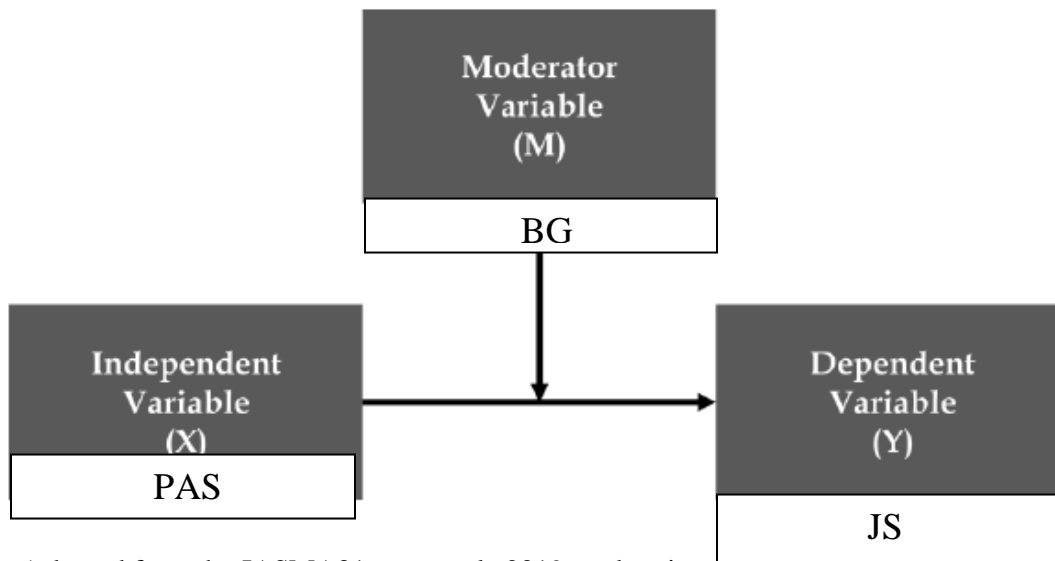
2.6 Conceptual Framework of the Study

There are three types of approaches for moderation analysis, they are *Product-Indicator*, *Two-Stage*, and *Orthogonalizing*. According to (Chin, Marcolin, & Newsted, 2003) the product-indicator approach multiplies indicators of the independent variables by the indicators of the moderator variable, however, the researcher used the model product indicator. Improper usage of appraisal makes employees have a negative attitude and perception towards it and it affects employee morale and reduces productivity and job satisfaction level of workers and the organization(Shdaifat et al., 2013). An effective appraisal system makes (Stajkovic & Luthans, 1998)workers more satisfied and committed to their jobs.

The major components of the performance appraisal system are standard setting, performance rating process (rater assurance or confidence, accuracy of the rating), appraisal form and its content, feedback, explaining rating decision) and appeal process. Employee job satisfaction can be affected by different factors among those factors ineffective performance appraisal is one of the reasons.

This literature supports the existence of a positive relationship between performance appraisal and employee job satisfaction. The independent variable is (Major component of the performance appraisal system) and the dependent variable is job satisfaction. the big five personality traits are known as Moderating variable Hence, based on this the following conceptual framework is developed.

Figure 2.1 conceptual framework



Source: (adopted from the JASMA31momontela.2019 moderation analysis).

2.7 The hypothesis of the study

A hypothesis is a prediction of something that might happen based on what has been observed. A hypothesis is an educated guess based on existing knowledge and observation. A hypothesis is a tested statement that expresses a logical conjectured relationship between two or more variables. It is a formal expression of an uncertain but empirically testable hypothesis. (Khalid et al., 2012) Hypothesis testing is also used to explain variation in the dependent variable or predicted organizational outcomes(Engle, 2015)). Accordingly, for the research of this study, the following 7 (seven) *research* hypotheses were tested in this research Formulated primarily based on previous research findings from the literature, and were tested.

Hypothesis 1: employee Performance appraisal system has a significant and positive moderating effect on job satisfaction.

Hypothesis 2: The openness to experience trait has a significant and positive moderating effect on job satisfaction.

Hypothesis 3: Conscientiousness trait has a significant and positive moderating effect on Job satisfaction.

Hypothesis 4: Extraversion trait has a significant and positive moderating effect on Job satisfaction.

Hypothesis 5: The agreeableness trait has a significant and positive moderating effect on job satisfaction.

Hypothesis 6: Neuroticism trait has a significant and negative moderating effect on job satisfaction.

Hypothesis 7: personality traits have a moderating effect on performance appraisal and job satisfaction.

CHAPTER THREE

RESEARCH METHODOLOGY

This chapter focuses on the general methodologies applied in this research. It consists of the research method and design, population, sample size, sampling technique, data collection instruments, data source and type, data collection procedures, method of data analysis and interpretation, model specification, reliability and validity, and ethical consideration.

3.1 Research Approach

Quantitative research is a useful tool for determining what happened in the past and what might happen in the future using numbers. According to (Creswell et al., 2007) the researcher used a quantitative research approach because it contains the group of data in quantitative(number) form which can be subjected to difficult qualitative analysis formally and informally. On the other hand, In terms of identifying factors that influence results, intervention frequency, and theory testing, the quantitative method is better.

3.2 Research Design

Research design is a framework for the collection and analysis of data to answer the research question and meet research objectives providing reasoned justification for the choice of data sources, according to Kohtari (2004), descriptive research was undertaken to establish and be able to describe the surveys and fact-finding inquiries of various characteristics of the variables of interest in the study, whereas explanatory research attempts to simplify why and how there is a relationship between two or more aspects of a condition or phenomenon. To test the hypotheses and describe this study, descriptive and explanatory research designs were considered appropriate because the study aimed to describe the practice of employees' performance appraisal with modretar variablgle and its effect on the job satisfaction of Ethiopian Airlines.

3.3 Target Population

According to (Gough et al., 2012), The population, is the entire target group from which a sample is taken. It refers to the total number of people studied or the set of components from which the researcher seeks to conclude. The target population for this study was Ethiopian Airlines Head Quarter (Addis Ababa) would be used. Considering the manageability of data, budget, and resource availability, the target population was limited in Addis Ababa (Head

Quarter). Therefore, the target population of the research was all members of the Ethiopian Airlines Head Quarter. Accordingly, all employees working at Ethiopian Airlines Head Quarter level were considered as source population. Thus, the researcher took those employees of Head Quarter (Addis Ababa) as a study population for the intended research, based on this they show the population characteristics in detail below:-

3.3.1 Inclusion Criteria

The respondents to the survey were all Ethiopian Airlines Head Quarter employees who had worked in the selected departments for at least the previous two years. Based on employee statistics obtained from Ethiopian Airlines' Human Resource Administration and Development Department on May 31, 2021, the total number of employees who had worked in these departments for at least two years was 280. As a result, employees who work in the following fields:

- CCO-chief commercial Office
- COO- Chief Oppression Office
- Group Business Davit & Inn Hub
- GROUP Chief Executive Officer OFFICE
- Group Internal Audit/Compliance & QMS/SMS and Business Sus.
- Group IT
- Group Legal Counsel & Secretariat
- Group Marketing
- Group Strategic Plan & Alliances
- Group Business Development & Inn Hub

3.3.2 Exclusion Criteria

Employees who had worked for less than two years in the Ethiopian Airlines Head Quarter level (Addis Ababa) of the selected departments were not qualified to participate in the survey as respondents. Furthermore, all employees working at Ethiopian Airlines' Head Quarter level (Addis Ababa) who were not selected were not included as respondents in the research design.

3.4. Sampling Techniques

Sampling is the determination of a subset of a statistical sample of individuals from inside a statistical population to estimate the characteristics of the entire population. Statisticians strive to characterize the population in question using samples. In this study, the stratified random sampling approach was used to select the department. It was more acceptable to use stratified sampling to draw representatives from all departments as the target population consisted of employees who had worked at least two years at the Ethiopian Airlines Head Quarter level (Addis Ababa). According to (Magout, 2020) When the field of inquiry is vast, time and cost considerations almost always lead to sampling, according to (Magout, 2020). For selecting respondents from the airlines, the researcher used a simple random sample method.

3.5 Sample Size

Sampling is a technique for deciding on a sample wide variety of objects from a population so that the pattern now not solely benefits in understanding the population's characteristics, however additionally allows us to generalize the findings; Chawla and Sondhi, (2011). pattern measurement dedication system has been used where n is the sample size, N is the population size, e is the error of 5 percentage factors, and a self-assurance coefficient of 95% is assumed for this equation and $1 = \text{Constant}$. The complete population of 280 employees was chosen a hundred sixty-five (165) for the research purpose. To determine the range of pattern objects from every stratum, the questionnaires one hundred sixty-five had were dispensed as follows: the method given via Yamane (1967) is used.

$$N/1 + N * (e)^2$$

$$n = N280 / 1+ 280 *(0.05)^2$$

$$n = 280 / 1.7; \quad n = 165$$

Table 3.1: Sample size determination

Department	Target Population (N)	Sample size I=M(Ni/P)	Sample Size (I)
chief commercial Office	8	165*(8/280)	5
Group Business Development & Inn Hub	21	165*(21/280)	12
Group Legal Counsel & Secretariat	17	165*(17/280)	10
Group Strategic Plan & Alliances	36	165*(36/280)	21
GROUP Chief Executive Officer OFFICE	5	165*(5/280)	3
Group Internal Audit/Compliance & QMS/SMS and Business Sus.	54	165*(54/280)	32
Chief Oppression Office	5	165*(5/280)	3
Group HRM	11	165*(11/280)	6
Group Marketing	123	165*(123/280)	73
Total	280	165*(280/280)	165

Source: Researcher based on the data of Ethiopian Airlines, HRM, May 31, 2021.

3.6 Data Source and Collection Procedures

3.6.1 Data Source

They are two types of data sources Primary and secondary data it is used to collect relevant data (Saunders et.al, 2007). The primary data was collected using questionnaires. Furthermore, secondary data was collected from published and unpublished materials, websites of Ethiopian Airlines, journals, books, the internet, and others.

3.6.2 Data Collection Procedures

Questionnaires were distributed personally through the HRM the entire stratum is visited using the group. Most of the questions were adapted from previous research undertaken by different scholars with minor modifications to maintain the validity of the constructs and scale used in this study. And some of the questions were developed based on a careful assessment of the literature.

3.7 Measurement Instruments

The study used a questionnaire system to collect primary data. The questionnaire was intended to inquire answers in the form of close-ended questions. The questionnaire had different sections. Five-point Likert scale was used to rate items in the questionnaire.

3.8 Data Analysis

After the collection of the data, its completeness was verified, coded, and entered into the laptop. The data was subject to analysis using application software packages known as Statistical Package for Social Sciences SPSS version 23 and a process micro written by Dr. Andrew F. consequently, to achieve the specific research objectives used quantitative data analysis was perused for the study Data was analyzed using descriptive and inferential statistics (Pearson's r, Model summary, ANOVA, and Regression methods). The interval measurement scale is used to assess Likert scale data, According to(Jr & Boone, 2012), As a result, the aggregate mean score and standard deviation for Likert scales were evaluated.

3.9 Validity and Reliability

3.9.1 Validity

The amount to which a test accurately measures what it promises to measure is known as validity. (Tofani et al., 2020). According to (Kandy et al., 2016), content validity is the extent to which the item in an instrument covers the entire range of the significant aspects of the area being investigated. In addition, questions were pilot tested to obtain feedback from respondents on their validity, responses were collected, and the questionnaire was modified as a result.

3.9.2 Reliability

reliability is the consistency, where internal consistency involves correlating the responses to each question in the questionnaire with those other questions According to Kothari, (2004). The term dependability refers to a measurement's consistency or stability across a variety of cases in which essentially equivalent results should be achieved. Cronbach's alpha is the most widely used metric for determining internal consistency in the behavioral sciences. Cronbach's alpha is a reliability consistency coefficient that generally varies from 0 to 1. However, the items were adapted from the different scholars there were some little changes on some items. For this reason, the researcher tests the validity and reliability by using Cronbach's alpha. the pilot check

was once carried out on 28 worker respondents for checking the questioners concerning the following rule of thumb is suggested by(Woollins, 1992), $\alpha > 0.9$, it is excellent, $\alpha > 0.8$, it is good, $\alpha > 0.7$, it is acceptable, $\alpha > 0.6$, it is questionable, $\alpha > 0.6$, it will be questionable and $\alpha > 0.5$, it will be poor and Finally, $\alpha < 0.5$, it will be unacceptable”. Cronbach's alpha was determined and compared to a threshold of 0.7. As shown in the Cronbach's alpha reliability test table below (table 3.2), and overall value of 0.865 was attained, implying a high level of internal consistency of research instruments.

Table 3. 2: Cronbach’s alpha reliability test

S.N	Instrument Dimension	Cronbach’s alpha	No. of Items	Reliability
1	Performance appraisal system	0.86	11	Good
2	Openness to experience	0.857	5	Good
3	Conscientiousness	0.874	4	Good
4	Extraversion	0.763	5	Acceptable
5	Agreeableness	0.853	5	Good
6	Neuroticism	0.939	4	Excellent
7	Job satisfaction	0.908	10	Excellent
Overall		0.865	44	Good

Source: researcher, 2022

3.10 Ethical Consideration

According to(McNabb, 2018) the research data would be collected honesty, The researcher kept privacy, anonymity, and confidentiality or keeps the information confidential (*PERFORMANCE(Squires and Adler, 1998, n.d.)* Ethical considerations are taken before the data was collected. Appropriate communication was established with the airline's employees. Respondents were informed of the research's goal during data collection, and the researcher assured them that their information would be kept private. The responders also stated in writing that any information received through the questionnaire was purely for academic purposes and was treated with extreme secrecy. To avoid unethical data gathering practices, the researcher avoided publishing the individuals' names, residences, or addresses, which could lead to social damage.

CHAPTER FOUR

DATA PRESENTATION, ANALYSIS, AND RESEARCH FINDINGS

4.Introduction

This chapter presents the data presentation, analysis, and research findings in the light of the research objectives and research questions stated in the first chapter of the study. The main purpose of this study is to examine the effect of a performance appraisal system on job satisfaction. The first part of the questionnaire consists of demographic information of the respondents as presented in the tables below. The second part of the questionnaire presented the descriptive analysis of the variables of the study and the next part dealt with the results of regression and correlation between the variables (independent, moderator, and dependent). In this analysis Statistical Package for Social Science SPSS version 23 and a process micro written by Dr. Andrew F. computer software program was used to make the necessary calculations.

4.1 Response Rate

Response rates are commonly thought to be the most widely compared indicator for assessing survey quality. (Hixon, Sharon, 2010). There is no specific response rate that guarantees a representative sample of the population. As an overall rule of thumb, most researchers look for a response rate $\geq 70\%$ Rubinfeld, 2004). As shown in the table below (table 4.1), a total of 165 questionnaires were distributed. Out of the 165 questionnaires, 150 were filled properly and returned to the researcher which represents a response rate of 90.90%. This percentage was considered acceptable for the study as it is higher than the general response rate rule of thumb.

Table 4.1: Response rate

Response status	Frequency	Percentage
Filled and returned	150	90.90
Not returned	15	9.10
Total	165	100

Source: Researcher, 2022

4.2 Respondents General Information

This section presents general information about respondents. The general information was collected on gender, level of education, work experience, and work unit. Gender was included to emphasize that both men and women were involved in the research. The degree of education and employment experience of the respondents were critical in implying that they were well educated and assuring familiarity and knowledge with the performance appraisal method. The work unit required to assume that the respondents were aware of the research's performance appraisal system methodologies.

Table 4. 2: Respondent's General Information

Variable	Categories	Frequency	%age	Cumulative %age
Gender	Male	98	65.3	65.3
	Female	52	34.7	100.0
	Total	150	100	
Level of Education	Certificate	1	.7	.7
	Diploma	34	22.7	23.4
	First Degree	78	52.0	75.4
	Second degree and above	37	24.6	100
	Total	150	100	
Work experience in your work unit	2-3 year	39	26	26
	4-5 years	28	18.7	44.7
	6-7 years	32	21.3	66
	above 7 years	51	34	100
	Total	150	100	

Source: Researcher own, 2022

From respondent general information table Level of Education As shown the above (table 4.2), the study revealed that the majority 52.0%) of the respondents had first degree level of education followed by 24.6% of the respondents who had a second degree and above the level of

education, 22.7% of the respondents had a diploma. The remaining 0.7% had a Certificate. This shows that the respondents had sufficient levels of education to understand and respond to the issues sought by the research.

From table 4.2, the majority (34%) of the respondents had above 7 years' work experience followed by 26% of respondents' work experience being 2-3 years. This indicated that the majority of the respondents had served for a significant period which infers that they were in a position to give reliable information relating to the study.

Table 4.3: Working Unit of respondents

Working Unit	Frequency	Percent	Cumulative Percent
Chief Commercial Office	5	3.3	3.3
Group Business Development & Innovation Hub	11	7.3	10.6
Group Legal Counsel & Secretariat	9	6.0	16.6
Group Strategic Plan & Alliances	19	12.7	29.3
GROUP CEO OFFICE	3	2.0	31.3
Group Internal Audit/Compliance & QMS/SMS and Business Sustainable	29	19.4	50.7
Chief Oppression Office	3	2.0	52.7
Human Resource management	5	3.3	56.0
Group Marketing	66	44.0	100.0
Total	150	100.0	

Source: Researcher own, 2022

As shown in table 4.3 the data shows that 44.0% of the respondents were from Group Marketing followed by Group Internal Audit/Compliance & QMS/SMS and Business Sustainable with 19.4% of respondents the remaining percent consists of the rest department/work unit. This infers that the respondents were able to understand the performance appraisal practices sought by the research based on the working units they belong to.

4.3 The Employee Performance Appraisal practice in Ethiopian Air Line

The general objective of the study was to examine the effect of the Performance Appraisal system on job satisfaction in Ethiopian Air Line and the first objective is to establish the relationship between employees' performance appraisal and job satisfaction in Ethiopian Air Line. The respondents were requested to show the performance appraisal practice in Ethiopian Air Line. A five-point Likert scale with 1 = Not at all, 2 = Small extent, 3 = Moderate extent, 4 = Great extent and 5 = Very great extent was used to rate the state of employee performance appraisal practice in Ethiopian Air Line.

Analysis of the states of performance appraisal practice was done using means and standard deviations. The means recorded were interpreted as follows: 1-1.49= Not at all/Never practiced; 1.5-2.49=Small extent/Rarely practiced; 2.5-3.49= Moderate extent; 3.5-4.49 = Great extent/Very often practiced; 4.5-5.0 = Very great extent /Always practiced (Lady, 2016).

Table 4.4: Performance appraisal system practice

Performance appraisal practice	N	Mean	Std. Deviation
There is a good understanding of the appraisal criteria by employees	150	2.91	1.279
The targets that everyone to achieve as a part of his/her last performance appraisal were fair and achievable	150	3.23	.899
The overall performance appraisal system helps everyone to identify areas to improve his/her work performance	150	3.23	1.024
The worker involved in the performance appraisal should receive training in how to do it.	150	3.02	.979
The appraisal criteria (general) in which everyone is evaluated are fair	150	3.12	1.036
The current performance appraisal system in my organization is related to my development	150	3.15	.918
The productivity of the workforce in this organization has been improving as a result of the performance management system	149	3.31	.944
The present appraisal system contributes to my overall organizational effectiveness	150	2.99	.897
The performance criteria used in the appraisal form do not measure my real performance	150	3.03	1.077
My current appraisal is done just for the sake of getting bonuses	150	2.89	.963
My current performance appraisal system is very effective	150	2.93	1.053
Average	150	3.0741	.66443

Source: Researcher own, 2022

From the above table 4.4, the aggregate mean (M= 3.0741) and standard deviation of (SD=.66443) were registered. From this one can conclude that respondents agreed to a moderate extent on performance appraisal system practices. The productivity of the workforce in this organization has been improving as a result of the performance appraisal was the highest rate practice while the statement of ‘my current appraisal is done just for the sake of getting bonuses’ was the least recorded practice with their mean and standard deviation of (M= 3.31, SD= 0.944) and (M= 2.89, SD= 0.963) respectively. Therefore, from this one can infer that all performance appraisal practices were to a moderate extent.

4.4 The State of BIG FIVE Personal Traits

The respondents were requested to show the state of the BIG FIVE Personal Traits in the Ethiopian Air Line. In this section of data analysis, the study sought to identify the extent to which job satisfaction of Ethiopian Air Line. It depends upon the five-point Likert scale and (Lady, 2016) criteria put in the above, the study sought to determine the state of job satisfaction of Ethiopian Air Line. The research findings are presented in table 4.5 below:

4.4.1 Openness to Experience

Table 4.5: Openness to Experience

Openness to Experience	N	Mean	Std. Deviation
I see myself as someone who is original and comes up with new ideas.	150	3.26	1.126
I see myself as someone curious about many different things	150	3.17	1.079
I see myself as someone who is ingenious and a deep thinker.	150	3.24	1.121
I see myself as someone who has an active imagination	150	3.36	1.119
I see myself as someone creative and inventive	150	3.32	1.083
Average	150	3.2707	.88905

Source: Researcher own, 2022

As observed from Table 4.5, regarding the openness to experience trait, the average mean and standard deviation were (M =3.2707, SD =.88905). This indicated that openness to experience was practiced to a moderate extent. The highest recorded item was the statement I see myself as someone who has an active imagination with its mean (M =3.36) and standard deviation (SD =1.119) whereas I see myself as someone curious about many different things was least rated with their mean and standard deviation with mean of (M =3.17, SD =1.079). Therefore, from this finding one can conclude that all openness to experience practices were moderate extents.

4.4.2 Conscientiousness

The study attempted to establish the state of conscientiousness in the Ethiopian Airline. The outcomes were analyzed as shown in table 4.6 below

Table 4.6: Conscientiousness

Conscientiousness	N	Mean	Std. Deviation
I see myself as someone who is a reliable worker	150	3.43	1.206
I see myself as someone who tends to be organized	150	3.23	1.167
I see myself as someone who preserves until the task is finished	150	3.28	1.259
I see myself as someone who does things efficiently	150	3.55	1.053
Average	150	3.3733	1.01116

Source: Researcher own, 2022

From the above table 4.6, the aggregate mean (M=3.3733) and standard deviation of (SD=1.01116) were registered. From this one can conclude that respondents agreed to a moderate extent on conscientiousness trait practices. The statement that I see myself as someone who does things efficiently was highly rated with its mean (M= 3.55) and standard deviation of (SD=1.053). This indicated that this practice was to a great extent.

the job satisfaction that was conducted in chapter two (Gridwichai et al., 2020) studied that the employees who have high conscientiousness tend to commit to their organizations because they concern to develop a long-term relationship with their companies. From the respondents' responses, we can conclude that all the statements of conscientiousness were moderate extents in Ethiopian Airline.

4.4.3 Extraversion

Table 4.7: Extraversion

Extraversion	N	Mean	Std. Deviation
I see myself as someone who is reserved	150	3.32	1.032
I see myself as someone full of Energy	150	3.42	1.057
I see myself as someone who generates a lot of enthusiasm	150	3.35	1.030
I see myself as someone who has an assertive personality	150	3.51	1.028
I see myself as someone outgoing, sociable	150	3.39	1.028
Average	150	3.3973	.78646

Source: Researcher own, 2022

As shown in table 4.7, towards the extraversion trait, the average mean and standard deviation were ($M = 3.3973$, $SD = .78646$). This demonstrated that extraversion was practiced to a moderate extent. The highest recorded item was the statement that I see myself as someone who has an assertive personality with its mean ($M = 3.51$) and standard deviation ($SD = 1.028$) whereas I see myself as someone who is reserved was least rated with their mean and standard deviation with mean of ($M = 3.32$, $SD = 1.032$). Therefore, from this finding one can conclude that all extraversion practices were to a moderate extent.

4.4.4 Agreeableness

The findings were shown in the table below:

Table 4.8: Agreeableness

Agreeableness	N	Mean	Std. Deviation
I see myself as someone helpful and unselfish with others.	150	3.52	1.015
I see myself as someone who has a forgiving nature	150	3.45	1.084
I see myself as someone who is generally trusting	150	3.53	1.041
I see myself as someone considerate and kind to almost everyone	150	3.49	1.091
I see myself as someone who likes to cooperate with others	150	3.49	1.091
Average	150	3.4960	.80925

Source: Researcher own, 2022

As shown in the above table, an average mean ($M=3.4960$) and standard deviation ($SD=.80925$) were recorded and rated to a moderate extent which indicates that agreeableness was moderately practiced. The highest recorded item was I see myself as someone who is generally trusting with its mean ($M =3.53$) and standard deviation ($SD =1.041$) while I see myself as someone who has a forgiving nature was least rated with its mean and standard deviation with mean of ($M =3.45$, $SD =1.084$). Therefore, this indicated that agreeableness practices were to a moderate extent.

4.4.5 Neuroticism

Table 4.9: Neuroticism

Neuroticism	N	Mean	Std. Deviation
I see myself as someone who is depressed, blue	150	3.03	1.228
I see myself as someone who can be tense	150	2.93	1.227
I see myself as someone who worries a lot	150	2.94	1.222
I see myself as someone who gets nervous easily	150	2.93	1.427
Average	150	2.9583	1.02462

Source: Researcher own, 2022

From the above table 4.9, the aggregate mean ($M=2.9583$) and standard deviation of ($SD=1.02462$) were registered. From this one can conclude that respondents agreed to a moderate extent on neuroticism trait practices. The findings in the above table (table 4.9) agree with the literature review about neuroticism has a moderate effect on job satisfaction that was conducted in chapter two (Costa & McCrae, 1992) revealed that people with high in neuroticism are agitated, anxious, and naturally discouraged. Neurotic people frequently fill in as poor group entertainers, tend to be subversive, and view the requirement for change adversely (Therasa & Vijayabanu, 2015).). Regarding working results, neuroticism has been adversely identified with a career path, job performance, and inspiration. From the respondents' responses, we can conclude that all the statements of neuroticism were rated to a moderate extent.

4.5 Job Satisfaction in Ethiopian Air Line

In this section of data analysis, the study sought to identify the extent to which job satisfaction of Ethiopian Air Line. A five-point Likert scale with 1 = Not at all, 2 = Small extent, 3 = Moderate extent, 4 = Great extent and 5 = Very great extent was used to rate the state of BIG FIVE Personal Traits in Ethiopian Air Line.

Analysis of job satisfaction of Ethiopian Air Line was done using means and standard deviations. The means recorded were interpreted as follows: 1-1.49= Not at all/Never practiced; 1.5-2.49=Small extent/Rarely practiced; 2.5-3.49= Moderate extent; 3.5-4.49 = Great extent/Very often practiced; 4.5-5.0 = Very great extent /Always practiced (Lady, 2016). The findings were shown in the table 4.10 below:

Table 4.10: Job Satisfaction

Job Satisfaction	N	Mean	Std. Deviation
The current performance appraisal system is fair and unbiased	150	3.59	1.082
As part of my organization's performance appraisal system, I received regular feedback about my performance	149	3.62	.962
When I do a good job, I receive positive feedback from my manager	150	3.54	1.162
As part of my performance appraisal system, there is a discussion on what training I need to improve my performance	150	3.55	1.196
As part of my last performance appraisal, there was a discussion about my career and personal developments	150	3.50	1.110
My last annual performance appraisal review conflicted significantly with the feedback I received in my regular reviews throughout the year	150	3.52	1.008
If I do not agree with the final result of my performance appraisal, there is a clear appeal process for me to use	150	3.63	1.084
I am satisfied with my job	150	3.54	1.121
I am satisfied with the current performance appraisal system	150	3.55	1.196
I feel more motivated after a performance appraisal	150	3.52	1.085
Average	150	3.5556	.81103

Source: SPSS Researcher own, 2022

From the above table 4.4, the average mean ($M=3.5556$) and standard deviation of ($SD=.81103$) were registered. From this one can conclude that respondents agreed to a Great extent on Job Satisfaction. The statement that If I do not agree with the final result of my performance appraisal, there is a clear appeal process for me to use was the highest-rated practice while the statement that I feel more motivated after performance appraisal was the least recorded practice with its mean and standard deviation of ($M= 3.63$, $SD=1.084$) and ($M=3.52$, $SD=1.085$) respectively. Therefore, this indicates that job satisfaction was a Great extent on Job Satisfaction.

4.6 Relationship between PA, BIG FIVE Traits, and Job Satisfaction.

In this section of the study, efforts were made to identify the relationship between Performance Appraisal Practices, BIG FIVE Personal Traits, and Job Satisfaction in Ethiopian Air Line.

As mentioned in chapter one of this study, the second objective of the study was To investigate the effect of employees' performance appraisal on job satisfaction of Ethiopian Air Line and the third objective is to identify the moderating effect of the relationship between performance appraisal and job satisfaction. Inferential statistical analysis, correlation, and multiple linear regression analysis were used to examine the relationship between the independent variable (performance appraisal system), moderators (Big Five Personal Traits), and dependent variable (job satisfaction).

4.6.1 Correlation Analysis

The Pearson's Product Moment Correlation Coefficient was computed to determine the relationships between the independent variable (performance appraisal system) and dependent variable (job satisfaction) as well as moderators (Big Five Personal Traits) and dependent variable (job satisfaction).

The strength of correlation can be described using (Evans, 1996) Guide. "(Evans, 1996)suggests that the absolute value of linear correlation coefficient (r)", (Evans, 1996) As cited "If

$r = 0.00-0.19$ it would be very weak

$r = 0.20-0.39$ it would be weak

$r = 0.40-0.59$ it would be moderate

$r = 0.60-0.79$ it would be strong and

$r = 0.80-1.0$ –it would be very strong".

Pearson correlation coefficients were determined with the objective of obtaining information about the relationships between the dependent, moderator(personality traits), and independent variables as presented in the tables below.

4.6.1.1 Relationship between PA and Job Satisfaction in Ethiopian Air Line

The study attempted to establish the relationship between the Performance Appraisal system and Job Satisfaction in Ethiopian Air Line.

Table 4.11: Relationship between PA and Job Satisfaction in Ethiopian Airlines

		Correlations	
		PAS	JS
PAS	Pearson Correlation	1	
	Sig. (2-tailed)		.
	N	150	
JS	Pearson Correlation	.726**	1
	Sig. (2-tailed)	.000	
	N	150	
**. Correlation is significant at the 0.01 level (2-tailed).			

Source: Researcher own, 2022

As observed in Table 4.11, the Performance appraisal system (independent variable) was correlated with job satisfaction of Ethiopian Air Line. Therefore there is a positive and significant correlation between the performance appraisal system and job satisfaction ($r=.726$) and ($p\text{-value}=0.000$). According to (Evans, 1996) magnitude of the correlation, the relationship between the two variables is strong.

4.6.1.2 Relationship between Big Five Personal Traits and Job Satisfaction

The study sought to establish the Relationship between BIG FIVE Traits and Job Satisfaction in Ethiopian Air Line. The outcomes were analyzed as shown in table 4.9 bel

Table 4.12: Relationship between BIG FIVE Personal Traits and Job Satisfaction.

		Correlations					
		JS	OE	Cons	Extr	Agr	Neur
JS	Pearson Correlation	1					
	Sig. (2-tailed)						
	N	150					
OE	Pearson Correlation	.740	1				
	Sig. (2-tailed)	.000					
	N	150	150				
Cons	Pearson Correlation	.811	.744**	1			
	Sig. (2-tailed)	.000	.000				
	N	150	150	150			
Extr	Pearson Correlation	.769*	.639**	.782**	1		
	Sig. (2-tailed)	.000	.000	.000			
	N	150	150	150	150		
Agr	Pearson Correlation	.813*	.625**	.693**	.714**	1	
	Sig. (2-tailed)	.019	.000	.000	.000		
	N	150	150	150	150	150	
Neur	Pearson Correlation	-.657**	.116	-.024	.156	.104	1
	Sig. (2-tailed)	.222	.156	.773	.057	.204	
	N	150	150	150	150	150	150

*. Correlation is significant at the 0.05 level (2-tailed).

** . Correlation is significant at the 0.01 level (2-tailed).

Source: Researcher, 2022

From the above 4.12 correlation table, we can realize that almost all the moderate variables were correlated with job satisfaction of Ethiopian Air Line except neuroticism. The results indicated that there is a positive and significant correlation between openness to experience and job satisfaction ($r=0.740$) and ($p\text{-value}=0.000$). According to (Evans, 1996) magnitude of the correlation, the relationship between the two variables is strong. Openness to experience moderates the significant positive relationship between performance appraisal practice and Job Satisfaction with ($r=.740$) and ($p\text{-value}=0.000$), and this relationship was stronger in those employees who have a high level of openness to experience. In addition, the result showed that conscientiousness is positively and significantly correlated with job satisfaction ($r=0.811$) and ($p\text{-value}=0.000$). Thus, the relationship between the two variables is very strong. Conscientiousness moderates the significant positive relationship between performance appraisal and Job Satisfaction, and this relationship was stronger in those employees who have a high level of conscientiousness.

According to the results, a strong and statistically significant positive correlation is found between extraversion and job satisfaction with ($r=0.769$) and ($p\text{-value}=0.000$). Extraversion strongly the significant positive relationship between performance appraisal and Job Satisfaction and this relationship was moderated in those employees who have high extraversion. Furthermore, as shown in the above table, a positive and significant correlation could be observed between agreeableness and job satisfaction at ($r=0.813$) and ($p\text{-value}=0.000$), which infer that a very strong relationship exists between the two variables. Agreeableness moderates the significant positive relationship between performance appraisal and Job Satisfaction, and this relationship was very stronger in those employees who have a high level of agreeableness. From the results, the correlation between neuroticism and job satisfaction is negative, with no significant relations at ($r=-0.657$) and ($p\text{-value}=0.000$) according to the correlation magnitude of Evans (1996). Neuroticism does not moderate the significant relationship between performance appraisal practice and Job Satisfaction, and this relationship will be negative. Thus, all the constructs under consideration are none significantly correlated.

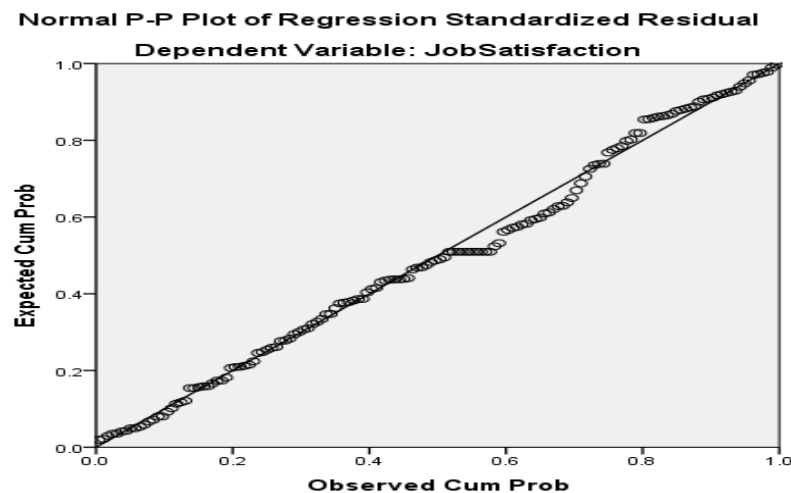
To summarize, the correlation analysis exhibited that there is a positive and statistically significant relationship between the four moderate variables and job satisfaction of Ethiopian Air Line except for neuroticism.

4.6.2 Regression Analysis

The linear regression answers two main questions. One is on the capacity of predictors whether they do justice in explaining the change in Outcome variables and the second one is the identification of independent variables which indicates a significant change in the outcome. Regression also answers to what extent the variable explains and indicates the direction of estimate represented by beta. The following assumptions of multiple linear regression were tested using the SPSS version of the 23 software program.

1. Linearity assumption: Linearity defines the dependent variable as a linear function of the (independent variable) predictor and moderate variable (Elekdag & Tchakarov, n.d.). Moreover, linearity refers to the degree to which the change in the dependent variable is related to the change in the independent and moderate variables in this case. Linearity assumption was tested by producing Normal Probability Plots of the relationship between each independent variable (performance appraisal) and moderate variables (BIG FIVE Personal Traits), and the dependent variable (job satisfaction) of Ethiopian Air Line. In a normal probability plot of the regression, standardized results lie in a regularly straight diagonal line from the bottom left to the top right in figure 4.1 below:

Figure 4. 1: Linearity Test [Figure 1](#)



Source: Researcher, 2022 (SPSS output)

By visually looking it could be concluded that the relationship between each independent and the dependent variable is found to be linear as shown in figure 4.1 above.

2. . **Multi-collinearity assumption** Linear regression is based on the assumption that the data has little or no multi-co linearity. Before presenting the regression models, make sure there are no excessive correlations between the independent variables and the model's moderate. When there is a perfect or exact relationship between the predictor and moderator variables, or at least one independent or moderate variable with a combination of other independent or moderate variables, it will lead to incorrect conclusions about the relationship between the dependent variable and predictor or moderate variables (if $r=1$ between independent variables as well as in moderate variable (Alibuhtto, 2017). Sometimes, it will be difficult to identify the individual contribution of each variable in predicting the outcomes of the dependent variable, when independent or moderate variables are highly correlated.

According to(Rhodes et al., 2003) the most widely applicable method of detecting the multi-collinearity is Variance Inflation Factor (VIF) and as a rule of thumb, Variation Inflation Factor (VIF) values exceeding 5 or 10 suggest problems with multi-collinearity (Rhodes et al., 2003)The VIF (Variance Inflation Factor) is defined as $VIF = 1/Tolerance$. Moreover, (Rhodes et al., 2003), also underlined that values for Tolerance below 0.1 indicate serious problems, although several statisticians suggested that a value below 0.2 indicates that the multiple correlations with other independent or moderate variables are high.

Table 4.13: Multi-collinearity Test Result

Model	Independent and Moderate variables	Collinearity Statistics	
		Tolerance	Variance Inflation Factor (VIF)
1	Performance appraisal	.585	1.708
	Openness to experience	.394	2.536
	Conscientiousness	.253	3.949
	Extraversion	.305	3.284
	Agreeableness	.426	2.349
	Neuroticism	.801	1.248

a. Dependent Variable: Job Satisfaction

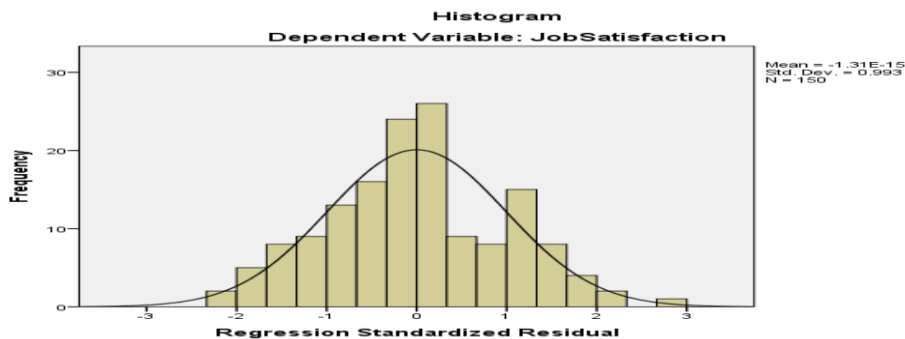
Source: Researcher own, 2022 (SPSS output)

Is it able to be located in the multi-collinearity test table (table 4.13), multi-collinearity is not the problem of the multiple linear regression model, because the Variance Inflation Factor (VIF) of the model is less than 5.0 and the Tolerance is not less than 0.20. The value of VIF ranges between 1.248 to 3.949 and the tolerance of the variables ranges between 0.253 and 0.801. Therefore, the independent (predictors) and moderate variables (personality traits) are not overlapped or highly related. They are free from multi-collinearity problems which possibly hinder the prediction ability of the multiple linear regressions model.

As it can be located in the multi-collinearity check desk (table 4.13), multi-collinearity is not always the hassle of more than one linear regression model, because the Variance Inflation Factor (VIF) of the model is less than five. Zero and the Tolerance is not less than zero. The cost of VIF degrees from 1.248 to 3.949 and the tolerance of the variables degrees among zero.253 and 0.801. Consequently, the unbiased (predictors) and slight variables (character trends) are not overlapped or rather associated. They are loose from multi-collinearity troubles which possibly hinders the prediction capacity of the multiple linear regressions model.

3. Normality assumption: Normality is used to describe a symmetrical, bell-shaped curve, which has the greatest frequency of scores in the middle combined with smaller frequencies towards the extremes. The common method to check normality assumptions is a histogram.

Figure 4. 3: Normality Test

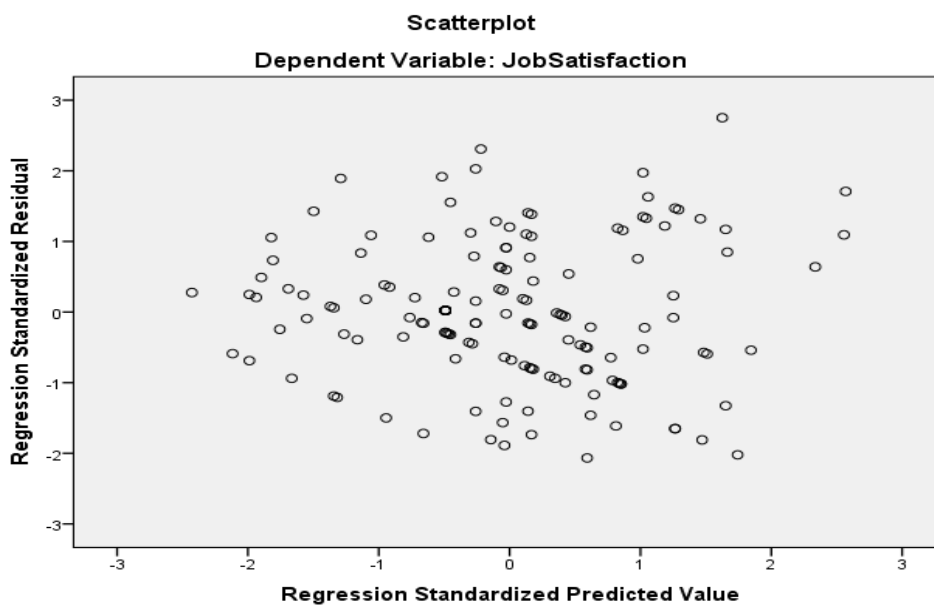


Source: Researcher own, 2022 (SPSS output)

As can be observed in the above figure (figure 4.2) it indicates that the requirement is satisfied and there is no major deviation from normality.

4. Homoscedasticity assumption: The assumption of homoscedasticity refers to the equal variance of errors across all levels of the independent variables. This means that errors are spread out consistently between the variables. Homoscedasticity can be checked by visual examination of a plot of the standardized residuals by the regression standardized predicted value. Heteroscedasticity is indicated when the scatter is not even; fan and butterfly shapes are common patterns of violation. Accordingly, the researcher created a scatter plot of standardized residuals versus standardized predicted values using the SPSS software program.

Figure 4. 4: Homoscedasticity Test



Source: Researcher, 2022 (SPSS output)

As shown in figure 4.3 the standardized residuals in this research are distributed evenly and are concluded that Heteroscedasticity is not a serious problem for this data.

5. Autocorrelation Test: When the residuals are not independent of one another, this happens. To do a multiple linear regression analysis, the data must have little or no autocorrelation. There is no autocorrelation between residuals if the covariance between error components over time is zero. The Durbin-Watson test can be used to check autocorrelation. For checking autocorrelation, the research uses the Durbin-Watson test. Durbin Watson's value is assumed to be between 0 and 4, with values around 2 indicating no autocorrelation.

To show the relationship between the three each variable has moderation effects on the, (independent, dependent (job satisfaction0) .independent with dependent, independent with moderation effect and the last is big five (moderation) with job satisfaction as follows below:-

- The effects between PA, BIG FIVE Traits and Job Satisfaction.
- The effects between PA and Job Satisfaction.
- The effects between BIG FIVE Traits and Job Satisfaction.

4.6.2.1 The Effects Between PA, BIG FIVE Traits, And Job Satisfaction .

Table 4.14: Autocorrelation Test

Model Summary ^b					
Model	R	R Square	Adjusted R Square	Std. Error of the Estimate	Durbin-Watson
1	.673 ^a	.506	.187	.79332	1.683
a. Predictors: (Constant), PAS					
b. Dependent Variable: JS					

Source: Researcher, 2022 (SPSS output)

As can be observed in table 4.14 the Durbin-Watson test by SPSS calculated it as **1.683** The value of the Durbin-Watson test of this research lies between $0 < 1.683 < 4$ and is close to 2. Therefore, there is no violation of Autocorrelation.

From an explanation of the information presented in the entire five tests, one can conclude that there are no significant data problems that could lead to the conclusion that the assumptions of multiple regressions have been seriously violated. Consequently, multiple regression analysis was carried out to determine the following:

- (A) The degree to which the regression model fits the data (Model Summary),
- (B) Independent variables significantly predict the dependent variable (ANOVA) and
- (C) Statistical significance of each of the independent and moderate variables (Regression Coefficients).

A. Model Summary

To determine the relationship between the employee performance appraisal system and moderators (Personal Traits) on job satisfaction in Ethiopian Air Line. The outputs produced by the SPSS software program were presented in table 4.15 below:

Table 4.15: Model summary

Model Summary ^b					
Model	R	R Square	Adjusted R Square	Std. Error of the Estimate	Durbin-Watson
1	.673 ^a	.506	.187	.73145	1.683
a. Predictors: (Constant), Cons, Neur, PAS, Agr, OE, Extr					
b. Dependent Variable: JS					

Source: Researcher, 2022 (SPSS output)

As shown in the model summary table (table 4.15), the "R" column represents the value of R, the multiple correlation coefficient. An R-value of 0.673 indicates a strong correlation between job satisfaction and the one independent and five moderate variables and that shows a good level of prediction. The "R Square" column denotes the R^2 value, known as the coefficient of determination, which is the proportion of variance in the dependent variable that can be explained by the independent and moderate variables. As presented in the table above, R^2 value of 0.506 indicates that 50.6% of the variance in the model could be predicted using one independent and five moderate variables or in simple words, 50.6% of the variation in the job satisfaction of Ethiopian Air Line can be explained by the performance appraisal practices and the BIG FIVE Traits (independent and moderate variables included in the model). However, the remaining 49.4% changes in job satisfaction in Ethiopian Air Line are caused by other factors that are not included in the model. As a result, performance appraisal practice and BIG FIVE Traits are good explanatory variables for predicting job satisfaction. The R^2 value of 0.506 indicates that 50.6% of the variance in the model can be predicted using moderate (Big five) and dependents (job satisfaction), or in other words, 50.6% of the variation in Ethiopian Air Line's job satisfaction can be explained by the Big five traits (personality trait).

B. ANOVA Model Fit

Table 4.16: ANOVA model fit

ANOVA ^a						
Model		Sum of Squares	Df	Mean Square	F	Sig.
1	Regression	21.501	6	3.584	66.98	.000 ^b
	Residual	76.507	143	.535		
	Total	98.008	149			
a. Dependent Variable: JS						
b. Predictors: (Constant), Cons, Neur, PAS, Agr, OE, Extr						

Source: Researcher, 2022 (SPSS output)

The table shows that statistically significant relationships exist between the variables. This indicates that the independent and moderate variables statistically significantly predict the dependent variable. $F = 66.98$, calculated sig. value of $0.000 < \text{sig. value } 0.05$ ($p < 0.000$). Therefore, the regression model is a good fit for the data at a 5 percent level of significance.

C. Regression Coefficients

Table 4.17: Regression coefficients

Coefficients ^a						
Model		Unstandardized Coefficients		Standardized Coefficients	T	Sig.
		B	Std. Error	Beta		
1	(Constant)	1.973	.338		5.838	.930
	PAS	.038	.118	.031	.320	.000
	OE	.282	.065	.356	4.309	.000
	Extr	.201	.138	.195	1.455	.000
	Agr	.160	.113	.160	1.411	.000
	Neur	-.018	.107	-.019	.164	.222
	Cons	.197	.118	.246	1.676	.000
a. Dependent Variable: Job Satisfaction						

Source: Researcher, 2022 (SPSS output)

Standardized Coefficient (Beta)

The standardized coefficients are useful to know which of the different independent and moderate variables is more important. They are used to the comparison of effect of any independent or moderate variable on the dependent variable. As indicated in the regression coefficients table (table 4.17), openness to experience had the highest standardized coefficient (0.356) followed by Conscientiousness (0.246). This explains that the openness to experience trait has a higher relative moderating effect on job satisfaction. Extraversion, agreeableness, and Performance appraisal ranked from three to six respectively in their relative importance on job satisfaction.

As it can be realized from the regression coefficient table 4.17, the predictor variable of the Performance appraisal system is statistically significant in predicting job satisfaction of Ethiopian Air Line. Furthermore, the BIG FIVE Personal Traits are statistically significant in moderating job satisfaction of Ethiopian Air Line except for neuroticism traits. This is because of the four traits there is sig. Values (p-values) are less than the alpha level of 0.05 and the neuroticism trait's p-values are 0.222. The literature reviewed showed in the second chapter of the study that Performance appraisal and the four BIG FIVE Personal Traits were moderating factor in determining job satisfaction and moderation effect. However, the output indicates that neuroticism traits do not act as a moderator in the relation of the four big five traits with job satisfaction.

Unstandardized Coefficients

The coefficients of the independent, moderate variables on job satisfaction in the regression coefficient outputs are denoted by unstandardized coefficients β .

$$Y = \beta_0 + \beta_1 X_1 + \beta_2 X_2 + \beta_3 X_3 + \beta_4 X_4 + \beta_5 X_5 + \beta_6 X_6 + \epsilon$$

Where: Y is the dependent variable (Job satisfaction) an $\beta_1 X_1$ is independent variable (Performance appraisal), (X_2, X_3, X_4, X_5, X_6) are) big five trait (Moderator variable)

X_1 - is the explanatory variable, $X_2 - X_6$ are the moderate variables and the error term ϵ (the Greek letter epsilon) is a random variable.

In the model ($Y = \beta_0 + \beta_1X_1 + \beta_2X_2 + \beta_3X_3 + \beta_4X_4 + \beta_5X_5 + \beta_6X_6 + \epsilon$), β_0 = Constant, β_1 to β_6 = Regression coefficients represent the mean change in the dependent variable for one unit of change in the independent and moderate variable while holding other independent and moderate variables in the model constant and Error term which captures the unexplained variation in the model.

The Unstandardized coefficients β of the independent and moderate variables were substituted in the model ($Y = \beta_0 + \beta_1X_1 + \beta_2X_2 + \beta_3X_3 + \beta_4X_4 + \beta_5X_5 + \beta_6X_6 + \epsilon$). It could be formulated the model as shown below:

$$Y = 1.973 + 0.038X_1 + 0.282X_2 + 0.201X_3 + 0.160X_4 + 0.18X_5 + 0.197X_6 + \epsilon$$

From the above model formula, the constant value ($\beta_0 = 1.973$) implies that the job satisfaction of Ethiopian Air Line would be 1.973 if other variables of the model were zero. Similarly, a beta coefficient (β) of 0.038 indicates that a unit change in performance appraisal practice leads to a change in the job satisfaction of Ethiopian Air Line by 3.8% followed by a beta coefficient of 0.282 shows that a unit change in openness to experience trait leads to a change in the job satisfaction of the Air Line by 28.2%. Moreover, a beta coefficient of 0.197 indicates that a unit change in conscientiousness trait leads to a change in the job satisfaction of the Air Line by 19.7%. As shown from the above regression model formula, a beta coefficient of 0.201 displays that a unit changes in extraversion trait leads to a change in the job satisfaction of the Air Line by 20.1%. Furthermore, a beta coefficient of 0.160 signifies that a unit change in agreeableness trait leads to a change in the job satisfaction of Ethiopian Air Line by 16%. Accordingly, a beta coefficient of -0.018 displays that a unit change in Neuroticism trait leads to a change in the job satisfaction of the Air Line by 1.8%. In addition, in the above regression model formula, the error term estimate was assumed to be zero.

4.6.2.2 The Effects between PA and Job Satisfaction.

Table 4.18: Autocorrelation Test

Model Summary ^b					
Model	R	R Square	Adjusted R Square	Std. Error of the Estimate	Durbin-Watson
1	.463 ^a	.219	.143	.79332	1.332
a. Predictors: (Constant), PAS					
b. Dependent Variable: JS					

Source: Researcher, 2022 (SPSS output)

As can be observed in table 4.14 the Durbin-Watson test by SPSS calculated it as **1.332**. The value of the Durbin-Watson test of this research lies between $0 < 1.332 < 4$ and is close to 2. Therefore, there is no violation of Autocorrelation.

From an explanation of the information presented in the entire five tests, one can conclude that there are no significant data problems that could lead to the conclusion that the assumptions of multiple regressions have been seriously violated.

Table 4.19: Model Summary

Model Summary ^b				
Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.463 ^a	.219	.043	.79332
a. Dependent Variable: JS				
b. Predictors: (Constant), PAS				

Source: Researcher, 2022 (SPSS output)

As shown in the model summary table (table 4.18), the "R" column represents the value of R, the multiple correlation coefficient. The r-value of 0.463 indicates the direct effect independent variable (performance appraisal) on job satisfaction and shows a good level of prediction. The "R Square" value is known as the coefficient of determination, As presented in the table above, R^2

value of 0.219 indicates that 21.9% could be predicted using independent and dependents or in simple words 21.9% of the variation in the job satisfaction of Ethiopian Air Line can be explained by the performance appraisal. However, the remaining 78.1% changes in moderate (big five) at Ethiopian Air Line are caused by other factors that are not included in the model.

A. ANOVA Model Fit

Table 4.20 ANOVA Model Fit

Model		Sum of Squares	Df	Mean Square	F	Sig.
1	Regression	4.863	1	4.863	7.727	.006 ^b
	Residual	93.145	148	.629		
	Total	98.008	149			
a. Dependent Variable: JS						
b. Predictors: (Constant), PAS						

The F-ratio in the ANOVA table below tests whether the overall regression model has been a good fit for the data and statistical significance, with P=0.006 which is ($P < 0.05$).

C.Regression Coefficients

Table 4.21: Regression Coefficients

Coefficients ^a						
Model		Unstandardized Coefficients		Standardized Coefficients	T	Sig.
		B	Std. Error	Beta		
1	(Constant)	2.720	.308		8.842	.000
	PAS	.272	.098	.223	2.780	.006
a. Dependent Variable: JS						

Source: Researcher, 2022 (SPSS output)

From the above table 4.20 standardized coefficients; performance appraisal has a positive significant effect on job satisfaction with a β value of 0.223 and p-value ($P < 0.05$). Furthermore, the unstandardized coefficient β value of job satisfaction increases with β .272 correspondingly the value of performance appraisal also increases with a unit.

4.6.2.3 The Effects between Big Five Personal Traits and Job Satisfaction.

Table 4.14: Autocorrelation Test

As it can be observed in table 4.14 the Durbin-Watson test by SPSS calculated it as **1.320** The value of the Durbin-Watson test of this research lies between $0 < 1.320 < 4$ and is close to 2. Therefore, there is no violation of Autocorrelation.

Table 4.22 ANOVA Model Fit

Model Summary ^b											
Model	R	R Square	Adjusted R Square	Std. Error of the Estimate	Change Statistics					Durbin-Watson	
					R Square Change	F Change	df1	df2	Sig. F Change		
1	.396 ^a	.280	.064	.78445	.071	11.270	1	148	.001	1.320	

a. Predictors: (Constant), BG
 b. Dependent Variable: JS

Source: Researcher, 2022 (SPSS output)

A. An ANOVA Model Fit

F-ratio in the ANOVA table 4.20 below the overall regression model has been a good fit for the data and statistical significance, with P=0.001 which is ($P < 0.05$).

Model summary

Table 4.23 model summary

Model Summary ^b				
Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.396 ^a	.280	.064	.60344

a. Predictors: (Constant), BIGFIVETRAITS
 b. Job satisfaction

Source: Researcher, 2022 (SPSS output)

The table (table 4.21) indicates that the "R" column represents the value of R, the multiple correlation coefficients. The r-value of 0.396 indicates a correlation between the big five traits

(moderate) variable and job satisfaction that shows a good level of prediction. As presented in the table above, R^2 value of 0.280 indicates that 28% of the variance in the model could be predicted using moderate (Big five) and dependents (job satisfaction) or in simple words, 28% of the variation in the job satisfaction of Ethiopian Air Line can be explained by the Big five (personality trait). However, the remaining 72% changes in performance appraisal at Ethiopian Air Line are caused by other factors that are not included in the model.

B. ANOVA Model Fit

The F-ratio in the ANOVA table below result shows the overall regression model has been a good fit for the data. To be statistically significant with P- value ($P < 0.05$).

Table 4.24 ANOVA Model Fit

ANOVA ^a						
Model		Sum of Squares	Df	Mean Square	F	Sig.
1	Regression	6.935	1	6.935	11.270	.001 ^b
	Residual	91.073	148	.615		
	Total	98.008	149			
a. Dependent Variable: JS						
b. Predictors: (Constant), BG						

Source: Researcher, 2022 (SPSS output)

C. Regression Coefficients

Table 4.25: Regression Coefficients

Coefficients ^a						
Model		Unstandardized Coefficients		Standardized Coefficients	T	Sig.
		B	Std. Error	Beta		
1	(Constant)	2.489	.324		7.683	.000
	BG	.323	.096	.266	3.357	.001
a. Dependent Variable: JS						

Source: Researcher, 2022 (SPSS output)

From the table 4.23 standardized coefficient, the four Big five (personal trait) has a positive significant effect on job satisfaction with a p-value ($P < 0.05$). But the one Big five variable

Neuroticism has no positive effect and significant value on job satisfaction because of its p-value of 0.222 ($P > 0.05$).

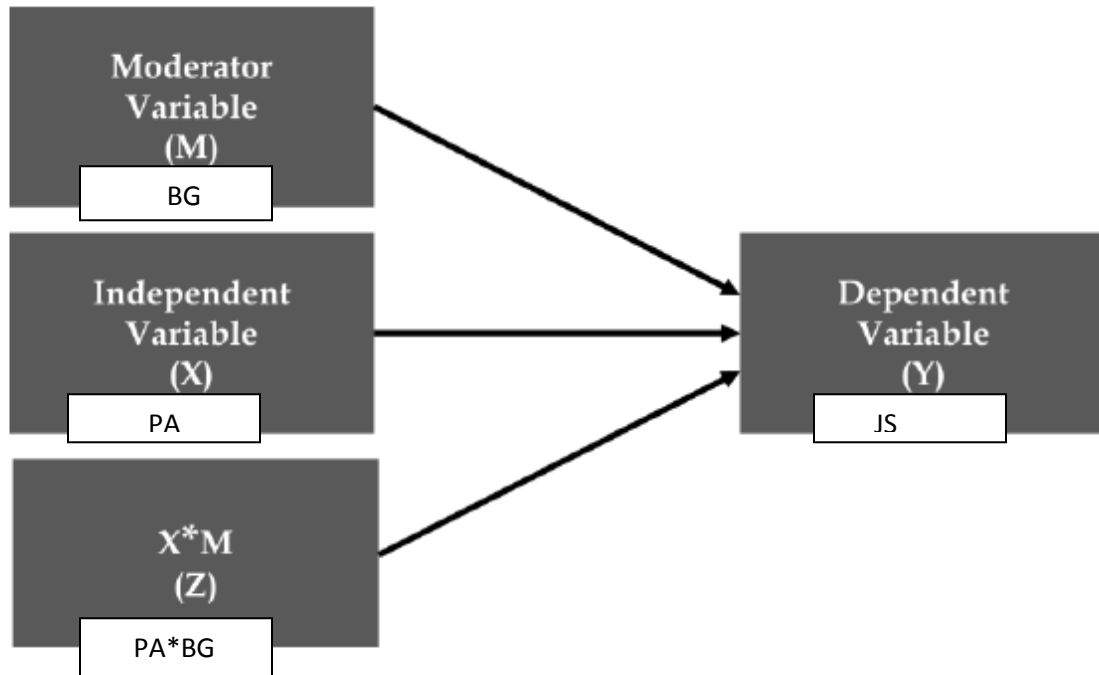
Generally from the regression weight result, the researcher concluded that performance appraisal has the highest positive and significant effect on job satisfaction. Furthermore, the BIG FIVE Personal Traits have a significant effect on job satisfaction. Thus, these independent and moderate variables have a significant and positive effect on the job satisfaction of Ethiopian Air Line. Moreover, the neuroticism trait has no significance, and negative does not act as moderating effect on job satisfaction.

4.7 The Moderating Regression Analysis

The moderation effect to occur three things need to be satisfied; the Independent variable to the dependent variable (performance appraisal to job satisfaction); the Moderator to the dependent variable (big five traits to job satisfaction) and the interaction of the two (PAS and JS) needs to be significant. The main objective of moderation analysis is to “measure and test the differential effect of the independent variable on the dependent variable as a function of the moderator” (Baron & Kenny, 1986, p. 1174).

According to (Chin, Marcolin, & Newsted, 2003) the product-indicator approach multiplies indicators of the independent variables by the indicators of the moderator variable. This approach is recommended for reflective models. It can also be used for multi-group analysis when the moderator is categorical (with a continuous independent variable). However, it is not appropriate when the independent or/and moderator variables are measured formatively, however, the researcher used the model product indicator because it defends the above reasons,

Figure 4.5: Moderating Analysis



Source: Researcher, 2022

Table 4.26 Regression Weights:

			Estimate	S.E.	C.R.	P	Status	Job Satisfaction		
								B	R2	ΔR2
PAS*BG	<---	JS	0.4668	0.1355	3.4438	0.0007	Significant	0.4668	.673 ^a	.506
PAS	<---	JS	-0.0634	0.1306	-0.4855	0.0021	Significant	0.0634	.463 ^a	.219
BG	<---	JS	0.3062	0.1208	2.5358	0.0079	Significant	0.3062	.396 ^a	.280

Source: Researcher, 2022 ((SPSS output)

From the above table, the regression weight analyses indicate that performance appraisal of the relationship of the (interaction between) the big five traits (personality traits) moderate effect on job satisfaction with **B** value (**0.468**) and p-value 0.0007 which is $P < 0.05$. the hypostasis seven is confirmed.

As indicated in the table regression analysis result performance appraisal has a positive effect on job satisfaction with **B** value 0.063 and p-value 0.0021 which is $p < 0.05$ and the hypothesis result one is confirmed.

From the process macro v4 result the big five (personality traits) have a significant positive effect on job satisfaction with **B** value of 0.306 and a p-value of 0.0079 which is $p < 0.05$. Based on these assumptions big five traits increase with one unit, and job satisfaction would increase by 0.306 or 30.6%.

Table 4.24 depicts that PAS has a positive association with job satisfaction ($r = 0.219$, $p < 0.0021$) which is supported by Hypothesis 1. Whereas, a positive correlation between BG and job satisfaction ($r = 0.280$, $p < 0.0079$) is observed, which provides a base for the initial support to Hypothesis 7. On the other hand, the interaction effects have a positive association with job satisfaction ($r = 0.506$, $p < 0.0007$).

They concluded that the moderate regression weight result shows the big five traits have a positive association with job satisfaction and a moderate relationship between performance appraisal and job satisfaction.

To explore the moderating role of personality traits, a process written by Dr. Andrew F. Hayes was used. In the light of our theoretical framework model number 4 was selected in SPSS version 23 and a process micro v4 written by Dr. Andrew F. Hayes was used and Bootstrap Samples were raised to 5000. Additionally to this, Confidence Interval was 95%. Confidence Interval was preselected and we selected the "Effect Size Model" The results we got from this analysis were evidence of the occurrence of moderation. The effect of the independent variable (performance appraisal) and moderation (big five) interaction on the dependent variable (job satisfaction) is 0.4668 with a standard error was 0.1355, this shows that employee performance appraisal has a positive influence on job satisfaction, while LLCI and ULCI were 0.1989 and 0.7347 respectively, this indicated that the value of LLCI and ULCI a non-zero value between the upper and lower boot limits demonstrates that the moderating variable is used as the independent and dependent variable relationship.

In the second, the effect between performance appraisal and job satisfaction is 0.634 in sizes with a standard error of 0.1306 with an LLCI was -0.3216 and ULCI is 0.1947 respectively,

when the value of LICI and ULCI non-zero value between the upper and lower boot limit demonstrates that the moderating variable, moderating the independent and dependent variable relationship.

Lastly, the moderate variable (big five traits) with job satisfaction:-The effect size is 0.3062 with a standard error of 0.1208 and LLCI of 0.0676, and ULCI of 0.5449. We see whether the bootstrap confidence interval includes zero or not, this CI gives us a rough idea of the population value of the effect size. The results we got show that the population value is not zero. The effect is the most important in this part of moderation analysis because it tells about whether moderation has occurred or not. In this case, the results showed the significance of moderation. When the value of LICI and ULCI non-zero value between the upper and lower boot limit demonstrates that the moderation variable moderates the independent and dependent variable relationship

4.8 Hypothesis Testing

Based on the moderate multilinear and regression process macro V4 analyses result the hypothesis of the study is tested and presented as follows:

I. Performance appraisal

Hypothesis 1: Performance appraisal has a significant and positive effect on job satisfaction.

Based on the above coefficient of regression table (table 4.17), the results in the table show that the performance appraisal system has a beta coefficient (unstandardized β coefficient) of 0.0634 and a p-value of 0.0021. Holding other explanatory and moderator variables constant performance appraisal was found to have a statistically significant positive effect on job satisfaction of Ethiopian Air Line. Thus, the researcher has rejected the null hypothesis and accepted the alternate one (Hypothesis 1) that stated performance appraisal has a significant and positive effect on job satisfaction. This finding is consistent with the literature review.

II. Openness to experience trait

Hypothesis 2: The openness to experience trait has a significant and positive moderating effect on job satisfaction.

About openness to experience trait statistically significant and positive moderating effect was observed between Openness to experience trait and job satisfaction as hypothesized. The openness to experience trait has a beta coefficient (unstandardized β coefficient) of 0.351 and a p-value of 0.000 (i.e., $p < 5\%$). Therefore, the alternate hypothesis (Hypothesis 2) that stated that the openness to experience trait has a significant and positive moderating effect on job satisfaction of the Air Line was accepted while rejecting the null hypothesis. This finding concurred with the literature review.

III. Conscientiousness trait

Hypothesis 3: Conscientiousness trait has a significant and positive moderating effect on Job satisfaction.

As it can be realized from the regression coefficient table (table 4.17), the conscientiousness trait has a beta coefficient (unstandardized β coefficient) of 0.409 and a p-value of 0.000. Holding other explanatory and moderate variables in the model constant conscientiousness trait were found to have a statistically significant positive moderating effect on job satisfaction of the Air Line. Therefore, the researcher has accepted the alternate hypothesis (Hypothesis 3) that stated that the conscientiousness trait has a significant and positive moderating effect on job satisfaction of Ethiopian Air Line while rejecting the null hypothesis. The expected positive coefficient estimate of the conscientiousness trait is consistent with the literature review.

IV. Extraversion trait

Hypothesis 4: Extraversion trait has a significant and positive moderating effect on Job satisfaction.

About extraversion trait was statistically significant and a positive moderating effect was similarly observed between the extraversion trait and job satisfaction as assumed. The Extraversion trait has a beta coefficient (unstandardized β coefficient) of 0.704 and a p-value of 0.000. Therefore, the alternate hypothesis (Hypothesis 4) that stated that the extraversion trait has a significant and strong positive moderating effect on job satisfaction of the Air Line was accepted while rejecting the null hypothesis. This finding is consistent with the literature review.

V. Agreeableness trait

Hypothesis 5: The agreeableness trait has a significant and positive moderating effect on job satisfaction.

Based on the above coefficient of regression table (table 4.17), the results in the table show that the agreeableness trait has a beta coefficient (unstandardized β coefficient) of 0.781 and p-value of 0.000 (i.e., $p < 5\%$). Holding other explanatory and moderate variables constant agreeableness trait was found to have a statistically significant positive moderating effect on job satisfaction of the Air Line. Thus, the researcher has rejected the null hypothesis and accepted the alternate one (Hypothesis 5) that stated that the agreeableness trait has a significant and positive effect on job satisfaction. This finding is supported by the literature review.

VI. Neuroticism trait

Hypothesis 6: Neuroticism trait has a significant and negative moderating effect on job satisfaction. About neuroticism trait, a statistically significant and negative moderating effect was observed between neuroticism trait and job satisfaction as hypothesized. Neuroticism trait has a beta coefficient (unstandardized β coefficient) of 0.323 and a p-value of 0.222 (i.e., $p < 5\%$). Therefore, the alternate hypothesis (Hypothesis 2) that stated that neuroticism trait has no significant and negative moderating effect on job satisfaction of the Air Line was rejected while rejecting the null hypothesis. This finding does not concur with the literature review.

Hypothesis 7: personality traits have a moderating effect on performance appraisal and job satisfaction. The regression weight result of the interaction between performance appraisal and big five traits on job satisfaction is 0.0468, a p-value of 0.007 (i.e., $p < 5\%$). therefore the interaction of performance appraisal with big five traits is a moderate relationship between performance appraisal and job satisfaction.

Table 4.27: Summary of Hypothesis Testing Result

Hypothesis	Correlation Result		Significance	
H1: Performance appraisal has a significant and positive effect on job satisfaction	.726**	Accepted/hypothesis supported	(0.000)	Significance
H2: Openness to experience trait has a significant and positive moderating effect on job satisfaction	.740**	Accepted/hypothesis supported	(0.000)	Significance
H3: Conscientiousness trait has a significant and positive moderating effect on Job satisfaction	.811**	Accepted/hypothesis supported	(0.000)	Significance
H4: Extraversion trait has a significant and positive moderating effect on Job satisfaction	.769**	Accepted/hypothesis supported	(0.000)	Significance
H5: The agreeableness trait has a significant and positive moderating effect on job satisfaction	.813*	Accepted/hypothesis supported	(0.019)	Significance
H6: Neuroticism trait has no significant and negative moderating effect on job satisfaction	-.657**	Rejected	(0.222)	No Significance
Hypothesis 7: personality traits have a moderating effect on performance appraisals on job satisfaction.	0.673**	Accepted/hypothesis supported	0.0007	Significance

Source: Researcher, 2022 (SPSS output)

Based on the above analysis the researcher concluded that performance appraisal has a positive and significant effect on job satisfaction. Furthermore, the BIG FIVE Personal Traits have a significant effect on job satisfaction. Thus, these independent and moderate variables have a significant and positive effect on the job satisfaction of Ethiopian Airlines. Moreover, the neuroticism trait has no significant and negative moderating effect on job satisfaction.

4.9. Discussion

The present study aimed to analyze the effects of employees' performance appraisals on job satisfaction within the moderator of personality traits of the Ethiopian airlines using a large representative data set. In this study, it was found a positive relationship between job satisfaction and PA, extraversion, conscientiousness, agreeableness, and openness to experience. This may be because Judge et al. (2002) used only minority studies in their meta-analysis which were using direct measures like this particular study. Furthermore, to determine the influence of each of the big five traits on job satisfaction, regression analysis was performed. The regression analysis depicts that PA and except neuroticism all the remaining big five traits had a significant influence on job satisfaction which contradicts the findings this may be due to the composition of the various samples. Also, this may be because prior research has used minority studies and small sample size. The neurotic employee is insecure and anxious and shows moody behavior such employees have low interaction at work and have unpleasant feelings regarding their job. Whereas, employees who have higher agreeability are satisfied with their job this may be due to the rewards they are getting. Conscientious employees are considered reliable in their work and perform in a better way and are recognized for their effects. Also, the present study focuses to explore the moderating effect of the big five treaties on the relationship of PA with job satisfaction. Except for extraversion the four big five traits are significantly positively affected by job satisfaction as reported in past. Similar results were observed in the prior research (Khan et al., 2015; Yousef, 2000; Koh & Boo, 2001; Viswesvaran & Deshpande, 1996). Unexpectedly, the regression analysis indicates that neuroticism traits have no significant negative effect on job satisfaction which contradicts past studies. This may be due to the reason that majority of data is collected only from the Addis Ababa head office based on this neuroticism trait's negative effect on job satisfaction.

CHAPTER FIVE

SUMMARY, CONCLUSION, AND RECOMMENDATION

5.Introduction

The study was intended to investigate the effect of the performance appraisal system and job satisfaction of Ethiopian Air Line. In this part summary of the findings, conclusion, recommendation, limitations, and suggestions for future research.

5.1 Summary of Findings

The main aim of the study was to investigate moderating effects of BIG FIVE traits between performance appraisal, and job satisfaction. In this investigation, efforts were made to cover the effect of employees' performance appraisal system and the moderate variable of BIG FIVE Personal Traits on job satisfaction in Ethiopian Air Line. The research was also focused to determine the state of the performance appraisal system and the BIG FIVE Personal Traits. Furthermore, efforts were made to determine the relationship between employees' performance appraisal and job satisfaction. Based on this idea the employee performance appraisal of the four big five traits has a moderation effect on job satisfaction. However, neuroticism traits do not have a moderate effect on job satisfaction.

The first objective of the study was to establish the relationship between employees' performance appraisal and job satisfaction in Ethiopian Air Line. The Pearson's Product Moment Correlation Coefficients were computed and able to obtain results about the effects between the dependent (job satisfaction) and independent variables (employee's performance appraisal practice). The study showed that there is a positive and statistically significant relationship between each independent and moderate variable and the dependent variable.

Based on the Pearson correlation analysis result, there is a positive and significant correlation between employees' performance appraisal practice and job satisfaction at Ethiopian Airlines. we can realize that the independent constructed variable was correlated with job satisfaction of Ethiopian Air Line. The results indicated that there is a positive and significant correlation between the performance appraisal system and job satisfaction of Ethiopian Air Line ($r=0.726$)

and (p-value=0.000). According to (Evans, 1996)magnitude of the correlation, the relationship between the two variables is strong The multiple correlation coefficient.

The second objective of the study was to investigate the effect of employees' performance appraisal on job satisfaction at Ethiopian Air Line. The "R Square" column denotes the R^2 value, known as the coefficient of determination, which is the proportion of variance in the dependent variable that can be explained by the independent(PA) and dependent (job satisfaction)variables that the performance appraisal system has a beta coefficient (unstandardized β coefficient) of 0.0634 and p-value of 0.0021. Holding other explanatory and moderator variables constant performance appraisal was found to have a statistically significant positive effect on job satisfaction of Ethiopian Air Line.

The third objective of the study was to identify the moderating effect of the relationship between performance appraisal and the job satisfaction process macro V4 multiple-liner regression analysis was used to determine whether the independent and moderate variables affect the dependent variable. big five traits (personality traits) moderate the relationship(interaction between) performance appraisal and job satisfaction with **B** value (**0.0468**) and a p-value of 0.0007 which is $P < 0.05$. the hypostasis seven is confirmed.

As indicated in the table regression analysis result performance appraisal have a positive effect on job satisfaction with **B** value 0.063 and p-value 0.0021 which is $p < 0.05$ and the hypostasis result one is confirmed.

From the process macro v4 result the big five (personality traits) have a significant positive effect on job satisfaction with an **B** value of 0.306 and a p-value of 0.062 which is $p < 0.05$. Based on these assumptions big five traits increase with one unit, and job satisfaction would increase by 0.306 or 30.6%.

They concluded that the moderate regression weight result shows the big five traits have a moderate relationship between performance appraisal and job satisfaction. the F-statistic suggested that all the independent and moderate variables were statistically and significantly predicted the variation in job satisfaction of the Airline at 95% confidence level ($F = 11.859$, $p < .0007$) because all their p-values are less than alpha level of 0.05. The findings are supported

by the literature which all of them were outlined as important practices and factors in it. Thus, this shows that they are to a greater extent properly addressed in Ethiopian Airlines.

All hypotheses were tested and the result indicated that H1, H2, H3, H4, H5, H6, and H7 were accepted because of the sig. value is <0.05 , as established in the regression analysis results. Thus, employee performance appraisal practice and the BIG FIVE Personal Traits have a moderate effect on PAS and JS and then a statistically significant and positive effect on job satisfaction of Ethiopian Airlines. However, the neuroticism trait has statistically no significant and negative moderate effect on job satisfaction of the Airline

5.2 Conclusions

Based on the findings presented in the former sections, the study has drawn the following conclusions. From the descriptive statistical analysis result regarding the statutes of the performance appraisal management practice and the BIG FIVE Personal Traits, the study drew the following conclusions:

- Employee performance appraisal practices were practiced to a moderate extent.
- The big five traits (Openness to experience, Conscientiousness, Extraversion, Agreeableness, and neuroticism trait) were rated to a moderate extent.
- The study concluded that Employee performance appraisal practices and the BIG FIVE Personal Traits contributed to Ethiopian Airlines' job satisfaction to a moderate extent.

Regarding the relationship between employee performance appraisal practices and job satisfaction, the study concluded that there is a positive and significant relationship between them. Furthermore, Openness to experience, Conscientiousness, Extraversion, and Agreeableness personal traits have a positive and strong relationship with job satisfaction of Ethiopian Airlines. Neuroticism trait has a negative and strong relationship with job satisfaction of the Airline.

Regarding the predicting power of independent variables, the study concluded that the independent variable (employee's performance appraisal practice) has predicting power on job satisfaction of the Airline. Additionally, all the BIG FIVE Personal Traits (moderate variable) have predicting power on job satisfaction of Ethiopian Airlines. Thus, independent and four moderate variables have a statistically significant and positive effect on the job satisfaction of the

Airline. However, the neuroticism trait has no significant and negative moderate effect on job satisfaction at the Ethiopian Airline.

Performance appraisal and the four Big five traits have moderation effect on job satisfaction

Whereas, neuroticism exhibits no effect on job satisfaction and *has* a negative effect on job satisfaction. However, the output indicates that neuroticism does not act as a moderator with job satisfaction.

In addition, almost all the hypotheses were strongly supported and the proposed framework of the study was able to demonstrate a positive and significant relationship between independent and moderate variables and dependent variables. The neuroticism trait has a negative relationship with job satisfaction. Therefore, notably, this study has provided evidence for the direct effect of employee performance appraisal practice on job satisfaction. And the moderate effect of the BIG FIVE Personal Traits on job satisfaction as advocated by the literature.

5.3 Recommendations

Based on the above findings and conclusions of the study the following recommendations were forwarded to the Ethiopian Airline managements.

The findings of the study showed that Ethiopian Airlines adopted the employee performance appraisal practices practiced to a moderate extent. Moreover, employee performance appraisal is considered crucial in all organizations since it will affect the production and reputation of an organization. Hence, the study recommends that Ethiopian Airlines ought to give priority and enhance its performance appraisal practices.

All the personality traits practice by Ethiopian airline it was rated to a moderate extent. If the Airline's Management works on employees' behavior to enhance the positive moderate effect of these BIG FIVE Personal Traits at a higher level, Ethiopian Airlines can significantly improve its employees' job satisfaction from the current position.

Based on the analysis and findings discussed, it is confirmed that there are four variables of BIG FIVE Personality Traits that have a significant and positive relationship with employee job satisfaction. The four moderate variables are openness to experience, conscientiousness, extroversion, and agreeableness. Conversely, neuroticism was found negatively related to

employee job satisfaction. As for the employee job performance, it was found that personality traits play an important role since they influence job satisfaction.

Therefore, this study provides good determinant factors for the organization to be concerned about personality, which are extroversion, openness to experience, conscientiousness, and agreeableness to increase the level of employee job satisfaction since personality is found to be associated with employees' performance.

It is worth noting that this study enhances our thoughts about the leaders' differences in personality made the employees have a high sense of belonging and competent at work thus improving their job performance and ultimately it increases employees' job satisfaction.

In addition, the study confirmed that the independent variable and the BIG FIVE Personal Traits (moderate variables) have a significant effect on job satisfaction. The study recommends the following to the Ethiopian Airline to

Exercise the practices and be more responsive to employees' needs, creating a strong employee-management relationship. In other words, create interaction with employees and ease performance appraisal system to take advantage of the positive effect of employee performance appraisal practices on job satisfaction.

Apply quick computerized exchange of data and create a smooth integration system between working units than the current position. Also, provide management with the summary exchange of employees' performance evaluation information.

5.4 Limitations and suggestions for future research

Even though there are some important contributions to the effect of the employee performance appraisal system on job satisfaction. And, as evidenced by this study, the BIG FIVE Personal Traits have a moderate effect on job satisfaction. However, the significance of this study must be viewed and acknowledged in light of its limitations. Thus, there are limitations in this study that are left for future investigation and can be addressed by future studies.

First, the study only focused on the employee's performance appraisal practices and the BIG FIVE Personal Traits of Ethiopian Airlines (focused on the Addis Ababa Head Quarter excluding the branches). Therefore, future research should be conducted on a wider scale by considering

branches from all over the country. The sample size can be bigger and broader to increase the representativeness and the results can be more gratifying. Similar studies should be conducted on manufacturing firms for comparing the employee performance appraisal practice between services and manufacturing firms.

Second, future studies should enlarge the dimension of personality traits in both public as well as private sectors since both sectors have different cultures and work environments.

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APPENDIX I: Questionnaire

Questionnaire

ADDIS ABABA UNIVERSITY

COLLEGE OF BUSINESS AND ECONOMICS

MASTERS OF BUSINESS ADMINISTRATION PROGRAM

Questionnaire to be filled by employees of Ethiopian Air Line Head Office

Dear Participant,

I am a postgraduate student at Addis Ababa University College of Business and Economics, and I am conducting a study on **“The Effect of Employees’ Performance Appraisal on Job Satisfaction with the Moderator of Personality Traits: In a Case of Ethiopian Air Line”**. The purpose of the questionnaire is to collect primary data to conduct the study for the partial fulfillment of the Masters of Business Administration. This is purely for academic purposes and the information you provide will be kept strictly confidential. Hence, I kindly request you to fill out the questionnaire genuinely. Thanks in advance for your cooperation.

General Instruction

- Please do not write your name or address on the questionnaire.
- please put a tick (✓) mark in the appropriate box of your answer
- Contact address: if you have any questions, please contact me through the following addresses:

Sincerely,

Alem Gebreslassie

Thank you for your time again

Telephone: +251 941 64 88 83

Email: gebreslassiealem2@gmail.com

Section A: General information

1. Gender:

Male

Female

2. Education level:

Certificate

Diploma

First degree

Second degree and above

Human Resource management

3. Your work unit:

CCO Office

COO Office

Group Business Development & Innovation Hub

Human Resource Management

Group Legal Counsel & Secretariat

Group Marketing

Group Strategic Plan & Alliances

GROUP CEO OFFICE

Group Internal Audit/Compliance & QMS/SMS and Business Sustainable

4. Work experience in your work unit:

1-3 years

4-5

6-7 years

above 7 years

Section B: Questions related to the Performance appraisal management practices in Ethiopian Air Line.

5. Questions about the Performance appraisal management practices. Please put a tick (✓) mark on the appropriate number to indicate the extent to which Performance appraisal management practices contribute to the employees' satisfaction in Ethiopian Air Line.

The item scales are five-point scales with:

1 = Not at all

2 = Small extent

3 = Moderate extent

4 = Great extent

5 = Very great extent

Item No	Performance appraisal practice	Scale				
		1- Not at all	2- Small Extent	3- Moderate Extent	4- Great Extent	5- Very Great Extent
5.1	There is a good understanding of the appraisal criteria by employees	1	2	3	4	5
5.2	The targets that everyone to achieve as a part of his/her last performance appraisal were fair and achievable.	1	2	3	4	5
5.3	The overall performance appraisal system helps everyone to identify areas to improve his/her work performance	1	2	3	4	5
5.4	Everyone who is involved in the performance appraisal system should receive training in how to do it, even if they are not a manager	1	2	3	4	5
5.5	The appraisal criteria (general) in which everyone is evaluated are fair	1	2	3	4	5
5.6	The current performance appraisal system in my organization is related to my development	1	2	3	4	5

5.7	The productivity of the workforce in this organization has been improving as a result of the performance management system	1	2	3	4	5
5.8	The present appraisal system contributes to my overall organizational effectiveness.	1	2	3	4	5
5.9	The performance criteria used in the appraisal form do not measure my real performance	1	2	3	4	5
5.10	My current appraisal is done just for the sake of getting bonuses	1	2	3	4	5
5.11	My current performance appraisal system is very effective	1	2	3	4	5

Section C: Relationships of the Big Five traits with employees' satisfaction on performance appraisal system in Ethiopian Air Line.

6. Questions about the Relationships of the Big Five traits with employees' satisfaction on performance appraisal system. Please put a tick (√) mark on the appropriate number to indicate the extent to which Big Five traits contribute to the employees' satisfaction with the performance appraisal system in Ethiopian Air Line.

The item scales are five-point scales with:

1 = Not at all

2 = Small extent

3 = Moderate extent

4 = Great extent

5 = Very great extent

Item No,	Personality traits	Scale				
		1- Not at all	2- Small Extent	3- Moderate Extent	4- Great Extent	5- Very Great Extent

Openness to Experience: - can be seen as a positive quality of an employee. It is also seen as an important factor for active older adults' life satisfaction. However, openness to experience sometimes can be seen as a 'double-edged sword' in careers for those who have a high level of openness						
1	I see myself as someone original and comes up with new ideas.	1	2	3	4	5
2	I see myself as someone who is curious about many different things.	1	2	3	4	5
3	I see myself as someone who is ingenious and a deep thinker.	1	2	3	4	5
4	I see myself as someone who has an active imagination.	1	2	3	4	5
5	I see myself as someone creative and inventive.	1	2	3	4	5
Conscientiousness: - refers to people's level of organization, hard work, and motivation in the pursuit of established goals						
1	I see myself as someone who is a reliable worker	1	2	3	4	5
2	I see myself as someone who tends to be organized	1	2	3	4	5
3	I see myself as someone who preserves until the task is finished	1	2	3	4	5
4	I see myself as someone who does things efficiently	1	2	3	4	5
Extraversion: - extraverts tend to be socially oriented (outgoing and gregarious), but also are 'surgent' (dominant and ambitious) and active (adventurous and assertive)						
1	I see myself as someone who is reserved	1	2	3	4	5

2	I see myself as someone full of Energy	1	2	3	4	5
3	I see myself as someone who generates a lot of enthusiasm	1	2	3	4	5
4	I see myself as someone who has an assertive personality	1	2	3	4	5
5	I see myself as someone outgoing, sociable	1	2	3	4	5
Agreeableness: - indicates cooperation (trusting of others and caring) and likeableness (good-natured, cheerful and gentle). It involves pleasant and satisfying relationships with others.						
1	I see myself as someone helpful and unselfish with others.	1	2	3	4	5
2	I see myself as someone who has a forgiving nature	1	2	3	4	5
3	I see myself as someone who is generally trusting	1	2	3	4	5
4	I see myself as someone who is considerate and kind to almost everyone	1	2	3	4	5
5	I see myself as someone who likes to cooperate with others	1	2	3	4	5
Neuroticism: - People with a high level of neuroticism are likely to experience negative emotions, including anxiety, depression, hostility, and vulnerability, because they tend to put themselves into situations that foster negative impact						
1	I see myself as someone who is depressed, blue	1	2	3	4	5
2	I see myself as someone who can be tense	1	2	3	4	5
3	I see myself as someone who worries a Lot	1	2	3	4	5
4	I see myself as someone who gets nervous	1	2	3	4	5

easily						
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Section D: Questions related to Performance Appraisal Satisfaction

7. Questions related to performance appraisal satisfaction. Please put a tick (√) mark on the appropriate number to indicate the extent to which performance appraisal satisfaction in Ethiopian Air Line.

The item scales are five-point scales with 1 = Not at all, 2 = Small Extent, 3 = Moderate Extent, 4 = Great Extent, 5 = Very Great Extent

Item No	Job Satisfaction	Scale				
		1- Not at all	2- Small Extent	3- Moderate Extent	4- Great Extent	5- Very Great Extent
7.1	The current performance appraisal system is fair and unbiased	1	2	3	4	5
7.2	As part of my organization’s performance appraisal system, I received regular feedback about my performance	1	2	3	4	5
7.3	When I do a good job, I receive positive feedback from my manager	1	2	3	4	5
7.4	As part of my performance appraisal system, there is a discussion on what training I need to improve my performance	1	2	3	4	5
7.5	As part of my last performance appraisal, there was a discussion about my career and personal developments	1	2	3	4	5
7.6	My last annual performance appraisal review conflicted significantly with the feedback I received in my regular	1	2	3	4	5

	reviews throughout the year					
7.7	If I do not agree with the final result of my performance appraisal, there is a clear appeal process for me to use	1	2	3	4	5
7.8	I am satisfied with my job	1	2	3	4	5
7.9	I am satisfied with the current performance appraisal system	1	2	3	4	5
7.10	I feel more motivated after a performance appraisal	1	2	3	4	5