

**ADDIS ABABA UNIVERSITY COLLEGE OF BUSSINES AND  
ECONOMICS SCHOOL OF COMMERCE**



**Assessment of the Practices and Challenges of Performance Management  
system in Ethiopian Federal Police Commission**

**Submitted to school of commerce, college of business and economics Addis  
Ababa University in Partial Fulfillment of the requirements for the Master's  
Degree in Human Resources Management**

**BY; TAREKEGN CHEKOLE**

Email: tarekegn23ch@gmail.com

**Adviser: Bante workie (PhD)**

MAY 2021

Addis Ababa

Ethiopia

## **Statement of Declaration**

I, Tarekegn chekole, declare that this Master's research "Assessment of the Practice and Challenges of Performance Management System: in Ethiopian Federal Police Commission management development sector in focus" is my original work under the guidance and suggestion of the research advisor submitted in partial fulfillment of the requirements for the Degree of Master's of Arts in Human Resource Management at the School of Commerce, Addis Ababa University. The thesis is my original work and has not been presented for a degree in any other university and all sources of materials used for the thesis have been duly acknowledged.

Declared by:

Tarekegn Chekole

---

Date &signature

## Statement of certificate

As members of the Board of Examiners of the M.A. Thesis Open Defense Examination, we certify that we have read, evaluated the thesis prepared by tarekegn chekole examined the candidate. We recommend the thesis be accepted as fulfilling the thesis requirement for the Master's Degree in Human Resource Management.

**Approved by the Board of Examiners:**

_____	_____	
Chairperson	Signature	Date
_____	_____	_____
Internal Examiner	Signature	Date
_____	_____	_____
External Examiner	Signature	Date

## **Acknowledgements**

First and foremost, praises and thanks to the Almighty God and Virgin Mary for their showers of blessings throughout my research work to complete the research successfully

I would like to thank my advisor Dr. bantie workie for his time, professional guidance, constructive feedbacks and fast response for the draft manuscript.

Next, I would like to thank for those employees of sample organizations who were willingly responded to the questionnaire designed for the survey and public officials who were supporting to me through giving constructive opinions that relates with the study area.

I would like to thank supportive family and friends for their encouragement and appreciation for the successful completion of this thesis.

I would like to thank Addis Ababa University and Ethiopian federal police University which gave financial support to prepare this thesis.

## Table of contents

<b>CONTENTS</b>	<b>PAGES</b>
Statement of declaration .....	II
Statement of certificate.....	III
Acknowledgements.....	IV
Table of content .....	V
List of figures .....	VII
List of Tables.....	VIII
Acronyms and Abbreviations .....	IX
Abstract .....	X
CHAPTER ONE.....	1
1. INTRODUCTION .....	1
1.1. Background of the Study.....	1
1.2. Statement of the Problem .....	3
1.3. Objectives of the Study .....	5
1.3.1. General Objective .....	5
1.3.2. Specific Objectives .....	5
1.4. Basic Research Questions .....	5
1.5. Significance of the Study .....	5
1.6. Scope of the Study .....	6
1.7. Limitation of the study.....	6
1.8. Operational Definition of Key Terms .....	6
1.9. Organization of the Study.....	7
CHAPTER TWO .....	8
2. REVIEW OF THE RELATED LITERATURE .....	8
2.1. History of Performance Management .....	8
2.2. Definition of Performance Management.....	9
2.3. Purposes of Performance Management System .....	10
2.4. Developing the Capacity to Performance.....	12
2.5. Process of performance management system.....	12

2.5.1.	Planning Work and Setting Expectations.....	13
2.5.2.	Monitoring Performance .....	13
2.5.3.	Developing the Capacity to Perform.....	14
2.5.4.	Rating Performance in a Summary Fashion.....	14
2.5.5.	Rewarding Good Performance .....	14
2.6.	Types of a Performance Management System .....	15
2.7.	Effective Performance management system .....	15
2.8.	Practices of Performance Management System .....	16
2.9.	Challenges of performance management system .....	16
2.10.	Conceptual Framework.....	17
CHAPTER THREE.....		18
3.	RESEARCH METHOD .....	18
3.1.	Descriptions of the Study Area.....	18
3.2.	Research Approach .....	19
3.3.	Research Design study .....	19
3.4.	Population and Sampling.....	19
3.4.1.	Population of the study.....	19
3.4.2.	Target/study Population .....	20
3.4.3.	Sampling Frame.....	20
3.4.4.	Sampling design.....	20
3.4.5.	Sample Size Determination .....	21
3.5.	Data sources and data collection Instruments.....	23
3.5.1.	Primary Sources of data .....	23
3.5.2.	Secondary Sources of Data.....	23
3.6.	Method of Data Analysis.....	23
3.6.1.	Quantitative data analysis.....	23
3.6.2.	Qualitative data analysis.....	23
3.7.	Validity and Reliability .....	24
3.7.1.	Validity.....	24
3.7.2.	Reliability Test Result.....	24
3.8.	Ethical Consideration .....	25
CHAPTER FOUR.....		26
4.	Data Analysis, Presentation and Interpretation .....	26

4.1. Introduction .....	26
4.2. Response Rate.....	26
4.3. Demographic Characteristics of the Respondents .....	27
4.4. Employee’s opinion on Awareness towards the purpose of PMS Concepts.....	29
4.5. The Existing Practice of performance management system.....	31
4.5.1. Performance Planning Practices .....	31
4.5.2. Performance Monitoring Practices .....	33
4.5.3. Performance development Practices .....	35
4.5.4. Rating /measuring/ Performance Practices .....	38
4.5.5. Rewarding Practices.....	41
4.6. Relationship between performance management practice and PMSC .....	44
4.7. Multiple Regression Analysis.....	45
4.8. Challenges of Performance management system .....	48
4.9. Interview with Ethiopian federal police commission management development sector directorates.....	52
CHAPTER FIVE .....	54
5. SUMMARY OF FINDINGS, CONCLUSIONS AND RECOMMENDATIONS.....	54
5.1. Introduction .....	54
5.2. Summary of findings.....	54
5.3. Conclusion.....	56
5.4. Recommendations.....	57
REFERENCES .....	59
Appendix -I.....	62
Appendix –II.....	68

## List of Figures

## pages

Figure. 4.1 Employees awareness towards the purpose of PMS .....	29
Figure 4.2 Respondents opinion about the formal Performance Management System .....	30

## List of Tables

## pages

Table 2.1: <i>conceptual framework</i> .....	17
Table 3.1 Summary of samples taken from each directorate .....	22
Table 3.2 : Cronbach's Alpha for each field of the questionnaire.....	25
Table 4.1 Response Rate for data collection .....	26
Table 4.2 Demographic Characteristics of the Respondents.....	27
Table 4.3 Respondent's opinion on performance planning Practices in the sector .....	31
Table 4.4 Respondent's opinion on monitoring performance Practices .....	34
Table 4.5 Respondent's opinion on Developing Performance Practices .....	36
Table 4.6 Respondent's opinion on Rating /measuring Performance Practices .....	38
Table 4.7 Respondent's Opinion on Rewarding Practices .....	41
Table 4.8 Correlations .....	44
Table 4.9 Model Summary .....	46
Table 4.10 ANOVA of selected challenges of performance management effect on performance management practice.....	46
Table 4.11, Coefficients for Multiple Regression.....	47

## **Acronyms and Abbreviations**

<b>HR</b>	Human Resource
<b>HRD</b>	Human Resource Development
<b>HRM</b>	Human Resource Management
<b>KIR</b>	Key Result Indicator
<b>EFPMDS</b>	Ethiopian federal police management development sector
<b>PM</b>	Performance Management
<b>PMS</b>	Performance Management System
<b>ROPMS</b>	Result-oriented Performance Management System
<b>SPSS</b>	Software Package for Social Science

## Abstract

*Performance management system is the most reliable method of measuring performance since it focuses on results and is also concerned with improved employee performance and organizational results. Effective performance can be ensured only when organizations are able to execute each key Component of the performance management process well. Organizations not only set goals and plan work routinely, they measure progress toward those goals and give feedback to employees, develop the skills needed to reach them and recognize the behavior and results through rewarding. The main objective of this study was to assess the Practice and Challenges of performance management in Ethiopian federal police management development sector. To address this objective descriptive survey research designs has been employed by using both quantitative and qualitative research approaches. The total number of population was 1984 and for this study stratified simple random sampling techniques was used by taking 333 employees to fill the questionnaires. The total numbers of respondents are selected through systematic simple random sampling technique for quantitative and 5 participants were selected by using purposive sampling technique for qualitative data. The data gathered from the questionnaires were compiled by using SPSS software and analyzed using descriptive statistics frequency and percentage. On the other hand data gathered from interview were analyzed in narration form by relating it with the themes of the objectives. The result of the analysis was presented using tables graph and pie charts. The major findings from the study proved that there was no regular feedback, there were no recognition and reward for best performers, lack of knowledge and skill to implement, poor integration, feedback and performance evaluation result not communicated, lack of line management commitment, and these were the major challenges of PMS in the sector. Having this in mind, the researcher recommended that offering regular feedback, developing and implementing an Integrated PMS , providing recognition and reward for the best performers , Providing continuous training and coaching, create a precise and consolidated, commonly agreed institution wide and viable performance evaluation criteria. Line managers should need to show a real sense of ownership during implementation of PMS. Therefore, a lot has to be made in making performance management practice more useful for the sector. In order to fill the identified gaps, there should be an effective implementation of performance management system in the sector.*

**Key words:** *Performance management system, organizational performance, practices, challenges, performance management,*

# CHAPTER ONE

## 1. INTRODUCTION

### 1.1. Background of the Study

The concept of performance management was popularized in the mid-1980s Armstrong & Baron, 2002. Armstrong (2009) describes performance management as “a systematic process for improving organizational performance by developing the performance of individuals and teams. Performance management is an important HRM process that provides the basis for improving and developing performance and is part of the reward system in its most general sense.” Performance Management is the accomplishment or outputs/outcomes of a task undertaken but also states that performance is about doing the work effectively so as to achieve the desired goals (Shaffer, 2006). Performance management is a process of improving the performance of an organization by helping individuals and team to develop their capacity to reach the intended destination (Armstrong, 2006).

Performance management system is the broader one which identifies measure, manage and develop performance of the human resource in an organization whereas performance appraisal is the sub set of performance management system in which we use it for evaluating the competence of employee's (Robert N. and John R. 2013).

Performance management system in developing countries indicate that the performance management system is considered it brought the successful change in the western and developed countries, but, the idea of implementing the same performance management system is not right in developing country, it needs an adjustment because the difference in the social and cultural environment between them. there are two main purpose of the introduction of performance management system to developing countries as Radnor & McGuire (2004) suggested that the existence of the performance management system is expected to improve public services, through increased economy, efficiency and effectiveness of the service delivery system, and emphasize the organization accountability with the objective that the public organizations are clearly held to account for the resources they used as well as the outcomes that achieved.

The above definitions show that performance management has the following characteristics; strategic (concerned with the broader issues facing the business), systematic and holistic. Performance management is a goal-oriented process directed toward ensuring that organizational processes are in

place to maximize the productivity of employees, teams, and ultimately, the organization. (bacha, 2017). It is a major tool in accomplishing organizational strategy in that it involves measuring and improving the value of the workforce. Performance management is concerned with how well the set goals and objectives are met against set standards. Performance management is a systematic process for improving organizational performance by developing the performance of individuals and teams. It is a means of getting better results by understanding and managing performance within an agreed framework of planned goals, standards and competency requirements. Performance management systems can be a useful tool to drive organizational change. For example, assume an organization decides to change its culture to give top priority to product quality and customer service (Aguinis, 2009). Performance management is concerned with aligning individual objectives to organizational objectives and encouraging individuals to uphold corporate core values; enabling expectations to be defined in terms of role responsibilities and accountabilities (expected to do), skills (expected to have) and behaviors (expected to be); providing opportunities for individuals to identify their own goals and develop their skills and competencies.

It is sometimes assumed that performance management is the same thing as performance appraisal. But there is significant difference between them. Performance appraisal can be defined as the formal assessment and rating of individuals by their managers at or after a review meeting. It has been discredited because too often it has been operated as a top-down and largely bureaucratic. In contrast performance management is a continuous and much wider, more comprehensive and more natural process of management that clarifies mutual expectations, emphasizes the support role of managers who are expected to act as coaches rather than judges and focuses on the future (Armstrong, 2009). Performance management system in performance evaluation has not been easy since most organizations use performance appraisal to control employees rather than to help employees to improve their performance. According to (Smither & London 2009) performance management is one of the *most important* of the organization goal with individual goal and source of making valid decision about employees including salary adjustment or promotion, communication and developmental purposes.

There is a body of empirical research that suggests effective performance management system lead to a number of important work outcomes, such as improved employee productivity and quality, job satisfaction, commitment and trust (bacha, 2017). Performance management systems are a key tool that organizations use to translate business strategy into business results. Specifically, performance management systems influence ‘financial performance, productivity, product or service quality, customer satisfaction, and employee job satisfaction (Aguinis, 2005).

In Ethiopia, there are some developments for the benefit of performance management. More and more Ethiopian enterprises are expressing a strong interest in the BSC, their managers are starting to acknowledge the importance of regular formal and informal performance review meetings, communication about results is being improved by applying modern means of communication like the intranet, people are willing to train in the use of performance management, and government is fostering the improvement of performance (Tessema, 2013).

Performance Management System depends on the performance of an employee in terms of skill, knowledge and attitude. The more people are developed and able to work toward the strategy, the more they can improve the performance of the organization. There is a policy and guideline which clearly shows the steps, benefits and implementation process of performance management system in the Ethiopian Federal Police Commission Management Development Sector.

Even though, performance management system was designed and implemented in the sectors, its practice had many problems during its implementation and it affects the performance of the organization. This is the rationale for the study to assess Implementation of performance management system in Ethiopian Federal Police Commission Management Development Sector. Therefore, this study will address to assess practice and challenges of performance management system in Ethiopian Federal Police Commission Management Development Sector.

## **1.2. Statement of the Problem**

The problem of performance management system is a serious issue which highly affects the performance of every sector. Organizational performance depends on performance management system. In performance management system there are many factors that affect organizational performance such as planning, monitoring, developing, and evaluating rating and rewarding (weynshet, 2015).

Performance management is the system of managing the execution of an organization's strategy and it is important to appraise an organizational performance, if performance management system is properly designed and implemented in the public service institutions, then, sustainable improvement in organizations performance. "A well designed and appraisal process has two important functions. Firstly, it forms a clear basis for ongoing relationship between team member and their manager. Secondly, it creates an effective relationship between individual and an organization; (ebook2013). According to (Armstrong, 2009) processes of performance management is consists; planning, acting, monitoring, evaluating, reviewing and rewarding of the performance of the organizations at all levels.

There is an important link between performance and rewards at all levels. Effective performance management system has its own role creating good work relationship among employees and managers and between employee and organizations to improve the performance of an organization. Lack of effective performance management system decrease the performance of an organization and this leads to customer dissatisfaction (Armstrong, 2006).

Performance management improves communication since there is constant interaction between the supervisor and the employee. This implies that good performance has to be rewarded and bad performance improved through training or other means necessary. Salary reviews, promotions, training and transfers have to be effected after performance evaluation is done. Performance management should facilitate in the provision of quality service to all stakeholder. Even though PMS have these benefits the flowing researches findings show that there are different challenges that hinder during its implementation (Zvavahera, 2013). On the other hand, if PMS has been done poorly, it has significant negative consequences for organizations managers and employees. If employees do not feel they are being treated fairly they become de-motivated or worse they may legally challenge the organization performance management practices. This can result in serious problem that are expensive distractive and harmful to an organizations standing and functioning (Pulakos, 2009). The previous researches on performance management system in Ethiopia were tried to show the practice and challenges of performance management SYS.in Public Sectors (Melat, 2014).

Hence, the first justification that initiated the researcher to do this study is beside the current issues of the country, related with the implementation of performance management system at the Ethiopian Federal Police Commission Management Development Sector. Second personal experience of the researcher initiated to investigate the issue of performance management because the researcher heard repeatedly complaints raised by the leaders, police officers and other supportive staffs on the issue of implementation of performance management in different meetings. Third, as far as the researcher's knowledge is concerned, there are no researchers conducted in the Ethiopian Federal Police Commission Management Development Sector regarding performance management system practices and challenges. As a result if researcher will be conducted on this topic, it could be used as source of identifying problems of practices and challenges of performance management in the Sector.

Therefore, this study will assess the practice and challenges of implementation of performance management system and its benefits to organizational performance in Ethiopian Federal Police Commission Management Development Sector.

### **1.3. Objectives of the Study**

#### **1.3.1. General Objective**

The general objective of the study is to assess the practices and challenges of implementation of Performance Management System in Ethiopian Federal Police Commission in Addis Ababa, the case of Management Development Sector.

#### **1.3.2. Specific Objectives**

- To assess the current practices of Performance Management System in Ethiopian Federal Police Commission management development Sector.
- To assess the major challenges impeding the implementation of Performance Management System in the sector.
- To assess the purpose of performance management system to what extent it is understood by employees in Ethiopian Federal Police Commission management development Sector

### **1.4. Basic Research Questions**

The research will attempt to answer the following questions:

1. What are the practices of Performance Management System in the Ethiopian Federal Police Commission Management Development Sector?
2. What are the major challenges of performance management system in Ethiopian Federal Police Commission Management Development Sector?
3. To assess the purpose of performance management system to what extent it is understood by employees in Ethiopian Federal Police Commission Management Development Sector

### **1.5. Significance of the Study**

The study is significant to policy makers, government organizations to implement performance management system properly and enable the organizations to give feed back to their employees and to improve service delivery to the citizens. Accordingly, the study focuses on challenges and practices of performance management system in one of the law enforcement Sectors. In general the study is significant for the following reasons;

- The study will give insight how to implement performance management system and plays crucial roles in the day to day activities of the institutions, service users and the society at large.

- It will show the challenges and practices of performance management system in Ethiopian Federal Police Commission and it may stimulate the concerned body to give attention and take corrective measures.
- It will serve as spring board for those who are interested to conduct further in depth studies on the issue of good governance.

## **1.6. Scope of the Study**

Performance management system is a very wide concept. The status and practice of performance management system varies in many institutions. Ethiopian Federal Police Commission has Five Sectors. But for this study the assessment will be conducted in Ethiopian Federal Police Commission Management Development Sector. The study will essentially concern itself with examining Assessment of the Practices and Challenges of Implementation of Performance Management system in the Selected Sector based on their organizational performance results and their performance evaluation result from 2015/16-2019/20.

## **1.7. Limitation of the study**

This research was affected by lack of local research and well-documented materials to serve as a baseline. Most of the literatures treated in this work have come from foreign researches. In ability to incorporate and identify comprehensively distill literatures and empirical reviews of the previous studies, unwillingness of some employees of sample organizations to fill questionnaires and lack of impeding factors in exhaustively looking at many features and characteristics of the study and may affect the strength of the generalizability of the study.

## **1.8. Operational Definition of Key Terms**

The following key concepts were used frequently in this research study and it is important to understand them within the context used by the researcher, namely:

- ❖ **Performance:** implies the action of doing things ,using things, attending to performance of ,first, produce an output ,tangible work in the form of product, service, or knowledge .out puts are the variables we see from work groups, jobs, core processes, and business unit (Armstrong,2006).
- ❖ **Management:** means a process of achieving organizational goals through engaging in the four major functions of planning, organizing, directing and controlling.
- ❖ **Performance management:** is identified as “the systematic process by which an organization involves its employees as individual and members of group in improving organizational effectiveness in the accomplishment of organization mission and goals”. (Sharma, 2011).

- ❖ **Practice** means future opportunities to implement performance management system in Ethiopian Federal Police Commission Management Development Sector.
- ❖ **Challenge:** for this study challenges are obstacles or impediments that hinder effectiveness of performance management system practices in Ethiopian Federal Police Commission Management Development Sector.
- ❖ **Performance management system:** the system of manages employees, departments and organizations performance to ensure that goals and objectives are being reached efficiently and effectively.
- ❖ **Employee:** means a person employed permanently by public organizations and has the status below process owners.
- ❖ **Managers:** refers those who have responsibility to manage a given process or department or public organizations.

## 1.9. Organization of the Study

This paper organized in to five chapters. Background of the study, statement of the problem, objectives of the study, research questions, significance of the study, scope of the study and operational definitions of key terms are included in chapter one. Chapter two deals with literature review focused on Ethiopian Federal Police Commission establishment, objectives, powers and duties of the Commission, Concepts of performance management system practice and challenges for implementing performance management. Chapter three presents research methodology which includes research approach, research design, population and sampling, data sources and data collection instruments, method of data analysis and ethical considerations. Chapter four concerned with the presentation, analysis and interpretation of data. Chapter five and the final chapter was covered the summary of the findings, conclusion and recommendations. Finally, a list of “References” will follow chapter five.

## CHAPTER TWO

### 2. REVIEW OF THE RELATED LITERATURE

#### 2.1. History of Performance Management

History of Performance Management is apparent in history since third century China during which Wei Dynasty was in power (Banner & Cooke (1984 , Coens & Jenkins, 2000). According to Koontz 1971), the emperors of the Wei Dynasty (AD 221-265) in China had an 'Imperial Rater' whose task was to evaluate the performance of the official family. The precise of performance appraisals was started when the emperors of the Wei Dynasty (221-265AD) rated the performance of the official family members (Eichel & Bender, 1984). According to McMahon (2009) during the sixteenth century, Ignatius Loyola utilized a 'system for formally rating members of the Jesuit religious order ' Prior to World War I, McMahon further discusses how performance appraisal first became manifest through the scientific school of management which was governed by Frederick Taylor. Following in the footsteps of Taylor and his utilization of performance appraisal, American pioneer WD Scott rated workers abilities in industry previous to World War I and influenced by Taylor, Scott operated the "man to man comparison scale" (Armstrong and Baron, 1998). In time, more complex approaches emerged, mainly driven by the military, public administration and industrial companies. They all needed a system of monitoring the performance of numerous individuals to ensure a streamlined progression in the organizational hierarchy. The main drivers in the evolution of individual performance management were industrial psychologists, human resources managers, organizational development and organizational behavior consultants (Banner & Cooke, 1984; Wiese & Buckley 1998). In the 1990s individual performance management was reshaped by two key trends (Drucker, 1999). The first was the increase in popularity of self-assessment of performance, sometimes followed by feedback sessions with line managers. The increase in performance self-assessment was natural as economies were dominated by knowledge workers, more independent in regards to decision making and management of work processes (Drucker, 1999). The second key trend in recent years was the integration between strategic performance management and individual performance management facilitated by the introduction of tools such as the BS C (Drucker, 1999). Organizational goals became reflected in individual goals and individual measures became aligned with organizational performance measure, in an effort to increase the accountability of all employees to the execution of the organizational strategy. Therefore the concept of performance management system refers managing employee performance towards the achievement of organizational goal (Drucker, 1999).

## 2.2. Definition of Performance Management

Performance management can be defined as a systematic process for improving organizational performance by developing the performance of individuals and teams (Armstrong & Baron 1998). It is a means of getting better results from the organization, teams and individuals by understanding and managing performance within an agreed framework of planned goals, standards and competence requirements (Armstrong, 2009). Many authors, in the field of Performance Management, define performance management in different ways. To see and understand performance management from different perspectives some of the definitions are presented.

performance management system is the process of performance planning, performance monitoring and coaching, evaluating individual performance linked to organizational goals, giving feedback, rewarding individuals based on his or her achievements against set performance goals and objectives and working out a plan for his or her development.(Sahu,2007)

According to Armstrong (2010), a performance management system is a set of interrelated activities and processes that are treated holistically as an integrated and key component of an organization's approach to managing performance through people and developing the skills and capabilities of its human capital, thus enhancing organizational capability and the achievement of sustained competitive advantage.

Armstrong and Murlin (1994), define Performance management as a systematic process for improving organizational performance by developing the performance of individuals and teams. It is a means of getting better results by understanding and managing performance within an agreed framework of planned goals, standards and competency requirements. It is concerned with output-the achievements of results and with outcomes – the impact made in performance, the process required to achieve these results (competences) and the inputs in terms of capabilities (knowledge, skill and competence) expected from the teams and individuals involved (Armstrong & Baron, 2006). This view emphasizes that there has to be organization, team and individual agreement on goals.

According to Sharma (2011), performance management is the systematic and continuous process by which an organization involves its employees, as individuals and members of a group, in improving organizational effectiveness in the accomplishment of organization mission and goals. by including planning work and setting expectations, continually monitoring performance, developing the capacity to perform, periodically rating performance in a summary fashion, and Rewarding good performance. It is the process of creating a work environment or setting in which people are enabled to perform to the

best of their abilities. Performance management is a whole work system that begins when a job is defined as needed. It ends when an employee leaves your organization (tesfaye, 2017) MA thesis. Performance Management systems, training has a direct tie-in to achieving organizational effectiveness. In addition, pay and performance are directly related to achieving organizational goals (Smither and London 2009).

In summary, all the above definitions provided by these authors agree that performance management is a process not an event, which is integrated with other management processes and is continuous. It involves regular communication between supervisors and subordinates. Supervisors and subordinates establish clear expectations concerning the job and goals, provide on-the-job training, monitor performance, evaluate performance at the end of the performance cycle and provide regular feedback on performance.

### **2.3. Purposes of Performance Management System**

The overall aim of performance management is to establish a high performance culture in which individuals and teams take responsibility for the continuous improvement of business processes and for their own skills and contributions within a framework provided by effective leadership. Its key purpose is to focus people on doing the right things by achieving goal clarity. Specifically, performance management is about aligning individual objectives to organizational objectives and ensuring that individuals uphold corporate core values (Armstrong 2009).

Many organizations use performance management system as a starting point for decision -making or administrative purpose such as pay, bonuses, promotion, motivating employees, assignments and making layoff or termination decision. But fewer, organizations use their performance management systems to conduct employee's development. This means using performance information as the base for development planning to help employees enhance their skills, knowledge and attitude. Neither decision-making nor development is an unmistakably better use of a performance management system. Both purposes have their advantages and disadvantages. However, one or the other purpose is usually better fit for the goals and circumstances in given organization (Pulakos, 2011).

Sarma (2011) explained that the major purpose of performance management system grouped as under informational, motivational, developmental and managerial purposes.

According to Zhang (2011), the main purpose of the performance management system is to ensure that:

- The work performed by employees accomplishes the work of the organization;

- Employees have a clear understanding of the quality and quantity of work expected from them;
  - Employees receive ongoing information about how effectively they are performing relative to expectations;
  - Awards and salary increases based on employee performance are distributed accordingly;
  - Opportunities for employee development are identified; and Employee performance that does not meet expectations is address;
- ❖ **Developmental Performance Management:** To achieve an enabling Performance Management system, the organization followed a developmental approach to design and implement the Performance management system. This approach assumes that in an organization there is already considerable experience, and employees might be to utilize existing experience and engage staff in the design and execution of the Performance Management system (Wouter 2009).
- ❖ **Management information system** is a system consisting of people, machines, procedures, databases and data models, as its elements. The system gathers data from the internal and external sources of an organization. Information system is an integrated set of components for collecting, storing and processing data and for delivering information, cards, and digital products. According to James O.Hicks,Jr (2003), in most cases viewed as system information system consisting of people, equipment and procedures to collect, arrange, analyzed, assessed and disseminated timely information to decision receiver or as a formalized computer system that can collect, feed, process, and report data from various sources to provide the necessary information for management decision-making processes
- ❖ **Managing organizations** is about managing individual and team performance of employees who work in the organizations, properly implemented performance management system can improve individual, team and organizational performance (Mahakani, 2012),
- ❖ **Motivational performance management system** is a sine qua non factor for the success and long term running of any organization. Abonam (2011) stated that a motivated workforce lead to effective performance of the organization. A motivated organization leads to cost reductions. Conversely, an organization is exposed to difficulties when it has low motivated employees as they are unprepared to make extra efforts for the organization (Jasmi 2012). Anderfuhren-Biget et al. (2010) emphasized that motivation at work is an important variable for organizational performance in the private and public sectors, as well as non-profit sectors.

## **2.4. Developing the Capacity to Performance**

Performance development is an important component of the performance management process .It develops employees work related skills, knowledge and experience, and competitiveness. Whenever we develop performance development plan we should be considered the need of the organization as well as the need of employees in mind. It is a process of promoting climate of continuous learning and professional growth. Employees must recognize that it is essential for them to continue to learn so that they will be effective in their current jobs and able to move in to other position and accept new responsibilities as circumstances demand (Sarma,2014)

In an effective organization, employee developmental needs are evaluated and addressed. Developing in this instance means increasing the capacity to perform through training, giving assignments that introduce new skills or higher levels of responsibility, improving work processes, or other methods. Providing employees with training and developmental opportunities encourages good performance, strengthens job-related skills and competencies, and helps employees keep up with changes in the workplace, such as the introduction of new technology. During planning and monitoring of work, deficiencies in performance become clear and can be addressed. Areas for improving good performance also stand out, and action can be taken to help successful employees improve even further (Mwendandu, 2013).

## **2.5. Process of performance management system**

Performance management is the systematic and continuous process by which an organization involves its employees, as individuals and members of a group, in improving organizational effectiveness in the accomplishment of organization mission and goals (Sharma, 2011).

Performance management is the process through which supervisors and those they lead gain a shared understanding of work expectations and goals, exchange performance feedback, identify learning and development opportunities, and evaluate performance results. It is a day to day activity of managers and his subordinates to achieve the desired organizational goals. Performance management is a communication process which managers and employees work together to plan, monitor and review an employee's work objectives and overall contribution to the organization (State of Oklahoma 1907). As a result performance management system has its own process in order to carry out the system effectively. Even though there are different processes of performance management system indicated by different authors, the most common and concrete process are which encompasses five process

component which are performance planning, performance monitoring, developing the capacity to perform, periodically rating performance in a summary fashion and rewarding good performance. Each process will be discussed briefly as follows:-

### **2.5.1. Planning Work and Setting Expectations**

Planning is the first process of PMS, in an effective organization; work is planned out in advance. Planning means that setting performance expectations and goals for groups and individuals to direct their efforts toward achieving organizational objectives and goals. Therefore, Getting employees involved in the planning process will help them understand the goals of the organization, what needs to be done, why it needs to be done, and how well it should be done and it enable employees to have a clear knowledge about what is expected from them and the system (Mwendandu, 2013).

The regulatory requirements for planning employees' performance include establishing the elements and standards of their performance appraisal plans. Performance elements and standards should be measurable, understandable, verifiable, equitable, and achievable. Through critical elements, employees are held accountable as individuals for work assignments or responsibilities. Employee performance plans should be flexible so that they can be adjusted for changing program objectives and work requirements. When used effectively, these plans can be beneficial working documents that are discussed often, and not merely paperwork that is filed in a drawer and seen only when ratings of record are required (Sharma, 2011).

### **2.5.2. Monitoring Performance**

In an effective organization, assignments and projects are monitored continually. Effective Monitoring means consistently measuring performance and providing ongoing feedback to employees and work groups on their progress toward reaching their goals. In order to ensure that your work group and employees are working to the operational Plan you need to monitor their performance (Sharma, 2011). Regulatory requirements for monitoring performance include conducting progress reviews with employees where their performance is compared against their elements and standards. Ongoing monitoring provides the opportunity to check how well employees are meeting predetermined standards and to make changes to unrealistic or problematic standards. And by monitoring continually, unacceptable performance can be identified at any time during the appraisal period and assistance provided to address such performance rather than wait until the end of the period when summary rating levels are assigned. The most important reasoning for monitoring and record employee's performance is accuracy and feedback. Failure to consistently monitor and record employee's performance leads to incorrect information. In addition, employees need regular feedback to adjust their performance on an ongoing basis (Sahu, 2013).

### **2.5.3. Developing the Capacity to Perform**

Performance development is an important component of the performance management process .It develops employees work related skills, knowledge and experience, and competitiveness. Whenever we develop performance development plan we should be considered the need of the organization as well as the need of employees in mind. It is a process of promoting climate of continuous learning and professional growth. Employees must recognize that it is essential for them to continue to learn so that they will be effective in their current jobs and able to move in to other position and accept new responsibilities as circumstances demand.(Sarma,2011). During planning and monitoring of work, deficiencies in performance become clear and can be addressed. Areas for improving good performance also stand out, and action can be taken to help successful employees improve even further (Mwendandu, 2013).

### **2.5.4. Rating Performance in a Summary Fashion**

From time to time, organizations find it useful to summarize employee performance. This can be helpful for looking at and comparing performance over time or among various employees. Rating means evaluating employee or group performance against the elements and standards in an employee's performance plan and assigning a summary rating of record. The rating of record is assigned according to procedures included in the organization's appraisal program. It is based on work performed during an entire appraisal period. The rating of record has a bearing on various other personnel actions, such as giving way within-grade pay increases and determining additional retention service credit in a reduction in force and also it helps people do their jobs better, identifies training and education needs, assigns people to work they can do extremely well in, and maintains fairness in salaries, benefits, promotion, hiring, and firing. Most employees want to know how they are doing on and they need performance feedback to work effectively (Melat, 2014).

### **2.5.5. Rewarding Good Performance**

Performance management can play an important part in a total reward system in which each reward element is linked together and treated as an integrated and logical. These elements include base pay, contingent pay, employee benefits, and non-financial rewards, which include intrinsic rewards from the work itself and it can provide for a whole range of rewards in order to encourage job engagement and promote commitment. These rewards can take the form of recognition through feedback, opportunities to achieve, the scope to develop skills, and guidance on career paths (Armstrong, 2010).

In an effective organization, rewards are used well. Rewarding means recognizing employees, individually and as members of groups, for their performance and acknowledging their contributions to the organization's mission. A basic principle of effective management is that all behavior is controlled by its consequences. Those consequences can and should be both formal and informal and both positive and negative (Sharma, 2011).

## **2.6. Types of a Performance Management System**

A performance management system is a continuous methodical process by which the human resources arm of a company makes personnel participatory in advancing the effectiveness of the company, by achieving the stated vision, mission, and objectives of the organization. Performance management encapsulates key human resource functions like frequent communication, employee training for improved performance, acknowledgment of good work, presentation of benefits for improved performance, goal-setting, continuous progress review, and real-time feedback. There are seven Types of a Performance Management System these are:-

- ❖ General Appraisal: A constant interaction between the manager and employee all year round.
- ❖ Technological Performance Appraisal: Evaluation of an employee's technical proficiency.
- ❖ Employee Self-Assessment: Employee's self-appraisal as compared with that of his direct line manager.
- ❖ Manager Performance Appraisal: Evaluation of the manager involving feedback from both the team and clientele.
- ❖ Project Evaluation Review: Appraisal to ascertain the level of an employee's expertise on the job.
- ❖ Sales Performance Appraisal: Judgment of a salesperson's goals versus results obtained via targets.

## **2.7. Effective Performance management system**

Addis (2014) indicated that Performance Management has positive outcome in increasing productivity and quality, customer satisfaction, proper utilization of resources and employee satisfaction. Therefore, effectiveness of performance management system is vital for the proper functioning of an organization. In an effective organizations, managers and employees have been practicing good performance management naturally all their lives, executing each key component process well. They are not only setting Goals and work plan routinely, but they also measure Progress toward those goals is measured and employees get feedback. High standards are set, but care is also taken to develop the skills needed to reach them. Formal and informal rewards are used to recognize the behavior and results that

accomplish the mission. All five component processes working together and supporting each other achieve natural, effective performance management system (Sharma, 2011).

## **2.8. Practices of Performance Management System**

For performance management system to be successful there are features that are likely to produce good results in terms of individual, team and organizational performance. However, the practical constraints may not allow for the implementation of these entire features. For example, there may not be sufficient funds to deliver training to all people involved, supervisors may have biases in how they provide performance ratings, or people may be just too busy to pay attention to a new organizational initiative that requires their time and attention.

Performance management is a *system*, not a task. It is a set of integrated management practices that are designed to help achieve two main objectives: maximize employees' potential, and increase employee satisfaction. Now that we got the definition out of the way, there are a few best practices that you must always keep in mind when setting up performance management system (Leen, 2015).

## **2.9. Challenges of performance management system**

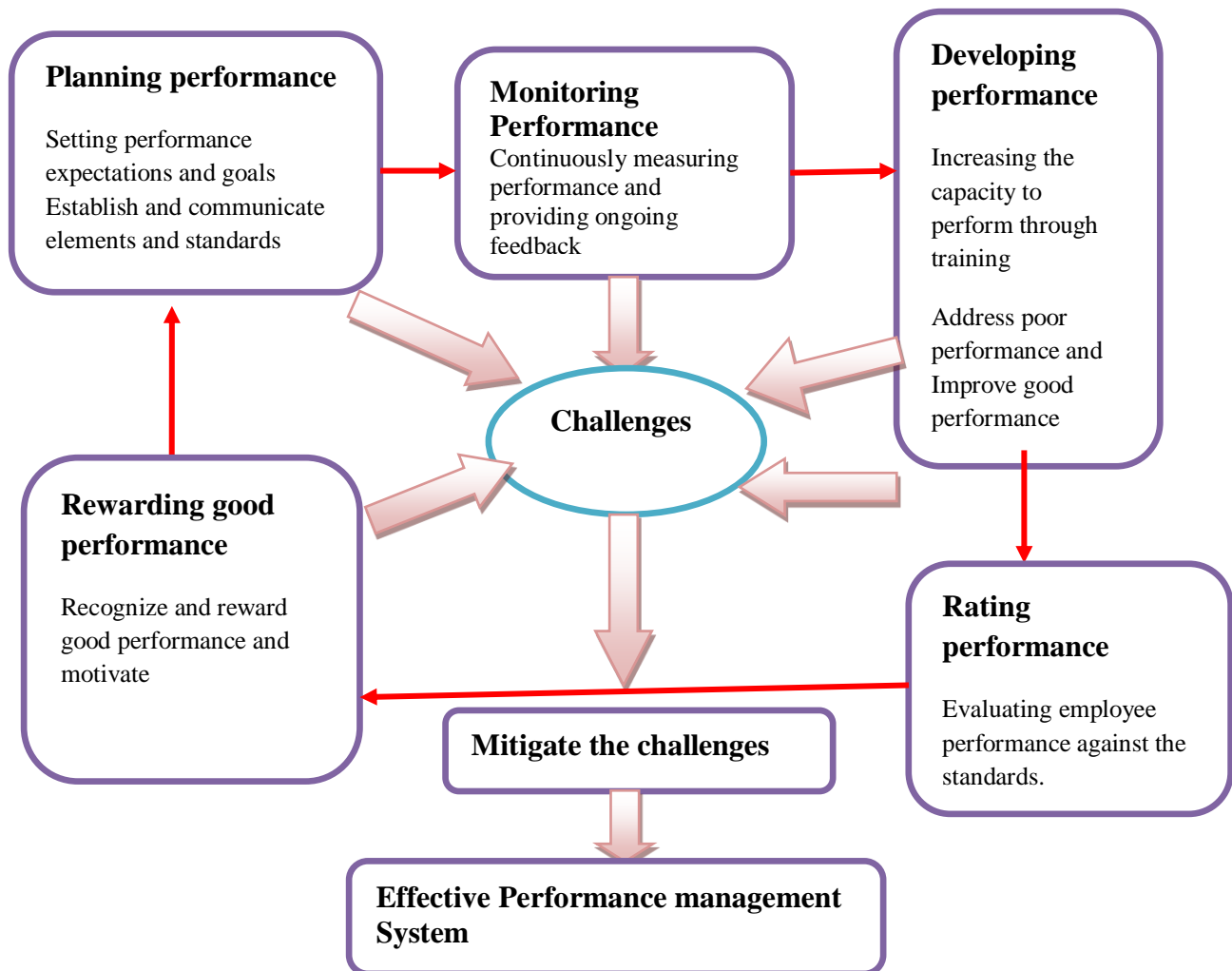
Several high-level issues and challenges have emerged from performance management research and case studies: Problems with the concept of rater errors (although long noted by some) have become more widely acknowledged. For example, in some instances, employees might perform effectively (or ineffectively) across several dimensions (or a group of employees might all be especially effective performers). There are three clear trends that affect performance management systems have emerged. First, individual values and needs are diverse and changing, and the heterogeneity of the workforce is increasing. Second, technology is embedded into almost every aspect of work, including performance management. Third, global expansion is increasing the diversity of employees and the cultural contexts in which they work. For performance management systems to be aligned with organizational goals and individual needs, they must consider all three trends. (Smither & London, 2009).

According to Pace (2011), the most critical performance management implementation challenges are related to poor executive engagement and implementation. It is totally useless to have a well-developed PMS without commitment from the management team. If senior and line management do not show commitment to the implemented PMS, the employees will also not take it serious. Watkins & Leigh (2012) argues that the weakness in a performance management system arise primarily because the PMS is poorly designed or training on the PMS has not transferred into the organization to support its implementation

## 2.10. Conceptual Framework

The conceptual framework clearly reveals the overall practices and challenges of performance management system implementation and the diagram consists of performance management components; planning, Continually monitor performance, developing the capacity to perform, rating performance and rewarding performance as the practice of the system and their effective implementation is increases organizational performance. On the other side lack of these performance management components as the challenges facing the implementers of performance management system during the practices of each step and these challenges leads to low organizational performance.

2.1: conceptual framework



Source: developed by the researcher from the reviewed literature (2021)

## CHAPTER THREE

### 3. RESEARCH METHOD

#### 3.1. Descriptions of the Study Area

Historical Background Ethiopian Police, with the resumption of power King Haile Selassie, established several governmental agencies one among which was Ethiopian Police Force. In fact, it was during his period that Ethiopia saw a modern police force established in 1942 (Workneh, 2016). According to Shuffa (2005) from 1941 to 1948 the police force in Ethiopia was known as “Occupied Enemy Territory Administration” and changed to “Ethiopian Imperial Police Force” in 1948 following the return of most British force members except for the Commander-in-Chief and few other experts (Shuffa, 2005; Andargatchew, 2004). There were some new developments in the police force after the Emperor was overthrown in 1974 by a military coup led by Colonel Mengistu Hailemariam. The new regime called *Dergue* changed the name of the Imperial Police force to Ethiopian Revolutionary Police Force. When the *Dergue* regime was overthrown by Ethiopian People’s Revolutionary Democratic Front (EPRDF) in 1991, simultaneous changes also took place in the police force by way of re-organizing them and bringing in former police officers who had no criminal records as well as members of the ruling Ethiopian People’s Revolutionary Democratic Front along with newly recruited officers (Shuffa, 2005).

The Ethiopia Federal Police Commission was established in 1992 through the Proclamation No.313/2003 as an autonomous law enforcement organization having its own legal personality. To describe the overall areas of the commission management development sector, the headquarter is found in Lideta Sub-city, in front of Tegnareid Poly-Technique College in Addis Ababa city Administration in front of Mexico square. As researcher knowledge currently the sector has nine main directorates: Commissioner general staff secretary directorate, Planning and budget directorate, Purchasing & finance directorate, Technology expansion directorate, Human resource management directorate, Basic police & special profession training directorate, Construction directorate, Vehicle maintenance directorate and Property and general service directorate. In each directorate have numerous employees and managers.

## **3.2. Research Approach**

Researchers applied two types of research approaches, namely qualitative and quantitative approach (Saunders et.al, 2007). This paper is, therefore, based on a study that used both quantitative and qualitative (mixed) research approaches. The reasons for choosing a mixed approach is that, the researcher believes a mixed approach will provide rich information or more evidence and helps the study to be more valid, reliable and dependable. Also the researcher believes using a qualitative or quantitative approach only is not enough to address the research problem because the concept of Performance management system is understood by different people in different ways. As a result, use a mixed approach will better to understand the issue.

## **3.3. Research Design study**

According to Akhtar (2016), research design is the blueprint/roadmap that will guide the research. Research design is a conceptual structure which guides the researcher how to conduct the issue at hand. It is also, a strategy of describing procedures about sample size, data sources, the type of data required, means of data collection, methods of data processing, analyzing data and presenting based on available time and resources.

The researcher was used survey design as explanatory manners for quantitative research through structured questionnaires, which is appropriate method to obtain relevant information from a wide range of respondents. In addition, for qualitative research is used naturalistic (descriptive) design through an interview. According to the time dimension, the cross-sectional design will be use, which helped the researcher to gather data at a particular point in time. The researcher was focus on practice and challenges of Performance management system. It will be explained the process by what the practices of performance management and what are the challenges of performance management in the selected Sector. The researcher was attempting to answer these questions by asking about principles of Performance management practices and challenges.

## **3.4. Population and Sampling**

### **3.4.1. Population of the study**

A population is a group of individuals, objects or items from among which sample are taken for measurement (Singh, 2007). The source of population for this study consists of those employees who are currently working in the Ethiopian Federal Police Commission Management Development Sector. Under different core and support process or directorates of the organization structure and those middle managers from different department in the sector are considered as target population of the study. The

total population of this study 1984 employees that found in different directorate of the Ethiopian Federal Police Commission management development Sector.

### **3.4.2. Target/study Population**

The target population of this study Ethiopian Federal Police Commission Management Development Sector. The Sector has nine (9) Directorates which are categorized Commissioner general staff secretary directorate, Planning and budget directorate, Purchasing & finance directorate, Technology expansion directorate, Humana resource management directorate, Basic police & special profession training directorate, Construction directorate, Vehicle maintenance directorate and Property and general service directorate.

### **3.4.3. Sampling Frame**

Sampling frame refers to active list of the population from which the researchers are going to take a sample. As Stuart and Nicolas (2016) indicated as sampling frame is a list of members of a population from which members of a sample are then selected. A sampling frame needs to be accurate, complete, up-to-date and relevant to the purposes of the study for which it is to be used. (Jankowicz 1995) points out that in order to draw a sample; you have to know how many people are in the population, and how this total is made up from people falling into various subgroups in which you might be interested. Therefore, the sampling frame for this study is the actual list of employee and list of managers that are working under Ethiopian Federal Police Commission Management Development Sector.

### **3.4.4. Sampling design**

Sampling is a means of selecting some part of a group to represent the entire group or the population of interest. Sampling reduces the length of time needed to complete a research; it cuts costs, is manageable, increases accuracy and is almost a mirror of the sample population (Babbie, 2010). In this study the researcher will use both probability and non-probability sampling techniques because the researcher believe that using of two methods has its own advantages to minimize the limitation that may occurred either in probability or non-probability sampling techniques.

#### **3.4.4.1. Probability Sampling**

These sampling techniques are used when the researcher wants to make inferences about the population. The sample is selected based on known probability. Therefore, the researcher will use Stratified random sampling techniques because it is more advantageous for the finding to be free from bias or to give equal chance for all respondents (Uma, 2000).

To use the Stratified random sampling techniques first the employees will be grouped based on their organizational structure of the sector that consists to different core and support processes in to nine Directorates. From each directorate sample will be taken based their population proportion and followed by using systematic random sampling to get each respondent from each directorate based on sample frame (list of employees).

#### **3.4.4.2. Non Probability Sampling**

Non-probability sampling is generally used in experimental or trial research and does not represent the target population. Non-probability sampling uses subjective judgment and utilizes convenient selection of units from the population. Non-probability sampling methods produce cost savings for personal interview surveys; the resulting samples often look rather similar to probability sample data (Fowler, 2002). Since the researcher want to get additional information which could support the quantitative data result, those respondents which had high experience and directly related to the given issues (Commissioner general staff secretary directorate, Planning and budget directorate, Purchasing & finance directorate, Technology expansion directorate, Humana resource management directorate, Basic police & special profession training directorate, Construction directorate, Vehicle maintenance directorate and Property and general service directorate) were selected applying purposive sampling method to conduct interview for respondents.

#### **3.4.5. Sample Size Determination**

According to Kohtari (2004) the sample sizes was selected depending on the type of research design being used, the desired level of confidences in the results, the amount of accuracy wanted and characteristics of the population of interests. Therefore, in order to estimate the sample size, the study will be used the formula  $sample\ size\ (n) = \frac{N}{1+N(e)^2}$  (Yamana, 1973 Cited in Dawit, 2017). Where n = is the sample size

N = is the population size

e = is the level of precision

Accordingly, the total population of the study is 2000, the sample size will be  $n = \frac{1984}{1+1984(0.05)^2} = 333$ . In this case sample size determination of the two group respondents that are employees and managers from the selected sectors are considered as the total target population of the study. Therefore based on the total number of employee 1984 the sample size has been determined by using (Yamana,

1973 Cited in Dawit, 2017) mathematical sampling techniques the researcher determine the sample size of population is 333 respondents.

The researcher used deemed necessary to take sample for each directorate to ensure equal representation because each directorate in the sector has different number of employees. Therefore, the sample size for each directorate will be calculated using proportion. The study used proportionate sample allocation formula so as to make each directorate sample identical with proportion of the population. Therefore, proportional sample size from each stratum was calculated by using the following formula;

$$n_i = n \cdot N_i / N$$

Where:  $n_i$  = sample size of each directorate

$N_i$  = the total number of sample size in the sector

$N$  = the total number of employees in the sector

$n$  = the total no. of employees in the selected directorate

**Table 3.1 Summary of samples taken from each directorate**

No	Name of Directorates (Name of Strata's )	Total no of employees	No of sample taken from each directorate	Sampling techniques
1.	Commissioner general staff secretary directorate	122	21	Simple random Sampling Techniques
2.	Planning and budget directorate	20	3	
3.	Purchasing & finance directorate	80	13	
4.	Technology expansion directorate	91	15	
5.	Humana resource management directorate	270	45	
6.	Basic police & special profession training directorate	691	115	
7.	Construction directorate	254	43	
8.	Vehicle maintenance directorate	310	52	
9.	Property and general service directorate	146	26	
	Total employees	1984	333	

**Source:** Ethiopian federal police commission Human Resource management HRM department, 2020

### **3.5. Data sources and data collection Instruments**

To conduct this study, the researcher will use two data gathering tools which are primary and secondary data Sources. For primary data questionnaire and interview will be used since mixed type of data collection will use the validity of the data through triangulation. Whereas for secondary data; books, research papers, internet and performance reports will be employed.

#### **3.5.1. Primary Sources of data**

Primary Sources of data will be collect from the sample of the population through questionnaires and interviews. For this study purpose, the primary sources of data gathered from federal police members and leaders through questionnaires and interviews.

#### **3.5.2. Secondary Sources of Data**

The secondary sources of data helped the researcher to clearly understand the research problem under the study. These secondary sources of data were obtained from the Federal Police Commission different reports and documents. These secondary data were collected relevant and related data from published and unpublished documents, articles, websites, journals, books, reports, and magazines.

### **3.6. Method of Data Analysis**

After gathering the relevant data by using the appropriate data collections instruments the next step is processing and analyzing the data. The data gathered via questionnaires and interview will be transcribed in Amharic and then translated into English for data analysis purpose.

#### **3.6.1. Quantitative data analysis**

The quantitative data that is collected through semi-structured questionnaire was analyzed by using descriptive statistic playing statistical package for Social Science (SPSS). To arrive at the result, the collected data would be analyzed by properly classifying, tabulating and calculating the statistical values used for inference. The data were organized by using tables. In fact, data would be coded and analyzed by a statistical package of social science. Data will be collected by questionnaire and analyzed using SPSS version 20 and descriptive statistics such as mean, standard deviation, and frequency distribution percentages and used inferential statistics like correlations.

#### **3.6.2. Qualitative data analysis**

For the qualitative data the response were grouped in several thematic categories suitable to work on the discourse analysis of the responses. The researcher will be collected a great deal of qualitative data

to describe details about practice, challenges, and personal and organization factors regarding implementation of performance management system. The data are analyzed in the form of sentences and meaning which is obtained through document analysis and interview techniques

### **3.7. Validity and Reliability**

#### **3.7.1. Validity**

The study ensured that the validity of the research instrument is accurate and to measure what they want to suppose (Saunders, 2009). Validity is concerned with whether the findings are really about what they appear to be. The interview guide and the questionnaire were constructed to obtain a complete coverage of the topic, with a strong attention on the general and specific objectives in order to ensure content validity. Content validity involves the degree to which the study is measuring what it is supposed to measure. More simply, it focuses on the accuracy of the measurement (John, 2007). To increase validity, the interview questions and questionnaire are framed in a very clear and concise manner to make sure each question measures each variable at a time.

#### **3.7.2. Reliability Test Result**

The validity of an instrument refers to how well an instrument measures the particular concept it is supposed to measure (Singh, 2006). Reliability of the instrument according to Amin 2005 cited in Saunders (2009) refers to the degree to which they said instrument consistently measures whatever it is measuring. The reliability test is an important instrument to measure the degree of consistency of an attribute which is supposed to be measured. As stated by Mahon and Yarcheski (2002), the less variation of the instruments produces in repeated measurements of an attribute the higher its reliability. Reliability can be equated with the stability, consistency, or dependability of a measuring tool. Cronbach's alpha is one of the most commonly accepted measures of reliability. It measures the internal consistency of the items on a scale. It indicates that the extent to which the items in a questionnaire are related to each other. It also indicates that whether a scale is one-dimensional or multidimensional. The normal range of Cronbach's coefficient alpha value ranges between 0-1 and the higher values reflects a higher degree of internal consistency. Different authors accept different values of this test in order to achieve internal reliability, but the most commonly accepted value is 0.70 as it should be equal to or higher than to reach internal reliability (Hair et al., 2003).

**Table 3.2 : Cronbach's Alpha for each field of the questionnaire**

Field	Number of Items	Cronbach's Alpha test
PMS concepts and Performance planning	5	0.813
Performance monitoring practice	4	0.734
Performance development practice	6	0.882
Performance rating practice	6	0.798
Rewarding performance practice	5	0.885
Challenges of PMS	7	0.809
Overall	<b>33 (entire)</b>	<b>0.820</b>

**Source: Own computation (2021)**

The Cronbach's coefficient alpha was calculated for each field of the questionnaire. The table 4.2 above, depicts that the values of Cronach's Alpha for each field of the questionnaire and the entire questionnaire. As it can be seen from the Table, for each field value of Cronbach's Alpha is in the range between 0.734-0.885. This range is considered as high; the result ensures the reliability of each field of the questionnaire. Cronbach's Alpha equals 0.820 for the entire questionnaire which indicates very good reliability. So, based on the test, the results are reliable.

### **3.8. Ethical Consideration**

Ethics is the back bone of a research to get genuine information from respondents. According to Kivunja & Kuyini (2017) noted that the implementation of ethical considerations focuses on four principles which you need to uphold when dealing with your participants/respondents and data. These principles have privacy, accuracy, property, and accessibility as a pillar for every research. This research shall be considered of the above principles as a basement. So that, the researcher will be avoided any harm of the respondents due to being part of the study. Every effort will made to avoid unethical activity. The researcher was starting to conduct the study after come to consensus with concerned body of the commission. During the process of this study, the researcher has tried to obey and strictly follow ethical issues .First; it is obligation of the researcher to keep the information only for research purposes. Second; the selected respondents are requested to participate in the research. Finally, all respondents were advised that participation in this study was purely voluntary and those who were not voluntary could with draw at any time they want. Confidentiality was mentioned and assured by excluding their name from identification of the study.

## CHAPTER FOUR

### 4. Data Analysis, Presentation and Interpretation

#### 4.1. Introduction

This chapter deals with the presentation, analysis, and interpretation of primary data collected through questionnaire and interview, and even supporting secondary data. The collected data were analyzed and interpreted quantitatively and qualitatively to make more clear and expressive. The chapter was divided into four parts; the first part presented on the background characteristics of the respondents, the second part deals with the purpose of PMS, the third part deals with the practice of PMS and the four parts also deals on the Challenges of PMS. Finally in this chapter the major findings of the study were analyzed and discussed in line with the stated specific objective that leads to draw conclusions and recommendations.

#### 4.2. Response Rate

In order to make the collected data suitable for the analysis, all questions were screened to be complete. All returned in complete questionnaires are considered as error and removed from the survey data .For this study, a total of 328 questionnaires were distributed to the employees currently working in the Ethiopian federal police commission Human Resource management department sector to assess Performance management practices and challenges. Out of the distributed questionnaires 317 were properly filled up and returned. Hence, the response rate was 97% in which the analysis was made. On the other hand, the researcher prepared interview for five (5) directorate directors. Thus, all the samples were 5 (100%) of them participated in the interview as it can be described in the table 4.1 all presentation and analysis presented below are summarized data from employee's response and interviewed information.

**Table 4.1 Response Rate for data collection**

No.	Category of Respondents	Methodology	Sample size (n)	Actual Response	Response Rate
1	Employees	Questionnaires	328	317	97%
2	Directorate directors	Interview	5	5	100%
<b>Total</b>			<b>333</b>	<b>322</b>	<b>98.5%</b>

Source: Own computation (2021)

### 4.3. Demographic Characteristics of the Respondents

This part begins with the analysis of the demographic data gathered from the respondents using frequencies and percentages. Accordingly, the general respondents' characteristics, including: sex, age, educational level, work experience and work position are presented in Table 4.2 below.

**Table 4.2 Demographic Characteristics of the Respondents**

Respondents' characteristics	Categories	Frequency	Percent
Sex	Male	224	70.7
	Female	93	29.3
	<b>Total</b>	<b>317</b>	<b>100.0</b>
Age	20-30	137	43.2
	31-40	126	39.7
	41-50	40	12.6
	51-above	14	4.4
	<b>Total</b>	<b>317</b>	<b>100.0</b>
Educational level	Preparatory	9	2.8
	Certificate	15	4.7
	Diploma	108	34.1
	Degree	158	49.8
	Master and above	27	8.5
	<b>Total</b>	<b>317</b>	<b>100.0</b>
Work experience	Below 2 year	25	7.9
	2-6	58	18.3
	7-10	115	36.3
	11 and above	119	37.5
	<b>Total</b>	<b>317</b>	<b>100.0</b>
Work position	directors or division	13	4.1
	Coordinators	54	17.0
	Team leaders	133	42.0
	Experts	50	15.8
	Support staff	67	21.1
	<b>Total</b>	<b>317</b>	<b>100.0</b>

**Data source: own Survey (2021)**

From the Table 4.2 above, it is possible to deduce the following facts. The majority of the respondents were 224 (70.7%) were males and the rest 93 (29.3%) were females. This shows that majority of the respondents in the study area were male as compared to female respondents. In comparison to males, the participation of females is lesser in the sector; therefore, the researcher indicates that the organization should give sufficient concern to increase the number of participation of female in the organization for the future.

Another description pointed out in the Table 4.2 above, is that the age interval of the respondents. In this regard, the majority 137 (43.2%) of the respondents in the sector were found in the age interval of 20-30 years, Following 126 (39.7%) of the respondents were found in the age interval of 31-40 whereas the remaining 40 (12.6%) and 14 (4.4%) of the respondents fell under the age category of 41-50 and above 51 respectively. Generally, the majority of the respondents of the sector were middle aged that means they are in their most productive age group. Such employees are likely to perform better at their jobs. (Population stabilization report Ethiopia, 2014)

With regard to the educational background of the employees is an important factor in undertaking their respective responsibilities and to make critical decisions in their working sector. Considering the respondents' level of education, 108 (34.1%) of the total respondents were diploma holders. Whereas, the majority 158 (49.8%) the respondents were degree holders and the remaining 27 (8.5%), 9 (2.8%), and 15 (4.7%), master and above, preparatory and certificate respectively. This implies that the majority of respondents were degree holders that is an opportunities for the researcher to get adequate and relevant information for the questions which have been raised in the questionnaires.

Table 4.2, also depicts that the work experience of the respondents. The majority of 115 (36.3%) of the respondents have 7-10 years working experience. Following 58 (18.3%) of them have 2-6 years' work experiences and the rest 119 (37.5%) and ranged from relatively longer service times above 11 years the rest 25 (7.9) of the respondents were new for the institutions with two year and less than work experience. From this we can conclude that most of the sector employees have good work experiences which can help them to carry out their responsibilities effectively and efficiently, due to the job experience gained over time.

Table 4.2 above as well shows respondents' characteristics in terms of work position of the respondents as indicated in table the large portion of the respondents 50 (15.8%) were experts. Following 67 (21.1%) were other support staff. The remaining 133 (42.0%), 54 (17.0%) and 13 (4.1%) were team

leaders, coordinator and division or directors respectively. This shows that the majority of the respondents in the sector were team leaders.

In general, the results of the demographic characteristics of the respondents indicate that they can clearly understand and respond to the questions provided to them to gather the primary data.

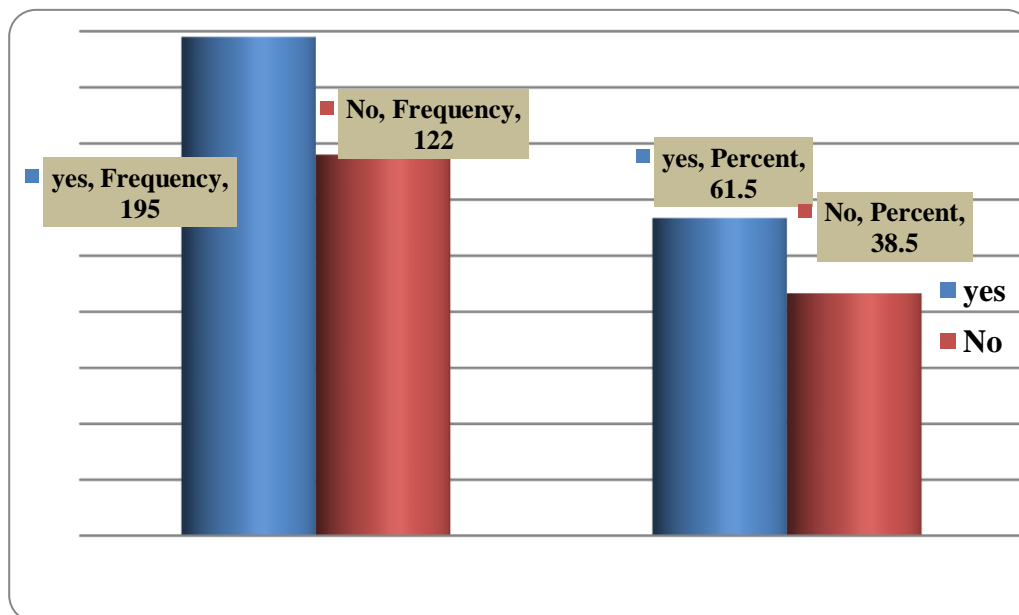
#### 4.4. Employee's opinion on Awareness towards the purpose of PMS Concepts

The first objective of the research was assessing the purpose of performance management system in what extent it is understood by employees in Ethiopian federal police commission management development sector, as the result, the researcher tried to collected, analyzed and interoperated the data as follows:

Knowledge on the purpose of performance management system is a very important Precondition for the successful implementation of performance management.

In this scenario, the researcher was interested to gather information regarding the awareness of respondents about the purpose of performance management system in the study setting and it can be analyzed and interoperated as follow

**Figure. 4.1 Employees awareness towards the purpose of PMS**



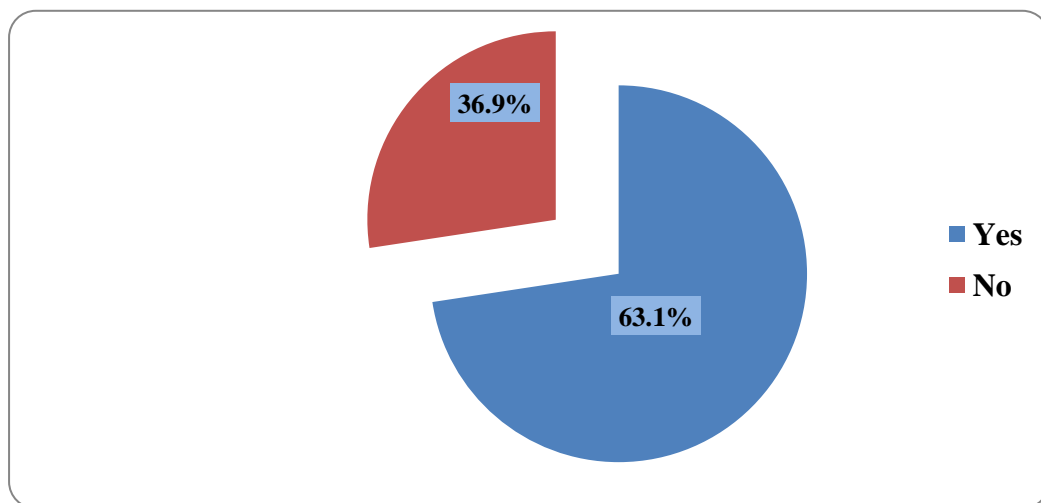
Source: Field Survey, 2021

According to Figure 4.1, the majority of the respondents that is 195 (61.5%) were aware of the purpose of performance management system, while 122 (38.5%) of the respondents responded that they have no

clear awareness on the purpose of PMS. This implies that Even if a considerable percentage responded to the question of being aware a great number are not quite aware of the purpose, hence we can conclude that there is unawareness on this important issue. This question was also forwarded for the directorate directors who were interviewed, and their response confirmed that different trainings have been given to employees in order to create awareness for the purpose of PMS but as the researcher confirmed to them that still the awareness level was less and not up to the mark.

Armstrong and Murlin (1994), it is clearly stated that performance management is all about setting up a shared understanding of what is to be achieved at an organization level. It involves the alignment of organizational objectives with the individual's agreed measures, skills, competency requirements, development plans and the delivery of results. The focus is on performance improvement through learning and development in order to achieve the overall business strategy of the organization. But in contrary the above data shows that even though 195 (61.5%) of respondents are clear about what PMS means but this is not enough for EFPCMDS to make its employees more focused on their performance and have the same understanding on the essence and purpose of having performance management system in the sector.

**Figure 4.2 Respondents opinion about the formal Performance Management System**



Source: Field Survey, 2021

As the figure 4.2 depicts, the respondents were asked whether a formal performance management system is in operation or not, the respondents confirmed that (63.1%) of the respondents stated that there is a formal operation of the performance management system in the sector, and the rest (36.9%) of

the respondents replied that there is no a formal management system operate in the sector. It can be inferred from the above quantitative data analysis that majority of respondents have responded in the positive as to a formal performance management system operation was in place in the sector. In order to check the main purpose on using performance management system as applied in the ministry, almost all respondents replied that the sector had introduced PMS to translate organizational goals in to individual job performance objectives ,to do the current work efficiently and effectively, translate organizational goals in to individuals job performance objectives and to identify individual training needs and development, to help strengthen employee’s current performance and prepare for higher responsibilities, this was also confirmed during the interview session. As stated in literature review part the main purpose of performance management is to link individual objectives and organizational objectives and bring about that individuals objective’ are important worth for the organization. Additionally, performance management tries to develop skills of people to achieve their capability to satisfy their ambitiousness and also increase profit of a firm.

#### 4.5. The Existing Practice of performance management system

##### 4.5.1. Performance Planning Practices

Performance planning is a stage in which Managers and employees shall set performance goals/objectives jointly, on the basis of divisional/departmental strategic objectives, discuss and clarify what is expected in the job, agree on the expected standards and levels of performance to be achieved. With this in mind the researcher tried to assess employees opinion on the first phase which is performance planning and the response is analyzed and presented as follows.

**Table 4.3 Respondent’s opinion on performance planning Practices in the sector**

Performance planning practice indicators	Strongly disagree		Disagree		Neutral		Agree		strongly agree		mean	Standard Deviation
	frequency	%	Frequency	%	Frequency	%	Frequency	%	Frequency	%		
I am clear about the strategic objective of my directorate	43	13.6	84	26.5	45	14.2	116	36.6	29	9.1	3.01	1.243
I am clear about what are	35	11.0	76	24.0	31	9.8	120	37.9	55	17.4	3.26	1.300

my job responsibilities and what is expected from me												
My performance plan is flexible so that it can be adjusted for changing program objectives and work requirements	34	10.7	68	21.1	42	13.2	125	39.4	48	15.1	3.27	1.256
In the sector, goal setting is carried out with the discussion between the employee and the manager	38	12.0	91	28.7	73	23.0	85	26.8	30	9.5	2.93	1.189
My individual goal is aligned with the strategic objective of my department and the organization	29	9.1	69	21.8	51	16.1	118	37.2	50	15.8	3.29	1.228
											3.152	1.243

Source: Field Survey, 2021

As it can be seen in Table 4.3 above, the summary of the question as to the clarity of strategic objective of the directorate, out of 317 respondents majority of the respondents which is 116 (36.6%) and 84 (26.5%) agreed and disagreed to the question as to the clarity of the strategic objective of the sector. However, 43(13.6%) and 29 (9.1%) responded as they strongly disagreed and strongly agreed to the question as to the clarity of the strategic objective of the directorate and 45(14.2%) of the respondents were neutral. Hence, from this one can deduce that according to the majority responses the strategic objectives of the directorate are clear to employees of the directorate. According to review of the literatures, the managers need to clearly and specifically lay down the organizational goals, objectives and ensure that these are well informed to the employees and make them realize what the organization expects from them. The organizational goals need to be translated in to individual, team and departmental/ divisional goals.

In table 4.3 as to the question pertaining to whether 'I am clear about what are my job responsibilities and what is expected from me' out of 317, 35(11.0%) and 76(24.0%) of the respondents strongly disagreed and disagreed respectively. In contrast, 120(37.9%) and 55(17.4%) agreed and strongly agreed respectively whereas 31(9.8%) of the respondents remained neutral. From the respondents response, one can understand that majority of respondents, that is the sum of agree and disagree is 196(61.9%). Hence, this implies that majority of the employees in the sector are clear about their job responsibilities and what is expected from them.

Concerning about the employees performance plan flexibility to adjust for changing program, objectives and work requirements, Accordingly , 34(10.7%) and 67(21.1%) of the respondents strongly disagreed and disagreed respectively with employees performance plan is flexible to adjust for changing program, objectives and work requirements. It means that employees performance plan is not flexible to adjust for changing program ,objectives and work requirements .However, 125(39.4%) and 48(15.1%) agree and strongly agree with employees performance plan which is flexible and can be adjusted for changing program ,objectives and work requirements . While, 42(13.2% ) is neutral about the issue. Thus, from this one can conclude that the performance plan of employees are flexible and can adjust for changing program, objectives and work requirements.

In relation with goal setting is carried out with the discussion between the employee and the manager, out of 317 respondents, 38(12.0%) and 91(28.7%) of the respondents strongly disagreed and disagreed respectively that goal setting is carried out with the discussion between the employee and the manager. On the contrary, 85(26.8%) and 30(9.5%) of the respondents agreed and strongly agreed respectively that is summing up 115(36.3%) respondents agreed that goal setting is carried out with the discussion between the employee and the manager and the remaining 73 (23.0%) of the respondents were remained neutral. Grounded on the response, one can conclude that goal setting in the sector is carried out with the discussion between the employee and the manager.

The last question on this category focuses on the alignment of individual goal with the strategic objective of the department and the organization, Accordingly, 29(9.1%) and 69(21.8%) of the respondents strongly disagreed and disagreed respectively that the goal of their department and the organization is not aligned together whereas 51(16.1%) of them have no clue about the issue and the remaining 118(37.2%) and 50(15.8%) of the respondents agree and strongly agree respectively on the fact that their departmental goal is cascaded from the organizational goal . From this we can generalized that the individual goal is aligned with the strategic objective of department and organization. As pointed out in the literature one of the most fundamental purposes of performance management is to align individual and organizational objectives. This means that everyone is aware of the organizational and departmental objectives.

#### **4.5.2. Performance Monitoring Practices**

Performance Monitoring means consistently measuring performance and providing ongoing feedback to employees and work groups on their progress toward reaching their goals. Therefore, in order to gather data regarding the process of performance Monitoring respondents were asked the following

questions to see their level of agreement and disagreement and their response is analyzed and presented as follows

**Table 4.4 Respondent’s opinion on monitoring performance Practices**

Monitoring Performance practices indicators	Strongly disagree		Disagree		Neutral		Agree		strongly agree		Mean	Standard Deviation
	frequency	%	Frequency	%	Frequency	%	Frequency	%	Frequency	%		
There is a regular feedback about the performance of employees in this sector	37	11.7	86	27.1	51	16.1	116	36.6	27	8.5	3.03	1.203
The employee and manager meet regularly to Assess performance progress towards meeting performance objectives	29	9.1	84	26.5	48	15.1	116	36.6	40	12.6	3.17	1.215
I have received feedback regularly about my performance from my manager	32	10.1	82	25.9	45	14.2	112	35.3	46	14.5	3.18	1.252
I always get support from my manager while I face challenges in performing my day to day activities	53	16.7	80	25.2	46	14.5	88	27.8	50	15.8	3.01	1.355
Grand Mean & Standard Deviation											3.098	1.256

Source: Field Survey, 2021

According to Armstrong (2006), PMS is a tool to provide effective feedback. It is a positive reinforcement and dialogue between employee and manager which encourages good performance and recognizes areas of improvement. Likewise, (Aguinis, 2009) states regular feedback enhances individual’s improvement and development. However, the above Table 4.4 depicts the summary of respondent’s opinion on the presence of a regular feedback about the performance of employees in the sector. Accordingly, among the respondents 37 (11.7%), 86 (27.1%), 116 (36.6%) and 27(8.5%) were strongly disagree, disagree, agree and strongly agree respectively on the presence of a regular feedback about the performance of employees. However, about 51(16.1%) of the respondents remained neutral.

Therefore, from the above analysis one can deduce that even if there is a feedback mechanism about performance of employees in the sector, according to the majority of the respondents' response is significant. As such in spite of having a feedback mechanism majority of responded agreed to the statement.

Regarding the next statement, as to the regular meetings of employees and managers to assess performance progress for meeting performance objectives, 29(9.1) and 84(26.5%) of the respondents strongly disagreed and disagreed respectively. on the other hand 116 (36.6%) and 40(12.6%) agreed and strongly agreed respectively. Whereas, 48 (15.1%) of the respondents remained neutral. Hence, it can be inferred from the above quantitative data analysis the majority of the respondents confirmed that there is not a gap on employees and managers regularly meeting to assess performance progress.

Concerning the question whether employees are received regular feedback about their performance from their supervisors, out of the total respondents, 32 (10.1%) and 82 (25.9%) of the respondents strongly disagreed and disagreed respectively. However, 112(35.3%) and 46(14.5%) agreed and strongly agreed respectively, While, 45 (14.2%) of respondents remained neutral. Therefore, from the above data the researcher believes that there is a gap on the part of the managers while giving feedback to the employees regarding their performance.

According to the information obtained from the interview also confirmed that one of the challenges occurring in the performance process is managers are not comfortable to provide honest feedback regularly to their employees.

Finally, respondents were asked to answer whether they are getting support from their manager while they are facing any challenges in performing their activities. Accordingly, 53(16.7%) and 80(25.2%) of the respondents replied that strongly disagree and disagree respectively. They are getting support from their manager while they are facing any challenges in performing their activities. On the contrary, 88(27.8%) and 50(15.8%) of the respondents agreed and strongly agreed that they are getting support from their manager while they face challenges in performing their activities and the remaining, 46(14.5%) of respondents were neutral. Grounded on the response, one can conclude that according to the majority of the respondents employees are getting support from their manager while they are facing any challenges in performing their activities.

#### **4.5.3. Performance development Practices**

Performance development is an important component of the performance management process and it develops employees work related skills, knowledge and experience, and competitiveness. Therefore, in

order to gather data regarding the process of performance development respondents were asked the following questions to see their level of agreement and disagreement and their response is analyzed and presented as follows .

**Table 4.5 Respondent’s opinion on Developing Performance Practices**

Developing Performance Practices	Strongly disagree		Disagree		Neutral		Agree		strongly agree		Mean	Standard Deviation
	frequency	%	Frequency	%	Frequency	%	Frequency	%	Frequency	%		
The needs of the employees are being considered by the Performance development plan in my organization	74	23.3	77	24.3	48	15.1	84	26.5	34	10.7	2.77	1.350
Employee’s developmental needs are evaluated and addressed.	58	18.3	79	24.9	58	18.3	96	30.3	26	8.2	2.85	1.263
The organization provides development opportunities to encourage good performance	67	21.1	96	30.3	46	14.5	71	22.4	37	11.7	2.73	1.331
The necessary development is given to ensure job effectiveness	64	20.2	87	27.4	43	13.6	80	25.2	43	13.6	2.85	1.363
The assignment enhances the capacity to perform better, develop new skills and take up higher responsibilities	62	19.6	62	19.6	53	16.7	99	31.2	41	12.9	2.98	1.346
The sector provides employees the required skills that will benefit for their future career	64	20.2	69	21.8	61	19.2	91	28.7	31	10.0	2.86	1.302
Grand Mean & Standard Deviation											2.84	1.326

Source: Field survey, 2021

The above Table 4.5 depicts the summary as to what extent respondents agree or disagree with the statement if the need of the employees is being considered by the Performance development plan at the sector Accordingly, among the respondents 74(23.3%) and 77(24.3%) of them strongly disagreed and disagreed respectively on the existence of the need of the employees are being considered by the performance development plan at the sector. However, 84(26.5%) and 34(10.7%) agreed and strongly agreed in that order and 48(15.1%) respondents remained neutral. Hence, from this one can deduce that the need of the employees is not being considered by the performance development plan at the sector.

Concerning whether the employees developmental needs are evaluated and addressed or not, 58(18.3%) and 79(24.9%) of the respondents strongly disagreed and disagreed respectively that the employees developmental needs are not evaluated and addressed properly .However, 96(30.3%) and 26(8.2%) of the respondents agreed and strongly agreed that the employees developmental needs are evaluated and addressed. The rest 58(18.3%) of the respondents remained neutral. Thus, from this one can conclude that according to the majority the Employees developmental needs are not evaluated and addressed.

In addition, the respondents were asked on the opportunities of training and development provided by the sector is to encourage good performance. The respondents replied that 96(30.3%) and 67(21.1%) of the respondents were disagreed and strongly disagree respectively, that the sector provides training and development opportunities to encourage good performance. While, 71(22.4%) and 37(11.7%) agreed strongly agreed respectively, that the sector provides training and development opportunities to encourage good performance and the rest 46(14.5%) of respondents were neutral .from this quantitative data analyses the majority of the respondents response to the statement was that the sector did not provide training and development opportunities to encourage good performance.

The next statement stated if the necessary training and development is given to ensure job effectiveness or not. Accordingly, the majority which is 80(25.2%) and 43 (13.6%) of the respondents were agree and strongly agree respectively that the necessary training and development is given to ensure job effectiveness on the contrary, 87(27.4%) and 64(20.2%) of the respondents replied that they disagreed and strongly disagreed respectively to the statement that necessary training and development is given to ensure job effectiveness and the remaining, 43(13.6%) of respondents remained neutral. Grounded on the response, one can conclude that the necessary training and development is given to employees that to ensure their job effectiveness.

Regarding the next statement the majority of respondents 99(31.2%) and 41(12.9%) responded that agreed and strongly agreed respectively with the view that training and assignments enhances the

capacity to perform better, develop new skills and take up higher responsibilities, whereas, 62(19.6%) and 62(19.6%) of the respondents were strongly disagreed and disagreed respectively that the training and assignments enhances the capacity to perform better, develop new skills and take up higher responsibilities and the remaining ,53(16.7%) of respondents were neutral. Thus, as it can be observed from this, the majority of respondents believe that training and assignments enhances the capacity to perform better, develop new skills and take up higher responsibilities.

Lastly respondents were asked to answer whether employees the required skills that will benefit for their future careers, 64(20.2%) and 69(21.8%) of the respondents strongly disagreed and disagreed respectively. on the other hand 91 (28.7%) and 31(9.8%) agreed and strongly agreed respectively. Whereas, 61 (19.2%) of the respondents remained neutral. Hence, it can be inferred from the above quantitative data analysis the majority of the respondents confirmed that there is not a gap on the sector provides employees the required skills that will benefit for their future career.

#### 4.5.4. Rating /measuring/ Performance Practices

Rating means evaluating employee or group performance against the elements and standards in an employee's performance plan and assigning a summary rating of record. Therefore, in order to gather data regarding the process of performance rating respondents were asked the following questions to see their level of agreement and disagreement and their response is analyzed and presented as follows.

**Table 4.6 Respondent's opinion on Rating /measuring Performance Practices**

Rating/measuring Performance Practices	Strongly disagree		Disagree		Neutral		Agree		strongly agree		mean	Standard Deviation
	frequency	%	Frequency	%	frequency	%	Frequency	%	Frequency	%		
Who conduct performance evaluation are competent enough to undertake their assignment	44	13.9	81	25.6	53	16.7	90	28.4	49	15.5	3.06	1.309
The performance criteria/ instruments used to measure my performance are clearly defined	51	16.1	84	26.5	47	14.8	95	30.0	40	12.6	2.97	1.310

The performance evaluation criteria used in the sector is capable of measuring my true performance	53	16.7	95	30.0	52	16.4	90	28.4	27	8.5	2.82	1.251
Evaluation of my performance is based on my accomplishment and achievement	37	11.7	91	28.7	41	12.9	108	34.1	40	12.6	3.07	1.265
My supervisor accurately evaluates my performance to the extent that I am rewarded for doing what I must do.	39	12.3	93	29.3	61	19.2	88	27.8	36	11.4	2.97	1.233
The performance evaluation process are done free of bias.	49	15.5	65	20.5	57	18.0	120	37.9	26	8.2	3.03	1.239
Grand Mean & Standard Deviation											2.987	1.268

*Source:* Field Survey, 2021

According to the above Table 4.6, 44(13.9%) and 81(25.6%) of respondents strongly disagreed and disagreed regarding the fact that individuals who conduct performance evaluation are competent enough to undertake their assignment. whereas, 90(28.4%) and 49(15.5%) of the respondents agreed and strongly agreed respectively but 53(16.7%) respondents have abstained from replying either agreed or disagreed. Thus it can be said that about 125(39.5%) and 139 (43.9%) of the respondents disagreed and agreed on the competent level of the individual who conducts performance evaluation.

Further from the findings in the above table the majority of the respondents 95(30.3%) agreed and 40 (12.6%) of respondents strongly agreed on the idea that the performance criteria/instruments used to measure an individual performance are clearly defined. Contrary to this 84(26.5%) and 51 (16.1%) of the respondents disagree and strongly disagree about the issue. The remaining 47(14.8%) of the respondents were neutral. So from the above data the researcher generalized that the maximum respondents confirmed that in the sector the performance criteria/instruments used to measure an individual performance are clearly defined.

In addition, respondents were asked to answer whether the performance evaluation criteria used in the sector is capable of measuring their true performance. Accordingly, 53(16.7%) and 95(30.0%) summing up 148(46.7%) of the respondents replied strongly disagree and disagree respectively that the

performance evaluation criteria used in the sector is not capable of measuring their true performance. But, 52(16.4%) of the respondents were neutral about the issue and the remaining 90(28.4%) and 27(8.5%) summing up 117(36.9%) of the respondents replied that the performance evaluation criteria used in the ministry is capable of measuring their true performance. From the above the researcher understands that there is a gap on the performance evaluation criteria used in the sector for measuring the true performance of the employees that is the actual output of the employees instead of behavioral concerns.

In addition the respondents were asked a pertinent questions, 37 (11.7%) of the respondents strongly disagreed and 91(28.7%) were disagreed respectively on the view that the performance evaluation of employees is based on their accomplishment and achievement. Whereas, 108 (34.1%) agreed and 40 (12.6%) agreed and strongly agreed respectively with the statement that performance evaluation of employees is based on their accomplishment and achievement. the remaining 41(12.9%) of the respondents were neutral. It can be inferred from the data that performance evaluation of employees is not based on their accomplishment and achievement. In addition to this the result the interview with the director also indicated that the performance evaluation of employees is not based on their accomplishment and achievement but rather having a good relationship with the supervisor and team members helped the employees to get good performance evaluation.

The above table 4.6 shows that, the respondents were asked whether the supervisors accurately evaluated the performance of the employees to the extent that they are rewarded for doing what they must do. Accordingly, 36 (11.4%) and 88 (27.8%) of respondents were strongly agree and agree respectively that the supervisors accurately evaluate the performance of employees to the extent they are rewarding for what they are doing. While, 61(19.2 %) of the respondents replied neutral. In contrary 39(12.3%) and 93(29.3%) of the respondents strongly disagreed and disagreed on the supervisors accurately evaluate the performance of employees to the extent they are rewarding for what they are doing.

To summarize the table, this result shows that according to the majority of the respondents the supervisors do not accurately evaluate the performance of employees to the extent they are rewarded for what work they are doing.

Finally, as can be shown from the above table respondents were asked to indicate whether the performance evaluation process are done free of bias or not. The majority which is the sum of strongly agreed and agreed represent 146 (46.1.9%) of the respondents disagreed that The performance

evaluation process are done free of bias while, 114 (36.0%) of the respondents were agreed, with the view that The performance evaluation process are done free of bias and the rest 57(18.0%) of the respondents remained neutral . Here the majority of the respondents believe that their supervisors are biased by different reasons when they assess employee’s performance. In literature part we can find different kinds of rating errors and among them the inclination to rate people in the middle of the scale, an initial positive or negative judgment by supervisors which distort the real performance, generalizing one aspect of an individual performance to all areas of his/her performance and generalizing across the groups and ignore individual differences are the most usual errors that make a supervisor to be biased on individuals performance.

#### 4.5.5. Rewarding Practices

Rewarding means recognizing employees, individually and as members of groups, for their performance and acknowledging their contributions to the organization's vision and mission. Therefore, in order to gather data regarding the process of rewarding good performance respondents were asked the following questions to see their level of agreement and disagreement and their response is analyzed and presented as follows:

**Table 4.7 Respondent’s Opinion on Rewarding Practices**

Reward Performance	Strongly disagree		Disagree		Neutral		Agree		strongly agree		mean	Standard Deviation
	frequency	%	Frequency	%	frequency	%	Frequency	%	frequency	%		
There is a system to reward good performance in the sector	65	20.5	70	22.1	49	15.5	103	32.5	30	9.5	2.88	1.318
I am satisfied with the reward programs currently existing in my sector.	74	23.3	97	30.6	57	18.0	62	19.6	27	8.5	2.59	1.271
I am happy with reward for my outstanding work and contributions	68	21.5	72	22.7	69	21.8	71	22.4	35	11.0	2.79	1.312
I receive on- time acknowledgement and reward for doing a good job	73	23.0	76	24.0	42	13.2	90	28.4	36	11.4	2.81	1.367

Individuals are recognized for their performance and acknowledging their contributions to the organization's mission	58	18.3	82	25.9	48	15.1	94	29.7	35	11.0	2.89	1.312
Grand Mean & Standard Deviation											2.792	1.318

*Source:* Field Survey, 2021

As shown from the above table 4.7 about the presence of a system to recognize and reward for good performance in the sector; accordingly, 65(20.5%) and 70(22.1%) respondents respond that strongly disagreed and disagreed respectively. On the other hand 103(32.5%), 30(9.5%) and 49(15.5%) of respondents responded that agreed, strongly agreed and neutral respectively on the presence of reward and recognition system for good performance in the sector.

This implies that even though relatively the majority respondents agreed that there is a reward system for good performance in the sector but considerable portion of respondents in difference as well as disagrees on this concern and both of them account 57.7%.

The qualitative response of interview also confirms that there are no clear guide lines and manuals for reward of employees in the sector. Generally, the result from the quantitative and qualitative data analyses one can understand that the presence system of reward for good performance is in adequate.

The other issue is concerned with whether employees are satisfied with the reward programs currently existing in the sector or not. Accordingly, as it can be seen from the Table 4.7 above out of total respondents 27(8.5%) strongly agreed and 62(19.6) of respondents agreed that they are satisfied with the reward and recognition programmed currently existing in the sector. On the other hand, 97(30.6%) and 74(23.3%) of respondents replied by saying disagree and strongly disagree respectively. Combining the two about 53.9% respondents reach consensus that they are not satisfied with the reward programmed currently which is in existence in the sector. While the remaining 57(18.0%) of respondents remained indifferent. This shows that, there is a gap on the reward program currently existing in the sector.

In addition, interviews conducted with Directorate directors of the sector shows that the reward and recognition program existing in the ministry is biased and networked it means that it is not satisfactory.

Generally, the result from quantitative and qualitative data analysis one can infer that employees and directors are not satisfied with the reward and recognition program me currently in existence in the sector.

The third indicator that we observe from the table 4.7 above is whether they are happy with the reward for their outstanding work and contributions or not. Hence the table shows that majority of the respondents (44.2%) which is the sum of disagreed and strongly disagreed respectively are happy with reward for their outstanding work and contributions. On the other hand, the sum of agreed and strongly agreed which is 33.4 % of the respondents responded that they are happy with the recognition and reward for their outstanding work and contributions. The rest 21.8% of the respondents are not certain about this issue. This implies that employees of the sector are not happy with the recognition and reward which is given to their outstanding work and their contribution.

The qualitative response of interview also confirms that the reward and recognition have been done with nepotism, having good relation with their supervisors and team members and favoritism rather than with their outstanding work and contribution.

Generally, the result from the quantitative and qualitative data analyses one can understand that recognition and reward are not given to the employees of the sector with their outstanding work and their contributions to the organization.

From the result obtained from the above table, the majority of respondents 73(23.0%) and 76(24.0%) responded that strongly disagree and disagree respectively on the idea that they are receiving on-time acknowledgement and reward for their good job they are performing. contrary to this 90(28.4%) and 36(11.4%) respondents responded that agree and strongly agree respectively. The remaining 42(13.2%) of the respondents have abstained. Therefore, as it can be seen from the responses, majority of the respondents 47.0% (sum of disagree and strongly disagree) responded that the employee of the sector do not receive on-time acknowledgement and reward for their good job they are performed. Hence, one can infer that there is no appropriate time for receiving acknowledgement and reward for doing a good job. However, in literature review part according to (Sharma, 2011).Reward is an ongoing, natural part of day-to-day experience. Those employees should receive acknowledgement and reward on the appropriate time.

Lastly as shown in the above table 4.7, most of the respondents 58(18.3%) and 82(25.9%) respondents were strongly disagree and disagree respectively with the view that Individuals and teams are recognized for their performance and acknowledging their contributions to the organization's mission. Whereas 94(29.7%) and 35(11.0%) respondents were agree and strongly agree respectively and the rest 48(15.1%) of the respondents remained neutral. this implies that the majority of respondents response inclined to Individuals and teams are not recognized for their performance and acknowledging their contributions to the organization's mission.

#### 4.6. Relationship between performance management practice and PMSC

A set of person correlations were computed to determine if there were significant relationship between the dependent and independent variable. According to Field (2009) correlation coefficient is a very useful means to summarize the relationship between two variables with a single number that falls between -1 and +1. The general symbol for the correlation coefficient is  $r$ . So, a perfect positive relationship ( $r = +1.00$ ) indicates a direct relationship and an ( $r = -1.00$ ) indicates a perfect negative relationship. Hence, in this study Bivariate Pearson Coefficient ( $r$ ) was used to examine the relationship between performance management practices and challenges by using a two-tailed test of statistical significance at the level of 99% significance,  $P < 0.01$ . Interpretation of correlation coefficient ( $r$ ) size is as follows: if the correlation coefficient falls between 0.1 to 0.20, it is significant correlation; if it is between 0.20 to 0.40 is fair significant, if it lies between 0.40 to 0.70 highly significant; if it falls along 0.70 to 1 very high significant or strong correlation between variables

**Table 4.8 Correlations**

		PP	DP	MP	RP	RWP	PC
PP	Pearson Correlation	1	.330**	.459**	.448**	.206**	.506**
	Sig. (2-tailed)		.000	.000	.000	.000	.000
	N	317	317	317	317	317	317
DP	Pearson Correlation	.330**	1	.566**	.520**	.495**	.478**
	Sig. (2-tailed)	.000		.000	.000	.000	.000
	N	317	317	317	317	317	317
MP	Pearson Correlation	.459**	.566**	1	.567**	.469**	.511**
	Sig. (2-tailed)	.000	.000		.000	.000	.000
	N	317	317	317	317	317	317
RP	Pearson Correlation	.448**	.520**	.567**	1	.458**	.516**
	Sig. (2-tailed)	.000	.000	.000		.000	.000
	N	317	317	317	317	317	317
RWP	Pearson Correlation	.206**	.495**	.469**	.458**	1	.493**
	Sig. (2-tailed)	.000	.000	.000	.000		.000
	N	317	317	317	317	317	317
PC	Pearson Correlation	.506**	.478**	.511**	.516**	.493**	1
	Sig. (2-tailed)	.000	.000	.000	.000	.000	
	N	317	317	317	317	317	317

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

Source: Survey Data (2021)

Keys: PP- Performance Planning

DP- Developing Performance

MP- Monitoring performance

RP - Rating/Measuring/ performance

RWP- Reward Performance

CP- Challenges of performance

From the above Table 4.8, coefficients of correlation indicated that Challenges of performance has Substantial association with Performance Planning, Developing Performance, Monitoring performance and Reward Performance ( $r \sim 0.51$ ,  $p = .000$ ), ( $r \sim 0.48$ ,  $p = .000$ ) ( $r \sim 0.52$ ,  $p = .000$ ), ( $r \sim 0.49$ ,  $p = .000$ ). It has also very strong association with Rating/Measuring/ performance ( $r \sim 0.51$ ,  $p = .000$ ). as it was seen above table, one independent variable had correlation between other independent variable from moderate association up to substantial association at  $p = .000$ .

Generally, in this model, there was positive and significant correlation among variables. Therefore, this correlation analysis was fitted in line with the researcher hypotheses which were stated that the independent variables (Performance planning, developing performance, monitoring performance, rating/measuring/ performance, reward performance) had positive and statistically significant relationship with the dependent variable (Challenges of performance).

#### **4.7. Multiple Regression Analysis**

Multiple regressions were the determination of a statistical relationship between three or more variables. In this research, multiple regressions had five selected variables. These five variables were defined as independent variables (Performance planning, developing performance, monitoring performance, rating/measuring/ performance, reward performance) which were the cause of the behavior of dependent variable (challenges of performance). Since the correlation result provided only the direction and significance of relationship between variables but multiple regression analysis was applied to identify the contribution of Performance planning, developing performance, monitoring performance, rating/measuring/ performance and reward performance challenges of performance to and to determine the extent of relationship between independent and dependent variable of the study (Eyuel, 2017).

**Table 4.9 Model Summary**

Table Summary	Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1		.680 <sup>a</sup>	.463	.454	.616

a. Predictors: (Constant), Performance planning, developing performance, monitoring performance, rating/measuring/ performance, reward performance

Source: surveyed data generated from SPSS output

In the above Table 4.9, the important measure was the R square =0.463 or 46.3% in which it was the measuring of the success of the model which was called good fit model for collected data. This measured value showed that how much variance of dependent variable was captured or predicted by independent variables. Therefore, in this research, R square = .463was interpreted as the weighting combination of the selected five performance management system practices explained 46.3 percent of the variance or attribute of employees’ performance. It was also used to measure the impacts of independent variables on dependent variables.

**Table 4.10 ANOVA of selected challenges of performance management effect on performance management practice.**

Model		Sum of Squares	Df	Mean Square	F	Sig.
1	Regression	101.756	5	20.351	53.633	.000 <sup>b</sup>
	Residual	118.009	311	.379		
	Total	219.764	316			

a. Dependent Variable: PC

b. predictors: (Constant), Performance planning, developing performance, monitoring performance, rating/measuring/ performance, reward performance

The above table revealed the Sig (ANOVA, p = .000) and it was indicated the overall significance of the model. Generally, this ANOVA analysis explained the existence of significant relationship between the independent variables which were Performance planning, developing performance, monitoring performance, rating/measuring/ performance, reward performance and the dependent variable challenges of performance along with showing the normality distribution of data.

**Table 4.11, Coefficients for Multiple Regression**

Model	Unstandardized Coefficients		Standardized Coefficients	T	Sig.
	B	Std. Error	Beta		
1 (Constant)	.753	.150		5.031	.000
PP	.268	.043	.302	6.218	.000
MP	.092	.051	.103	1.791	.074
DP	.093	.043	.117	2.149	.032
RP	.133	.052	.143	2.566	.011
RWP	.199	.039	.259	5.113	.000

a. Dependent Variable: challenges of performance management system  
 Source: surveyed data

In the above Table 4.11, this research combined five selected PMS practices into one regression to see the overall impact on challenges ‘of performance. In this case, multiple linear multiple regression was applied by using challenges‘ performance as dependent variable and five selected PMS practices as independent variables which were Performance planning, developing performance, monitoring performance, rating/measuring/ performance, reward performance contributed significantly toward challenges of performance at 0.05 level of significance. The prediction model indicated that 46.3% of the variation in challenges of performance was predicted by five selected PMS practices as shown above in the regression model.

In the above Table, the Unstandardized Beta coefficients had also given a measure of the contribution of each independent variable for variation to dependent variable in the model. So that the contribution of each independent variable based on the absolute magnitudes then, a large value of Beta coefficient indicated that a unit change or standard variation in that predictor variable has a large impact on the dependent (criterion variable). Additionally, the t and Sig (p) values gave a rough indication of the impact of each predictor variable. A big absolute t value and small p value suggested that a predictor variable had been a large impact on the criterion variable.

The data analysis presented in Table 4.11 revealed that five of predictors have P-value for their coefficient (beta,  $\beta$ ) are significant for Performance planning ( $\beta= 0.268$ ,  $p = 0.012$ ), Table 4.5.3, Coefficients for Multiple Regression Model Unstandardized Coefficients Standardized Coefficients T

Sig. Collinearity Statistics B Std. Error Beta Tolerance VIF 1 (Constant) .753 .150 5.031 .000 PP .268 .043 .302 6.218 .000 MP .092 .051 .103 1.761 .074 DP .093 .043 .117 2.566 .032 RP.133 .052 .143 2.566 .011 and RWP .199 .039 .259 5.113 .000 a. Dependent Variable: CP performance planning ( $\beta = 0.268$ ,  $p = 0.000$ ) and reward performance ( $\beta = 0.199$   $p = 0.000$ ). This result was similar with the research done by (Bacha, 2017) and (tesfaye, 2018). Hence these five selected PMS practices positively and significantly contributed to the model.

This study was also interpreted the regression model using significance of independent variables considering T-test values at  $p = 0.05$ . It was put in ascending order of T- test values for describing significance of independent variables as development performance ( $t = 2.149$ ), monitoring performance( $t = 1.791$ ), rating/measuring/ performance ( $t = 2.566$ ) and performance planning ( $t = 6.218$ ). Collinearity analysis was also comprised tolerance level which was greater than 0.2 and less than one. Variance inflation factor or VIF was less than ten. So, using general thumb rule of econometrics or statistics, this collinearity analysis indicated that the model was good fit.

Finally, it was concluded that three selected PMS practices significantly correlated to challenges of performance. These results were similar with research done by Bacha (2017) which was conducted for investigating the impacts of performance management practices on operational performance. Generally, in this research; five research hypotheses were stated previously had been accepted based on results of study. These hypotheses were positively and statistically significant. It was represented in mathematical equation form as:

$$CP = 0.753PP + 0.268MP + 0.092 DP + 0.133 RP + 0.199RWP.$$

Where PP, MP, DP, RP, RWP and EP are research variables

#### 4.8. Challenges of Performance management system

In this section, the researcher has tried to identify those challenges that hinder the practice of PMs .to find out those challenges the researcher had put the respondents response rate from strongly disagree to strongly agree on likert scale. The qualitative data from interviewee and secondary source are also incorporated for analyses with the quantitative data have been done in the above themes

**Table 4.12. Challenges of Performance management system**

Challenges of Performance	Strongly disagree	Disagree	Neutral	Agree	strongly agree	Mean	Standard Deviation

management system	frequency	%	Frequency	%	Frequency	%	Frequency	%	Frequency	%		
Linking Job description to Performance Management	45	14.2	91	28.7	54	17.0	99	31.2	28	8.8	2.92	1.232
Senior and line Management Commitment towards implementation of performance management system	36	11.4	92	29.0	61	19.2	100	31.5	28	8.8	2.97	1.190
Lack of Knowledge to implement performance management system effectively	34	10.7	80	25.2	53	16.7	109	34.4	41	12.9	3.14	1.237
Evaluating Performance and giving feedback	36	11.4	74	23.3	57	18.0	108	34.1	42	13.2	3.15	1.242
Employees participation regarding Performance management implementation process	32	10.1	71	22.4	43	13.6	127	40.1	44	13.9	3.25	1.235
Poor Integration and Alignment with other processes and systems	37	11.7	77	24.3	54	17.0	120	37.9	29	9.1	3.09	1.205
Poor Managing of Rewards	30	9.5	75	23.7	67	21.1	100	31.5	45	14.2	3.17	1.214
Grand Mean & Standard Deviation											3.098	1.222

Source: Field Survey, 2021

As it clearly indicated in above table, 4.12 different performance management system challenges are illustrated. The first point is about Linking of Job description to Performance Management. According to Cooper (2008), states that the tasks and key result indicators (KRI) included in individual job descriptions must be congruent with the organization and unit's strategic plans. In other words, job descriptions should include activities that, if executed well, Job descriptions separated from strategic priorities will lead to performance evaluations focused on behaviors and results that are not central to an organization's success. As shown in table above 136 (42.9%) of the respondents which is the sum of strongly disagreed and disagreed with Linking of Job description to Performance Management is the challenge of performance management. This implies Linking of Job description to Performance Management is not challenge of performance management system. However 127 (40.0) of the respondents which is the sum of agree and strongly agree with statement Linking of Job description to Performance Management as challenge of PMS in their offices and the rest 54 (17.0%) were neutral.

From this it is possible to conclude that Linking of Job description to Performance Management is one of the challenges of PMS in the sector.

According to Pace (2011), the most critical performance management implementation challenges are related to poor executive engagement and implementation. It is useless to have a well-developed PMS without commitment from the management team. If senior and line management do not show commitment to the implemented PMS, the employees will also not take it serious. Line managers need to show a real sense of ownership during implementation of PMS. However, as shown in the above table 4.8 the majority of respondents 100 (31.5%) agreed and 28(8.8%) strongly agree with Senior and line Management Commitment towards implementation of performance management system as challenge of PMS. Whereas, 61 (19.2%) of the respondents were neutral and the rest 36(11.4%), 92 (29.0%) strongly disagree and disagree respectively with Senior and line Management Commitment towards implementation of performance management system. This implies Senior and line Management Commitment towards implementation of performance management system is not challenge of performance management system. It can infer from the above quantitative data analysis the majority of respondents response inclined to in the sector Senior and line Management Commitment towards implementation of performance management system is a challenge.

The third issue which is discussed under the challenge of PMS is lack of knowledge and skill to implement PMS effectively. Accordingly, 114 (35.9%) (Sum of strongly disagree and disagree) of respondents replies that lack of knowledge and skill to implement PMS effectively is not a challenge of PMS. Following 53 (16.7%) participants respond neutral. However the remaining 150 (47.3%) (Sum of agree and strongly agree) respondents were agreed that lack of knowledge and skill to implement PMS effectively as a challenge.

From quantitative data analysis the majority of respondent's response inclined to the problem of knowledge and skill to implement PMS effectively is challenges of PMS in the sector.

The fourth issue that is considered as the challenge that hinders the practice of PMS is lack of proper Evaluating Performance and giving feedback. As cited in Sunlin (2008), evaluating performance competencies is usually the most difficult part of performance management. Line managers are generally less comfortable on discussing and giving feedback on behaviors of subordinates, and because they are more subjective and less quantifiable than objectives, as a result managers tend to avoid this because of its subjective judgment it leads to unfair and discriminatory system. consequently, as shown from the above table , 110(34.4%) respondents which is the sum of disagreed and strongly disagreed with the statement that lack of Evaluating Performance and giving feedback is a challenge

PMS. This implies Evaluating Performance and giving feedback is not challenge of performance management system. while 150(47.3%) of respondents which is the sum of agree and strongly agree with the issue that Evaluating Performance and giving feedback is challenge of performance management system in the sector .the rest, 57(18.0%) of them were found to be neutral. thus from the observed response, Thus, as it can be observed from this, the majority of respondents believe that Evaluating Performance and giving feedback is a challenge of performance management system in the sector.

The other challenge that has been responded by respondents in table 4.8 is concerning on Employees participation regarding Performance management implementation process. According to Latham & Mann (2006), the participation of employees during implementation PMS is very important to make them their views are taken into account. Unless their participation considered it brings poor motivation and self-esteem due to inadequate feedback on their performance, little or no communication, unfairness, lack of transparency and equity as some of the main features leading to failure of performance management systems. Concerning this as shown in above table 32(10.1%) and 71(22.4 %) strongly disagree and disagree respectively. Summing up the two about 103 (32.5%) of respondents were disagree with Employees participation regarding Performance management implementation process is a challenge of PMS. while 127(40.1%) and 44(13.9%) of respondents agreed and strongly agreed respectively. When we add up, 171(44.0 %) of respondents have counter argued that Employees participation regarding Performance management implementation process is not a challenge of PMS in the sector. The remaining 43(13.6%) of respondents remained neutral. This implies Employees participation regarding Performance management implementation process is challenge of PMS in the sector.

According to Mwendandu (2013), Performance management has to be approached from an integrated perspective. Synergy has to be created between the performance management system and strategic planning, human resource management processes. As illustrated in table 4.8 above concerning Poor Integration and Alignment with other processes and systems are as challenges of PMS, Accordingly, 77(24.3%) and 37(11.7%) of respondents replied by saying disagree and strongly disagree respectively that Poor Integration and Alignment with other processes and systems as a challenge of PMS, this means that Poor Integration and Alignment with other processes and systems is not a challenge of PMS. On the other hand 29(9.1%) strongly agree and 120(3715.9%) of respondents agree that Poor Integration and Alignment with other processes and systems is one of the challenges of PMS. While the

remaining 54(17.0%) of respondents were remain indifferent. This shows that, Poor Integration and Alignment with other processes and systems are the challenges of PMS.

The last point as illustrated in the above table is about poor managing of reward is whether a challenge of PMS or not, accordingly, 100(31.5%) and 45(14.2%) of the respondents were agree and strongly agree respectively. while, 30(9.5%) and 75(23.7%) respondents replied strongly disagree and disagree respectively with poor managing of reward is a challenge of PMS this implies that .poor managing of reward is not challenge of PMS. The remaining 67(21.1%) respondents remained indifferent. From this fact it is possible to conclude that the majority of the respondents response inclined to poor managing of reward are one of the challenges of PMS practices in the sector.

Generally, as we recognize from finding above, different PMS challenges are identified which include:, Linking of Job description to Performance Management, Senior and line Management Commitment towards implementation of performance management system, Lack of Knowledge and Skill to implement performance management system effectively, Resistance to Change, Evaluating Performance and giving feedback, Employees participation regarding Performance management implementation process, Poor Integration and Alignment with other processes and systems and Poor managing of rewards.

#### **4.9. Interview with Ethiopian federal police commission management development sector directorate directors**

While conducting an interview this was also one of the question and the researcher had found that performance management system is highly communicated about its objectives, targets, initiatives and organization's mission and vision? The data gathered from the interview with managers revealed that even though respondents are clear about the purpose of the system but there is a problem on the implementation and evaluating phases of PMS. Performance management system is used to get the team members to achieve the team objectives and targets, improve overall team effectiveness, develop performance capabilities, review and assess team and individual performance, and reward and motivate. However, the above data clearly shows that the management of the organizations did not gave much emphasis on the support staff to make them understand the main purpose of having performance management system and it can be said that employees are not on the same track of understanding the system.

As stated on many literatures, Interview is one of the commonly used primary data collection method. This method enables to obtain relevant information for highly targeted audience. Interview also

provides the respondent with the opportunity to express their feeling and opinions. By this interview the researcher tries to cross check or triangulate questionnaires responses.

As well, the information gathered through in-depth interview from directorate directors shows similar findings with the information obtained through a questionnaire. Some of these major challenges suggested by participants' were lack of directives and manuals for rewarding employees, lack of accurate data while measuring employees performance that is poor documentation, lack of employees and directors attitude towards PMS, poor development opportunities for employees, lack of training and sharing of experience for better result, lack of knowledge and skill to measure performance, lack of clear performance measurement indicators, lack of timely feedback about the strength and weakness of an employee, lack of commitment to implement procedures, some of the standard used for measuring performance are impracticable, bias due to different circumstances lack of higher officials and supervisors commitment to support employees to perform better, were the main challenges for employees and directors in the sector.

To sum up awareness of employee on performance management system, clearly defined performance management system objectives and relate results of performance management system evaluation with rewards and salary increment are very important to implement performance management system in public organizations, but it is not fully related to reward and benefit packages of an employee. Knowing the purpose of organizations and the purpose of performance management system is not an end result for the implementation of performance management system in public sectors. While conducting an interview this was also one of the question and the researcher had found that the linkage between performance management system and salary increment and recognition of good performers is low. In addition to this after identifying the gap on employee's performance, training was not given for the poor performers in order to fill their gap and make them a good performer.

## CHAPTER FIVE

### 5. SUMMARY OF FINDINGS, CONCLUSIONS AND RECOMMENDATIONS

#### 5.1. Introduction

This chapter deals with the summary of the findings, conclusion and recommendations of the research. Accordingly, in the first case a brief summary of the finding is presented. The next section presents the major conclusion of the paper. The last part presents potential recommendations that researchers believed could be good for the sector and any other beneficiaries.

#### 5.2. Summary of findings

The main objective of this study was to assess the practice and challenges of performance management system in the Ethiopian federal police commission management development sector by having the following basic questions to be addressed. The specific objectives of this study attempted:

- To assess the current practices of Performance Management System in Ethiopian Federal Police Commission Management Development Sector.
- To assess the major challenges impeding the implementation of Performance Management System in the sector.
- To assess the purpose of performance management system to what extent it is understood by employees in Ethiopian Federal Police Commission Management Development Sector

In order to address the above basic objectives, descriptive survey research design was employed by using a mixed research approach which comprises both quantitative and qualitative methods of data gathering. Data was gathered through questionnaire and interviews were made to triangulate and increase the validity of the data obtained.

Based upon the data analysis presented in previous chapter, there were both positive and negative findings concerning the implementation of the performance management system by EFPCMDS. The strong points includes; having a clear strategic objectives for each directorate, alignment of individual goals with department and organizational goals, goal setting is carried out with the discussion between employees and managers, on the other hand the adverse findings obtained from respondents that need the attention of EFPCMDS are presented in accordance with the research objectives under the following sub-topics.

## **I- What are the current practices of performance management system in the Ethiopian Federal Police Commission Management Development Sector?**

- ❖ Most of the respondents, 73.9% affirmed that there was no regular feedback about the performance of employees in the sector.
- ❖ The result of the study also ensured that in the sector development need of the employees were not considered and addressed and also there are no training and development opportunities to encourage good performance.
- ❖ As per the majority of the respondents ,67.2%t indicates that there is knowledge and skill gap of individual who conduct performance evaluation ,
- ❖ A large number of respondents, 64.3% agreed that the performance evaluation criteria were not capable for measuring the true performance of the employees.
- ❖ Most of the respondents, 75.1% showed that the managers do not gather important information, before rating employee's performance.
- ❖ Most of the respondents, 66.2% asserted that the managers did not accurately evaluate the performance of employees to the extent they are rewarding for what they are doing.
- ❖ In the performance assessment process due to different reasons there is a high level of bias from supervisors while rating employees performance which will affect the actual performance
- ❖ The majority of the respondents, 48.7% response results showed that feedback and results of performance review are not properly communicated to employees.
- ❖ Regarding to performance recognition and reward system, as the majority of the respondents, 72.4% revealed that there was no adequate recognition and reward system for individuals and teams for their outstanding work and their contribution to the organization mission.
- ❖ Most of the respondents, 67.6% indicated that employees were not satisfied with the current rewarding system.

## **II- What are the challenges that impede to implementing performance management system in Ethiopian Federal Police Commission Management Development Sector?**

Under general theme challenges in the PMS implementation eight questions were prepared and administrated to the respondents for response .This include, linking of Job description to Performance Management, Senior and line Management Commitment towards implementation of performance

management system, lack of knowledge and skill to implement PMS effectively, lack of resistance to change, evaluating performance and giving feedback, employees participation regarding performance management implementation process, Poor Integration and alignment with other processes and systems , poor managing of reward . The quantitative response from questionnaire and qualitative data from interview show that the above mentioned challenges are the main challenges that hinder the practice of PMS.

**III-** What is the purpose of performance management system to what extent it is understood by employees in Ethiopian Federal Police Commission Management Development Sector?

❖ The result of the study Shows that employees of the sector have low awareness towards the purpose of performance management system. Because of due to not sustained training given to employees regarding to the awareness of performance management system which is implemented in the sector .Therefore it is important to have better understanding about PMS by all employees of the sector.

### **5.3. Conclusion**

The main objective of this study was to assess the practice and challenges of performance management system in Ethiopian Federal Police Commission Management Development Sector. Based on the analyses and the interpretation result of the study, conclusion is drawn from the practice of PMS process Such as :- performance planning, monitoring performance, developing performance, rating performance , rewarding performance and the challenge that are encountered .Therefore, based on the results gained from the data, the following conclusion was made.

The results of the study have offered useful findings to improve the practice of performance management in the study sector. As the results of the study have strongly revealed there are areas that need immediate considerations from all the concerned bodies to improve the practice of performance management system processes.

In short, the study has reached a conclusion that the practice of performance management process in the study area is weak, even though, different manuals and guidelines have been developed to facilitate the performance management process; they are not translated in to practice. The research has found out serious difference between what have been set in the manuals and guidelines, and the actual practice on the ground. All the processes required in performance management such as performance planning, Monitoring, developing, rating and rewarding are being done just for completion purposes.

Unless corrective measures are taken by the ministry to address the challenges in the performance management system processes practice the current practice would not lead to organizational performance improvement. Though some achievements are visible, a lot remains to be done to bring about tangible performance improvement. The challenges include failure to resistance to change, different level of understanding in applying the performance management Process, inadequate Monitoring and providing feedback, subjectivity during performance measurement and evaluation, inadequate reward and recognition system and practice, and absence of knowledge and skill to implement PMS. Generally, the result of the study confirmed that even though EFPCMDS has some good qualities in implementing performance management system especially in performance planning stage but a lot should be made in making the performance management system to be more useful for the sector.

#### **5.4. Recommendations**

Based on the finding of the study the following recommendation has been made. The researcher's suggestion may help the sector in order to make effective performance management practice in the sector. Moreover, these suggestions can improve the success of performance management practices by solving the challenge of performance management system implementation

- ❖ To change the attitude of employees about the implementation and process of performance management system, the sector has to organize a regular training for employees to know about the purpose of performance management system, why it is needed, for what purpose does it serve and the process of performance management. Such training could improve understanding of PMS.
- ❖ In order to achieve the planned activity of the sector. The directors and other concerned body should have to make follow up, coaching, offering regular and constructive feedback for employees. With this feedback, employees are able to understand their strength and weakness and also the Monitoring of performance should not only be limited to, quarterly and annually, but should be extended to monthly (even if such is done informally), so as to detect weaknesses as soon as possible.
- ❖ In order to break any challenges concerning lack of knowledge and skill , directors and employees should have to develop themselves through training, workshop and sharing experience from the best performers and also Continuous training and coaching will assist to enhance employee skills, and improve relations, communications and team building.

- ❖ In order to evaluate each activity and the performed objectives in the right way there should be a standard which was set during the planning. This enables the organization to control the performance is either above the standards or below the standard.
- ❖ There is also a lack of clear articulation of the criteria for performance evaluation. Therefore, the sector has to create a precise and consolidated commonly agreed institutional wide and viable performance evaluation criteria by involving every concerned body that has influence on their day-to-day action directly or indirectly and communicated to employees.
- ❖ As the result indicated even if there is a plan for rewarding, it was not put in to practices or there were no any extrinsic motivation by any form except recognition of best performers for only one year, that is last year at national level. However, this may demotivate employees not to perform better. Therefore, the sector should be provide recognition and reward for the best performers this may be in the form of finance, recognition letters , certificates, by posting weekly best performer on notice board, giving promotion ,offering chance of education etc. These create computation among employees, which enables the sector to achieve its intended objectives.
- ❖ Performance management should not be regarded as a stand-alone process; it is an integrated process, thus, the challenge of integrated performance management system is one of the constraining factors. So, the sector should develop and implement an integrated PMS to do so, individual, team and organizational strategic objectives has been harmonized and Organizations must integrate PMS with other systems like human resource management, information, financial systems etc.
- ❖ Employees resist changing because they fear the unknown so to reduce the resistance to change in implementation of PMS the organization should be explained repeatedly that the true value and the benefit of PMS.
- ❖ According to Armstrong & Baron (2005) performance management is owned and delivered by line managers if senior and line management do not show commitment to the implemented PMS, the employees will also not take it seriously, therefore the organization senior and line managers should be need to show a real sense of ownership during implementation of PMS.

In general the researcher believes that if the above recommendations are implemented the challenges of implementation of PMS will be minimized.

## REFERENCES

- Aguinis, H. and Roth, H.A., (2005). Teaching in China: Culture-based challenges. Business and management education in China: Transition, pedagogy, and training, pp.141-164.
- Andrews, R., (2014.) Performance management and public service improvement. The Public Institute for Wales.
- Armstrong, M. and Baron, A., (2000). Performance management. Human resource management,69.
- Armstrong, M. and Baron, A. (2002). Strategic HRM: The key to improved business performance. CIPD Publishing.
- Armstrong, M. (2009). Armstrong's handbook of performance management: An evidence-based guide to delivering high performance. Kogan Page Publishers.
- Busingye, J.A., 2018. Performance Management Systems and Employee Performance At United Nations Regional Service Center-Entebbe (Doctoral Dissertation, Uganda Management Institute).
- Chanie, P., (2001). The challenges of the civil service reform in Ethiopia: Initial observations. Eastern Africa Social Science Research Review, 17(1), pp.79-102.
- Drucker, P.F., (1999). Knowledge-worker productivity: The biggest challenge. California management review, 41(2), pp.79-94.
- Drucker, P.F., (2007). Management challenges for the 21st century. Routledge.
- Eichel, E. and Bender, H.E., (1984). Performance appraisal: A study of current techniques. American Management Assoc. Research and Information Service.
- Federal Police Commission Establishment Proclamation No.720/2011
- Getachew, H. and Common, R., (2006). Civil service reform in Ethiopia: Success in two ministries. Research Memorandum. Jimma, Ethiopia.
- Haile-Selassie, T., (1997). The Ethiopian revolution, 1974-1991: from a monarchical autocracy to a military oligarchy. Routledge.

- Hiebl, M.R., (2015). Agency and stewardship attitudes of chief financial officers in private companies. *Qualitative Research in Financial Markets*.
- Mesner Andolšek, D. and Štebe, J., 2005. Devolution or (de) centralization of HRM functions in European organizations. *The International Journal of Human Resource Management*, 16(3), pp.311-329.
- Melat Yilma Mekonnen (2014). Performance Management Practice and Challenges in Ethiopian Management Institute. MA thesis unpublished
- Paile, N.J., 2012. Staff perceptions of the implementation of a performance management and development systems: Father Smangaliso Mkhatswa case study (Doctoral dissertation).
- Pulakos, E.D., (2004). Performance Management: A roadmap for developing, implementing and evaluating performance management systems (pp. 1-42). Alexandria, VA: SHRM foundation.
- Pulakos, E.D., (2009). Performance management: A new approach for driving business results. John Wiley & Sons.
- Shaffer, M.A., Harrison, D.A., Gregersen, H., Black, J.S. and Ferzandi, L.A., 2006. You can take it with you: Individual differences and expatriate effectiveness. *Journal of Applied psychology*, 91(1), p.109.
- Shafi, F.A., (2017). Change Management and Organization Performance: Pre-Post Case Study at Federal Ministry of Health, Ethiopia. *Change*, 7(1).
- Shrivastava, S., Bera, T., Roy, A., Singh, G., Ramachandrarao, P. and Dash, D., 2007. Characterization of enhanced antibacterial effects of novel silver nanoparticles. *Nanotechnology*, 18(22), p.225103.
- Zvavahera, P., (2013). The Effect of Leadership on Service Delivery in Universities. *Research in Higher Education Journal*, 21.
- Mwendandu, D.N., 2013. *Challenges of implementing performance management system at the kenya electricity generating company (Kengen)* (Doctoral dissertation).

- Armstrong, M., 2009. *Armstrong's handbook of performance management: An evidence-based guide to delivering high performance*. Kogan Page Publishers.
- wendandu, D.N., 2013. *Challenges of implementing performance management system at the kenya electricity generating company (Kengen)* (Doctoral dissertation).
- Seotlela, R.P.J. and Miruka, O., 2014. Implementation challenges of performance management system in the South African mining industry. *Mediterranean Journal of Social Sciences*, 5(7), p.177.
- Cascio, W.F., 2012. Global performance management systems. In *Handbook of Research in International Human Resource Management, Second Edition*. Edward Elgar Publishing.
- Armstrong, Michael. *Armstrong's handbook of performance management: An evidence-based guide to delivering high performance*. Kogan Page Publishers, 2009.

## **Appendix -I**

**ADDIS ABABA UNIVERSITY**

**COLLEGE OF BUSSINES AND ECONOMICS SCHOOL OF COMMERCE**

**Department of Human Resources Management**

Questionnaire to be filled by employees of the Ethiopian Federal Police Commission Management Development sector

Dear Respondents,

I would like to express my deepest appreciation for your generous time, honest and prompt responses

### **Objective**

This questionnaire is designed to gather data about performance management system practices and challenges in Ethiopian Federal Police Commission Management Development Sector. I am conducting this research for a Partial Fulfillment of Master's Degree in Human Resources Management at Addis Ababa University. The data you provide are believed to have a great value for the success of this research. You are one of the respondents selected to participate on this study. Your participation is entirely voluntary and the questionnaire is completely anonymous.

Finally, I confirm you that the information that you share me will be kept confidential and only used for the academic purpose. No individual's responses will be identified as such and the identity of persons responding will not be published or released to anyone. All information will be used for academic purposes only.

### **General Instructions**

- ✓ No need of writing your name
- ✓ For Likert scale type statements and multiple-choice questions indicate your answers with a tick mark (✓) in the appropriate block.
- ✓ For additional response and suggestions use space provided

Thank you in advance for your honest cooperation and dedicating your time!!

**Part I –General Information**

1. Gender: Male  Female

**2. Age (Years)**

(A) 20 - 30  (B) 31–40   
(C) 31- 40  (D) 41- 50  (E) 51- Above

**3. Please indicate your level of education**

(A) Below 12 grade  (B) Certificate   
(C) Diploma  (D) Degree   
(E) Master and above

**4. Work experience in your current organization (in years):**

(A) Less than 2  (B) 2-6  (C) 7-10  (D) 11 and above

**5. What is your current job position in the organization?**

(A) Process directors or divisions  (B) Team Leader   
(C) Expert  (D) Other support staff

**Part II Purpose of Performance Management System**

6. Are you clearly aware of the objective of Performance Management System which is implemented in your organization?

(A) Yes (B) No

7. If yes, what is the objective of having Performance Management System in your sector?

---

---

---

8. Does your organization operate a formal Performance Management System?

(A) Yes

(B) No

9. If No, what do you think is the reason?

---

---

---

---

---

10. The objectives of Performance Management System applied in your sector is:-

(More than one answer is possible)

- A. To do the current work efficiently and effectively
- B. To identify individual training needs and development, to help strengthen employee's current performance and prepare for higher responsibilities,
- C. To provide financial rewards or recognition for good performer,
- D. To determine who gets promoted and salary increment
- E. To attract and retain capable employees.
- F. To translates organizational goals in to individual's job performance objectives.

g. if any other \_\_\_\_\_

---

---

---

### Part III. Practice of performance management system

The following are statements about the practice of performance management system. Please show the degree of your agreement or disagreement by putting a tick mark (√) in the space provided under the rating scales that closely represent your opinion.

1= strongly disagree, 2= Disagree, 3 = neutral, 4 = Agree, 5 = strongly agree

	Items	Agreement scales				
		1	2	3	4	5
<b>I Performance Planning</b>						
1.1	I am clear about the strategic objective of my directorate					
1.2	I am clear about what are my job responsibilities and what is expected from me					
1.3	My performance plan is flexible so that it can be adjusted for changing program objectives and work requirements					
1.4	In the sector, goal setting is carried out with the discussion between the employee and the manager					
1.5	My individual goal is aligned with the strategic objective of my department and the organization					
<b>II Monitoring performance</b>						
2.1	There is a regular feedback about the performance of employees in this sector					
2.2	The employee and manager meet regularly to Assess performance progress towards meeting performance objectives					
2.3	I have received feedback regularly about my performance from my manager					
2.4	I always get support from my manager while I face challenges in performing my day to day activities					
<b>III Developing Performance</b>						
3.1	The needs of the employees are being considered by the Performance development plan in my organization					
3.2	Employee's developmental needs are evaluated and addressed.					
3.3	The organization provides development opportunities to encourage good performance					
3.4	The necessary development is given to ensure job effectiveness.					
3.5	The assignment enhances the capacity to perform better, develop new skills and take up higher responsibilities					
3.6	The sector provides employees the required skills that will benefit for their future career					

<b>IV Rating/Measuring/ performance</b>					
4.1	Who conduct performance evaluation are competent enough to undertake their assignment				
4.2	The performance criteria/instruments used to measure my performance are clearly defined				
4.3	The performance evaluation criteria used in the sector is capable of measuring my true performance				
4.4	Evaluation of my performance is based on my accomplishment and achievement.				
4.5	My supervisor accurately evaluates my performance to the extent that I am rewarded for doing what I must do.				
4.6	The performance evaluation process are done free of bias.				
<b>V Reward Performance</b>					
5.1	There is a system to reward good performance in the sector				
5.2	I am satisfied with the reward programs currently existing in my sector.				
5.3	I am happy with reward for my outstanding work and contributions				
5.4	I receive on- time acknowledgement and reward for doing a good job				
5.5	Individuals are recognized for their performance and acknowledging their contributions to the organization's mission				

#### **Part IV. Challenges of performance management system**

The following are statements about the Challenges of performance management system. Please show the degree of your agreement or disagreement by putting a tick mark (√) in the space provided under the rating scales that closely represent your opinion.

1 = strongly disagree, 2 = Disagree, 3 = neutral, 4 = Agree, 5 = strongly agree

IV	<b>Performance management system challenges</b>	<b>Agreement scales</b>				
		1	2	3	4	5
6.1	Linking Job description to Performance Management					
6.2	Senior and line Management Commitment towards implementation of performance management system					
6.3	Lack of Knowledge to implement performance management system effectively					
6.4	Evaluating Performance and giving feedback					
6.5	Employees participation regarding Performance					

	management implementation process					
6.6	Poor Integration and Alignment with other processes and systems					
6.7	Poor Managing of Rewards					

**Open-ended Questions**

1. Is there anything related to PMS practices and challenges we have not covered that you consider as very important please mention?

---



---



---

2. In your opinion, what is the main challenge affecting the implementation of performance management system in your sector?

---



---



---

3. Please suggest possible solutions to minimize the existing Challenges affecting implementation of the performance management system.

---

***Thank You!!!***

## **Appendix -II**

### **Addis Ababa University Department of Human Resources Management**

#### **Guiding interview questions for Directorate Directors**

1. What is your understanding about the concepts of PMS?
2. What are the existing practices of performance management system in your sector in relation to performance management system process?
3. Could it be possible to say that the sector has successfully implemented Performance Management System?
4. Do you think performance is properly attached to recognition and reward? Please provide some examples?
5. What are the existing challenges that hinder the practice of performance management system at your sector?

**Thank you for your time!**