



**ADDIS ABABA UNIVERSITY SCHOOL OF COMMERCE
GRADUATE PROGRAM**

**Assessment of Performance Appraisal Practices in
Sunshine Construction Company**

**A Thesis Submitted to Addis Ababa University School of
Commerce**

**In Partial Fulfillment of the Requirements for
Master of Arts in Human Resource Management**

BY

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**May 2015
ADDIS ABABA**

ADDIS ABABA UNIVERSITY

SCHOOL OF COMMERCE

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Approved by Board of Examiners

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DECLARATION

I declare that the project entitled "**Assessment of performance appraisal practices in Sunshine Construction Company**" is my original work and has not been presented for a degree in any other university, and that all sources of material used for the project have been duly acknowledged.

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ACKNOWLEDGEMENTS

I am very much great full to Dr Girma Tegene, my advisor to this MHRM thesis, who has been forwarding his valuable comments and suggestion all through the preparation of this study. I am obliged to appreciate his interest to respond me whenever I am in need of his support.

My special thanks also forwarded to the management and staff of Sunshine Construction Company both projects and head office for their welcoming face and willingness to devote their valuable time and effort in filling my questioners and responding to interview questions. Without their kind cooperation, this study would not be complete and come to be realized.

Lastly, my special thanks would be forwarded to Mss Tigist Fikru she has spend her valuable time and effort in carried out all secretarial works and arrangement and printing of the paper in order to help me for timely completion of the study.

Teshome Ayalew

May/2015

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LIST OF ABBREVIATIONS

HR-Human Resource

HRM-Human Resource Management

HRMD-Human Resource Management Department

MGT – Management

PA- Performance Appraisal

MBO- Management By Objective

S/M – supervisors / managers

NS – non- supervisors

ABSTRACT

As it is known that whatever modern machine and equipment the company possess, it is the human resource that gives life the goals and objectives of the company to be realized and the appropriate performance appraisal system is a basic tool to see whether the employees are in the way of achieving the ultimate goals of the company or not. But performance appraisal practices have not received the degree of concern it deserves. However, the performance appraisal system seems to be less effective due to the lack of relatedness between criteria's and job- description, criteria's which loads more to be subjective, unable to give opportunity to employees participation in setting criteria's, inadequate skill and knowledge of raters, and less perception of appraisal by employees. This study has tried to address and assess the points raised above by conducting a case study on Sunshine Construction company and 120 employees were selected from both representative of supervisors and non – supervisors and the responses from questioner and interview were administered with the objective of assessing the effectiveness of appraisal practices and the results of the study are presented in the paper. In the current appraisal practice of Sunshine Construction company the appraisal is conducted by immediate supervisors with graphic rating scale method of appraisal. But from the response of sample respondents it is indicated that immediate supervisor combined with peers will be good to be in practice. The equal weights given to all criteria's are highly criticized by the respondents. Employee participation in setting appraisal criteria is not practiced significantly and it leads the employees to have negative perception about the importance of appraisal to their future performance. The appraisal system is also exposed for problems of rater biases, lack of knowledge and skill of rating, absence of employee participation in setting criteria and lack of linkage between rating 'and job description so, the company should work hard to resolve the existing problems related to appraisal system and encouraged to make the post appraisal discussion between supervisors and subordinates be practical.

V.

Chapter One

Introduction

1.1 Background of the study

Since the construction sector demands a huge amount of investment, its human resource should be composed of a high performing individuals and groups with the necessary skill and experience required to their task accomplishment. Without an adequate number of the right sort of people with appropriate training, qualification and experience, companies in this sector will face difficulties in performing activities well.

Any organization will not achieve its main objectives unless it sets an adequate standards of performance appraisal in order to check whether it's employee accomplishing their day to day activity within a set standard or not and also it is important to know, if deviation from standard is happen, or is there a need of taking corrective actions.

Human resource among the important resources of any organization, successful managers recognize it and deserve more attention because human resource are the significant factor in the top managements strategic decision whatever the technology have an organization human resource is the one who use it in a productive way and makes the organization to survive. (Ivancevich & Glueck, 1989, pp. 5-15).

Thought human resource play an indispensable role to the success or failure of an organization, the need of using the performance appraisal as a function of human resource management should be applicable in a way of improving the employees effectiveness through productivity by providing information in relation to their job performance. the most important resources a firm has; they also sometimes are among the most problematic (Mathis & Jackson, 1997, pp. 4-5).

If the objectives of HRM are to be accomplished, top managers will have to treat the human resources of the firm as the key to effectiveness. To do this - to accomplish the important objectives of HRM - management must regard the development of superior human resources as an essential competitive requirement that needs careful planning, hard work, and evaluation (Ivancevich & Glueck, et. al.)

Given these indispensable contributions (roles) of human resources to organizational effectiveness, the need for a system to properly assess their performance towards accomplishment of organizational and/or personal goals is a matter not to be compromised at all. Performance appraisal is such a function in HRM aiming at enhancing organizational productivity through provision of information on employees' job-related performances.

Human resource management (HRM) is a key ingredient affecting organizational Competitiveness and its ability to fulfill its mission and objectives. The effectiveness of an organization in providing a product or service that fits customers' needs is critical if it is to survive. That product or service is provided in part (or entirely) by people. Employees are not only among the most important resources a firm has; they also sometimes are among the most problematic (Mathis & Jackson, 1997, pp. 4-5).

In this study we will see in detail about the performance appraisal system practiced by **Sunshine Construction Company** and the information's mainly found in this paper has taken from the Sunshine construction company head office found in Addis Ababa.

1.2. Back ground of the organization (Sunshine construction PLC)

Sunshine Construction Company (PLC) is a company that was established in 1984 as a sole proprietorship and later in 1993, it transformed in to a private limited company. After three decades of a successful engagement mainly in the construction sector, it evolved in to three autonomous business and a philanthropic entity namely, sunshine construction plc, sunshine business plc (in hospitality & commercial buildings). Sun sisters trading plc (laundry and beauty salon) and sunshine philanthropy foundation (social responsibility).

Since it's inception, the company has set its first target to reach a level of highest contractors category and diversity its business in to various investment potentials and social responsibilities as well. The 30 years plus millstone career from 1984 – 2014/15 G.C of the company has enabled sunshine construction to build a reliable capacity and exhibit practical excellence, mainly in the construction sector.

In the early years of its establishment, Sunshine Construction had started to engage itself in minor construction and water proofing works with less than 10 employees. Since the establishment of the company, it has been marked by hard work, tough challenges and sweet success. In addition the company has attained a prestigious role position at the helm of the sector and become a blood line to the establishment the above cited businesses and philanthropy foundations under sunshine investment group.

With more than three decades of experience, the company becomes a well established player of the construction industry. It has also a proven track record in the construction industry of building, road, and real estate developments. Sustained hard work, efficient leadership and encouraging economic environment have enabled the company to build a reliable operational capacity particularly in the construction of road and real estate development.

The architect of the company, now the president and CEO of Sunshine Investment Group Mr. Samuel Tafese has laid the ground work for the company overall success and growth with it's flourish achievements through the following **vision** and **mission** statements.

1.2.1. Vision statement

Become an internationally competent construction contractor and also an active and leading actor in the Ethiopian economic landscape.

1.2.2. Mission statement

Sunshine construction plc has missions to:

- Play significant role in the construction sector or Road, Buildings, Real estate and Bridges.
- Strengthen its organizational capacity by recruiting professional, who will have an advanced skill and experience.
- Take an active part in the nation's real estate development that will ensure maximum customer satisfaction.
- Maintain and promote its share holding position the business of sunshine investment group.
- Undertake all construction projects of sunshine investment group.
- Promote its international construction activities primarily in Africa.
- Establishing joint ventures and investment share holding with various international companies emphasizing on construction related areas in the country or abroad.
- Share and carryout social responsibilities by targeting to improve the life of destitute (group lacking something).

In addition to the above cited vision and mission statements, the company have set the following general objectives.

1.2.3. General Objectives

- Undertake gravel and asphalt road projects by maximizing its capacity in various dimensions.
- Be trend setter in a country's real estate development, so as to meet the growing housing demand of the people across social and economic land scopes.
- Establish up grade and diversity construction materials production plants with emphasis to reducing company cost and meeting projects duration and there by improve customer satisfaction.
- Take part in the construction of rail ways in the region.
- Execute all construction related projects of sunshine investment group.
- Promote its regional construction activities of the company primary in the neighboring countries.
- Undertake/carryout/ huge and complex building projects in Ethiopia and abroad.

1.3. Statement of the problem

The most important and overriding goals of human resource management is improving the performance or productivity of their organization and this also be realized through the sum of total performance achieved by all employee. Performance has to be properly planned, coached and appraised by giving consideration to the interest of the organization. (Armstrong, 2000, page 23-31)

As my observation, performance appraisal is not given proper attention in sunshine construction company and they practice it as a common activity, than using it as a great motivational tool when developmental and administrative decisions are passed.

Most of the time the individuals or groups who carried out a research in performance related problems have not come up with documentary evidences due to the reason that these issues are a major reasons for low level of productivity, high turnover of employee, source of complaints from customers of the organization. (from interview of peoples who made research in this field)

In sunshine construction company, the condition that most employees perceive performance appraisal as evaluative is unusual in which case they consider it as a tool of punishment for unfavorable performance, even as a threat to their stay with the organization, than as one that aims at stimulating better future performance through enabling employees to learn from their past mistakes so that they contribute their best to the good of both parties in the future. Finally, certain factors related to both the instrument of appraisal and the appraiser seems to undermine effective utilization of the performance appraisal system. (From preliminary interview with human resource staffs)

Organizations in most cases have not developed a habit of giving performance feedback to their employee in proper time frame and do not discuss with the managers of the appraised employee to make performance related problems to enhance organizations productivity through motivating employees to improve their performance. (Armstrong, 2009 page, 105-109)

The performance appraisal system of Sunshine Construction Company also have faced a great problem in relation to the instrument used to appraise performance, that instruments mainly focused on non- job related standards and against this standard job related performance will be evaluated. This is because of the subjectivity of appraiser, due to lack of training and personal biases challenging in setting convenient standards of appraisal to meet the intended purpose. (My own observation)

The preliminary interview I made with some employees of the company revealed that the above problems seem to exist in the Sunshine Construction Company. This has motivated me to systematically explore the performance appraisal system with the view to identify to what extent the system is in line with the standards stated in the theoretical and empirical literatures on employees' performance appraisal.

1.4. Research Questions

This research tried to look at the employees' appraisal system practiced in Sunshine Construction Company by addressing the following questions:

- What it look like the performance process of Sunshine Construction Company?
- Are the criteria's used in the system appropriate?
- How are employees' performance criteria set?
- How and when employees are given feedback on the results of the appraisal process?
- What for the results of appraisal system are used?
- How employees perceive the performance appraisal system?
- What are the appraisal methods used in employees' performance evaluation?

1.5. General Objective of the study

This study has an objective of assessing performance appraisal system practiced by Sunshine Construction Company

Specific objectives

- To identity the practical roles of the performance appraisal system.
- To assess employees' perception of the appraisal system.
- To look at to what extent the performance appraisal criteria used in the system are appropriate.
- To assess how employees' performance criteria are set
- To find out how and when employees are given feedback on the results of the appraisal process.
- To assess how the results of appraisal system are used
- To find out the appraisal methods used in employees' performance evaluation.

1.6. Significance of the study

This study will help those who are interested in the research topic “performance appraisal problems” to have more information and identify new problems that could be faced by both employees and/or employers.

In short this study has significances like:

- Serve as a reference material for both academic and practitioners
- Initiates the organization to reassess its existing practice of performance appraisal with a view to maximize productivity and benefits by putting a renewed emphasis this core human resource function.
- Initiate other interested researchers to carry out more extensive studies in this area.

1.7. Limitations of the study

While collecting information about the research study, some respondents were reluctant to provide the appropriate data, lack of availability of previously done research materials on performance appraisal on the company, difficulty of getting full information to complete the research due to that Sunshine Construction Company organized in different units found in different construction projects and the regional location of construction projects also have greater time and financial constraints to address each respondents. I have been faced a problem of entrance and confidentiality of valuable information.

1.8. Scope of the study

Since sunshine construction company organized in different organizational units like head office, construction projects laundry services and Hotel investment in different geographical locations, the study has limited its scope to the performance appraisal system specially in head office and selected construction projects only due to time and financial constraints and also the secondary data have been available mainly in the head office.

1.9. Organization of the study

The research report is organized and be conducted in the manner that Chapter One the introduction parts mainly includes back ground of the study and organization to be studied, statement of the problem, research questions, objectives of the study, significance of the study, limitation of the study, and scope of the study. Chapter two is related literature review in brief. Chapter three research methodology Chapter four also contains data analysis, interpretation and presentation of performance appraisal practice in sunshine construction company in detail and finally Chapter five contains summery of findings and Recommendations.

1.10. Key concepts

- Performance Appraisal- is the activity of reviewing what employees has done and must convey to the employees how well they are performed on established goals. (Robbins and Decenzo, 2005)
- Human Resource Management- an organizational function that deals with issues related to peoples and also it is bringing peoples & organizations together so that the goals of them is meet. (Robbins and Decenzo, 2005)
Human Resource;-is the total knowledge ,skill, creative ability, talent, aptitude of organization work force (Robbins and Decenzo, 2005)
- RESPONDENTS;- Individuals or groups who have been selected in order to give primary information about the study through questionnaires and interviews.
- SUPERVISORS /MANAGERS -represent those staffs, who carry out the performance Appraisal tasks.
- NON- SUPERVISORS -represent staffs whose performance is appraised by the supervisors/managers.

CHAPTER TWO

REVIEW OF RELATED LITERATURE

2.1. Overview of the performance appraisal system

Performance appraisal (PA) has developed over the course of a century into a complex and costly management support tool. Although objective appraisal systems provide accurate measures of employee performance, they require both organizational support and maintenance. For supervisors and managers, the appraisal system is an instrument. (Daley, 1992, p. 39-49).

Ideally, Performance appraisal (PA) is a lens that focuses the decision-making process on the appropriate job-related criteria. An organization's continuous effort to improve the quality of the performance of its employees depends, in part, on some estimate of the current level of performance compared to the level desired. Selection and promotion procedures, training programs, and steps taken to improve worker motivation are all evaluated, in part, by estimating the quality of the performance of the people involved.

(Barret, 1966, pp. 1-2).

The largest single cost over which the typical organization has direct control is that of its Payroll, but, paradoxically, most organizations keep better records concerning the quality of the performance of their machines, plant and equipment than they do of their people (Barret, 1966, pp. 1-2).

Various academicians and researchers on human resource management have defined performance appraisal in different ways. As Robert L. Mathis and John H. Jackson (1997) defined performance appraisal, it is the process of evaluating how well employees do their jobs compared with a set of standards and communicating that information to those employees.

2.2. Performance appraisal Purposes

Performance Appraisal (PA) is a pivotal management technique. It is used in judgmental workforce decisions, such as promotion, demotion, retention, transfer, and pay and for employee development via feedback and training; it also serves the organization as a

means for validating selection and hiring procedures, promoting employee-supervisor understanding, and supporting an organizations culture (Daley, 1992, p. 39-49).

Performance appraisal serves a number of purposes in organizations. In general terms performance appraisal has two roles in organization, which are often seen as potentially conflicting. These are **administrative** and **developmental roles**. Performance appraisals can be sometimes conducted for personnel research purposes (Mathis & Jackson, pp. 344).

Those who favor formal performance evaluation contend that it serves several purposes, which are essentially extensions of the above two major roles (Ivancevich & Glueck, 1989, and Robbins, 1996). The following are some of them:

1. **Developmental purposes.**
2. **Reward and compensation purposes.**
3. **Motivational purposes.**
Legal compliance.
4. **Personnel and employment planning purposes.**
5. **Communications purposes.**

2.3. Performance appraisal as part of the performance management system

Most people think that “performance management” and “performance appraisal” is one and the same terminologies. Performance appraisal is the process by which an individual’s job performance is assessed and evaluated.

It answers the question, “How well has the employee performed during the period of time in question?” Thus it is only a part of performance management (Bacal, 1999, pp. 93).

In contrast performance management is a continuous and 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. It is a process for establishing shared understanding about what is to be achieved and how it is to be achieved, and an approach to managing and developing people that improves individual, team and organizational performance (Armstrong, 2009, p. 55).

Thus, it is advisable that organizations exercise performance appraisal as one of this ongoing communication process so that they can reap the benefits associated with it. It is also when performance appraisal is looked at in this way that employees' perception of it as a developmental tool, rather than merely an evaluative instrument, can be enhanced. According to Roberts (2001, pp. 506–558) performance management involves the setting of corporate, departmental, team, and individual objectives ; the use of performance appraisal systems; appropriate reward strategies and schemes; training and development strategies and plans; feedback, communication, and coaching; individual career planning; mechanisms for monitoring the effectiveness of performance management system and interventions and even culture management. Thus, performance management involves the day-to-day management, as well as the support and development of people.

2.4. By whom appraisal should be done?

A rating program should help by ensuring that raters have an opportunity to observe the performance they rate, have ability to make sound judgments, and use appropriate standards against which to rate (Barret, 1966, pp. 99-101). Important qualities that an individual who will appraise should possess:-

OBSERVATION. Observation is obviously the first step in any rating procedure. The rater must collect some information about the persons rated, whether it be by direct observation, study of records, or interviews with others who have direct knowledge of performance.

JUDGMENT. Once the observations have been complete, the rater must evaluate what he has seen and record his/her impressions. The rater must have a clear picture of what is required of the job and the standards of satisfactory performance, purpose of the rating and what is expected to do. All these tasks call for intelligence and experience.

POINT OF VIEW. The rater who had adequate opportunity to observe, and who Possesses the equipment for making an adequate judgment, is not yet in a position to make a rating, because he must fit what he has observed into his own value system,

POSITION. The position of the rater relative to the person being rated determines, in part, the extent and nature of his opportunity to observe the quality of his judgment and the appropriateness of his/her point of view.

By tradition, a manager's authority typically has included appraising subordinates' performance. The logic behind this tradition seems to be that since managers are held responsible for their subordinates' performance, it only makes sense that these managers do the evaluation of that performance. However, others may actually be able to do the job better (Robbins, 1996, pp. 651). Among these are:

1. **Immediate supervisor.**
2. **Peers.**
3. **Self appraisal.**
4. **Immediate subordinates.**
5. **Multisource rating (Comprehensive or 360° rating).**

2.5. Appraisal Standards/ Criteria's

The criterion or criteria that management choose to evaluate, when appraising employee performance, will have a major influence on what employees do. Generally, content to be appraised is determined on the basis of job analysis. Content to be appraised may be in the form of contribution to organizational objectives (measures) like production, costs savings, return on capital, etc. (Robbins, 1996, pp. 650- 651 & Rao & Rao, 2004, pp. 220).

The three most popular sets of criteria are:

- i. Individual task outcomes (objectives)** which measure job-related results and it count ends, rather than means, then management should evaluate an employee's task outcomes.
- ii. Behaviors** which measure observable physical actions, movements, and in many cases, it is difficult to identify specific outcomes that can be directly attributable to an employee's actions.
- iii. Traits** which are measured in terms of personal characteristics observable in employees job activities. Which is the weakest set of criteria, yet widely in use by many organizations? They are said to be weaker than either task outcomes or

behaviors because they are farthest removed from the actual performance of the job itself. (Robbins, 1996, pp. 650-651).

2.6. Methods of performance appraisal

In order for performance appraisal to achieve its purposes, a variety of methods have been developed. The choice of a method depends on organizational ethos, its objectives in making the appraisal, its size, product, technology, etc. The most prevalent methods fall under four major groups, namely, category rating methods, comparative methods, narrative methods, and special methods.

2.6.1. Category rating methods

These are the simplest methods for appraising performance which require a manager (supervisor) to mark an employee's level of performance on a specific form. The graphic rating scales, checklist and the forced choice method fall under this classification.

Graphic Rating Scale. This is the oldest and most widely used performance evaluation technique also known as linear rating scale or simple rating scale.

It measures the degree of characteristics required for adequate performance of the job and consists of a number of characteristics and qualities which are judged on a point scale.

The advantage of this method is that it is easy to construct, understand, and use. Moreover, they allow for quantitative analysis and comparison. A major drawback to this method is its subjectivity and low reliability. Another limitation is that the descriptive words often used in such scales may have different meanings to different raters.

Checklist. The checklist is a simple rating technique in which the supervisor is given a list of statements or words and asked to check statements representing the characteristics and performance of each employee.

Forced choice. In its simplest form, the method consists of providing a list of behavior related statements. The supervisor is asked to indicate one least and one most descriptive statement for a particular subordinate. These statements are usually grouped in clusters of five based on a broad theme covered by these statements. Each statement carries some weight which is not known to the supervisor.

2.6.2. Comparative methods

Ranking systems involve comparing people against each other and determining whether an employee is better than, the same as, or worse than his or her colleagues on the basis of some set of criteria (Bacal, 1999, pp. 93-107).

There are two ways for an employee to be ranked higher than his/her colleagues. One is to perform better and accomplish more. That is not bad. The second way is for the employee to make sure that his/her colleagues (competitors) perform worse and accomplish less, which is bad (Bacal, 1999, pp. 93-107).

Comparative methods include ranking, paired comparison, and forced distribution.

Ranking. The ranking method consists of listing all employees from highest to lowest in performance. It is difficult to do if the group of employees being compared numbers over 20. It is also easier to rank the best and worst employees than it is to evaluate the average ones. Simple ranking can be improved by alternative ranking. In this approach, the evaluators pick 25 the top and bottom employees first, then select the next highest and next lowest, and move toward the middle (Ivancevich & Glueck, 1989, pp. 353-355).

Paired comparisons. This method requires the rater to compare each employee with every other employee working under him/her on the overall efficiency aspect (Saiyadain, 1999, pp. 196-197). The number of comparisons can be calculated using the following formula: $N(N-1)/2$ Where N = Number of people rated the paired comparison method gives more information about individual employees than the straight ranking method does. The large number of comparisons that must be made is the major drawback of this method (Mathis & Jackson, 1997, pp. 355)

Forced distribution. This method is developed to prevent the raters from rating too high or too low. Under the forced distribution method, the rater after assigning the points to the performance of each employee has to distribute his/her ratings in a pattern to conform to normal frequency distribution (Rao & Rao, 2004, 228-229)

Generally, the distribution of performance appraisal ratings does not approximate the normal distribution of the bell-shaped curve. Hence this method is based on the rather questionable assumption that all groups of employees will have the same distribution of

excellent, average and poor performers. If one department has all outstanding employees, the rater would find it difficult to decide who should be placed in the lower categories.

2.6.3. Narrative methods

Written appraisal information is sometimes required of some managers and human resource specialists. These methods are used when documentation and description of an employee's actions are sought rather than an actual rating. The two most widely used techniques that fall under this classification are the essay and critical incident methods.

Essay or free form appraisal. This method requires the rater to write a short essay describing each employee's performance during the rating period. It emphasizes evaluation of overall performance, based on strengths and weaknesses of employee performance, rather than specific job dimension. As raters may be required to enumerate specific examples of employee behavior, the essay technique minimizes rater bias and halo effect (Rao & Rao, 2004, pp. 234-235).

Critical incidents. Critical incidents focus the evaluator's attention on those behaviors that are key in making the difference between executing a job effectively and executing it ineffectively. That is, the appraiser writes down anecdotes describing what the employee did that was especially effective and ineffective. The key here is that only specific behaviors, not vaguely defined personality traits, are cited (Robbins, 1996, pp. 653-654).

2.6.4. Special methods

These methods comprise behavioral ratings and management by objectives (MBO).

Behavioral rating approaches. These approaches attempt to assess an employee's behaviors instead of measuring or quantifying outputs. Behavior-based performance appraisal formats which concentrate on the ratee's behaviors are most appropriate under circumstances where controlling behaviors or processes assumes that the desired output will result. In other words, they are most appropriate when the transformation process is understood or when there is a high degree of linkage between means and ends (Lee, 1985, pp. 322-331).

Some of the different behavioral approaches are: behaviorally anchored rating scales (BARS), behavioral observation scales (BOS), and behavioral expectation scales (BES).

BARS match descriptions of possible behaviors with what the employee most commonly exhibits. BOS are used to count the number of times certain behaviors are exhibited. BES order behaviors on a continuum to define outstanding, average and unacceptable performance (Mathis & Jackson, 1997, pp. 356). BARS are presented below as representatives to behavioral ratings.

Behaviorally anchored rating scales (BARS). BARS combine major elements from the critical incident and graphic rating scale approaches: The appraiser rates employees based on items along a continuum, but the points are examples of actual behavior on the given job rather than general descriptions or traits.

Management by objectives (MBO). This method of appraisal was introduced and made popular by Peter Drucker (1961). In this method, subordinate in consultation with the supervisor sets out short term objectives followed by specific actions that he/she has to carry out. The goals are jointly set and are action-oriented. Since they are verifiable, appraisal becomes easy. At the end of specified time period, the activities are jointly reviewed by both the subordinate and the supervisor, and depending on the performance of the subordinate, the goals are modified or redesigned for the next period of time (Saiyadain, 1999, pp. 200-201).

Management by objectives (MBO) is no cure-all, no panacea for all managerial ills. It, too, has dysfunctional consequences (Flippo, 1980, pp. 221-222). First, when multiple activities are closely interrelated, one will have to move to establishment of group objectives prior to identifying individual responsibilities.

2.7. Performance Appraisal Periods

Organizations use two basic timing periods for most employees. They are referred to as the anniversary date (the date the person entered the current job or a common review date). Under a common review date system, all employees are evaluated and compared so that such decisions as promotions, and merit pay increases have a common period of time being covered for all employees.

Researchers have found that feedback on performance should be given frequently and the closer the feedback to the action, the more effective it is. However, only few firms evaluate

frequently. One way to reconcile the ideal with the reality in this respect is for the manager to give frequent feedback to employees informally and then formally summarize performance at evaluation time.

Another reason that some managers resist frequent subordinate evaluations is that they produce stress, especially if a rater has to use a system in which he/she has little faith or confidence. There is also the stress associated with having to inform another person that he/she is not performing at acceptable levels (Srinivas & Motowidlo, 1987, as cited in Ivancevich & Glueck 1989, pp. 338-339). Researchers have found that raters under stress tend to notice and recall negative information about those being evaluated.

2.8. Potential problems to performance appraisal

While organizations may seek the performance appraisal process to be free from personal biases, prejudices, and idiosyncrasies, a number of potential problems can creep into the process (Robbins, 1996, pp. 655). Problems related to performance appraisal can be of three general types. These are: human errors, problems of criteria, and problems of confidentiality (Saiyadain, 1999, pp. 204-207).

2.8.1. Human Errors (rating biases)

Human errors are called so because they just happen and supervisors may neither know about them nor have much control over them. To the degree that the following human factors are prevalent, an employee's evaluation is likely to be distorted:

Single criterion. A typical employee's job is made up of a number of tasks. Where employees are evaluated on a single job criterion, and where successful performance on the job requires good performance on a number of criteria, employees will emphasize the single criterion to the exclusion of other job-relevant factors.

Leniency error. Every evaluator has his or her own value system that acts as a standard against which appraisals are made.

Relative to the true or actual performance an individual exhibits, some raters have a tendency to be liberal in their rating by assigning higher rates consistently. Such ratings do not serve any purpose. Equally damaging one is assigning consistently low rates.

Halo error. This is the tendency for an evaluator to let the assessment of an individual on

one trait influence his or her evaluation of that person on other traits. A person may be good in one trait but is generally rated as overall good. Halo effect takes place when traits are not clearly defined and are unfamiliar.

Central tendency errors. Some raters follow play safe policy in rating by rating employees around the middle point of the rating scale and they avoid rating at both the extremes of the scale. They follow play safe policy because of answerability to management or lack of knowledge about the job and/or the employee rated or the appraisers' lack of interest in their job (Rao & Rao, 2004, pp. 247).

Recency vs. primacy effect. One difficulty with many of the evaluation systems is the time frame of the behavior being evaluated. Raters forget more about past behavior than current behavior (Ivancevich & Gluedck, 1989, pp.331).

Recency refers to the proximity or closeness to appraisal period. Generally, an employee takes it easy for the whole year and does little to get by the punishment. However, as appraisal time gets closer, he/she becomes very active creating an elusion of efficiency in the rater thereby affecting his/her appraisal decision.

Primacy is the opposite of recency. It refers to a situation where an employee's initial impression influences his/her rater's appraisal decision irrespective of whether the employee has been able to keep up the initial impression or not.

Similarity error. This occurs when appraisers rate other people giving special consideration to those qualities they perceive in themselves. The similarity between the rater and rate may take one or more of the following forms: demographic similarity, affective similarity, perceived similarity & mutual liking (Schraeder & Simpson, 2006, pp. 34-40).

2.8.2. Problems of criteria

Appraisal has to be against certain criteria. If a discrepancy between expected and actual performance is pointed out, the question is whether the expected was fully defined and communicated to the employee. In the absence of such an attempt, the appraisal reports can be questioned. The issue basically refers to job description. It is true that jobs can be

clearly defined at the lower levels in the organizational hierarchy. However, as one goes up, it becomes more and more difficult to clearly specify the tasks one is supposed to perform.

2.8.3. Problems of confidentiality

One important issue in performance appraisal has to do with sharing or keeping secret the ratings on various items of appraisal report. While many organizations have a system of selective feedback to the employee, the general policy is not to share the total report with the employee.

not readily provide the data needed for decisions on wage increase, promotion, and other personnel actions that require comparisons between two and more employees.

2.9. Overcoming problems

Just because organizations can encounter problems with performance appraisal should not lead managers to give up the process. Some measures can be taken to overcome most of the problems (particularly those caused due to human errors) identified above. Robbins (1996, pp. 657-658) has suggested the following: **Use of multiple criteria.** The more complex a job, the more criteria that will need to be identified and evaluated.

Only the critical activities, not everything, that lead to high or low performance are the ones that need to be evaluated. Emphasizing behaviors rather than traits. Many traits often considered to be related to good performance may, in fact, have little or no performance relationship. For example, individuals who rate high on such traits as loyalty, initiative, courage, reliability, etc., may be poor performers. Conversely, it is possible to find excellent performers who do not score well on such traits.

Documenting performance behaviors in diary. By keeping a diary of specific critical incidents for each employee, evaluations tend to be more accurate (Greenberg, 1986, as cited in Robbins, 1996, pp.657-658). Diaries, for instance, tend to performance-related

Use of multiple evaluators. As the number of evaluators increases, the probability of attaining more accurate information increases. Thus, if an employee has had nine supervisors, nine having rated him/her excellent and one poor, one can discount the value of the one poor evaluation. Therefore, by moving employees about within the organization so as to gain a number of evaluations or by using multiple assessors (as provided in 360-

degree appraisals), the probability of achieving more valid and reliable evaluations can be increased.

Evaluate selectively. It has been suggested that appraisers should evaluate only those areas in which they have some expertise (Borman, 1974, as cited in Robbins, 1996, pp. 658. If raters make evaluations on only those dimensions on which they are in good position to rate, inter-rater agreement can be increased and evaluation can be made a more valid process.

Train raters. Rater training is an area which has recently shown some promise in improving the effectiveness of performance ratings. Smith (1986, pp. 22-40) reveals that researchers use three methods to present training: lecture, group discussion, and practice and feedback.

Lecture presentation includes the traditional classroom-type monologue (requiring little or no participation from the trainees in discussing the material being presented).

Group discussion training includes approaches which use participation by the group to ensure that the content of the training is fully understood by each trainee. This approach may require the discussion group to either generate solutions to specific rating errors or to define performance dimensions for the job being evaluated.

Practice and feedback training provide raters with an opportunity to practice evaluating job performance. The rater is allowed to compare his/her ratings given by “experts” or predetermined “true score.” Feedback also can include the rater pointing out specific rating errors (for example, leniency or halo) that were made by the rater.

Smith (1986) further has outlined that the content of training falls into three categories, namely, Rater Error Training; Performance Dimension Training; and Performance Standards Training.

Rater error training attempts to directly reduce rating errors, typically by presenting raters with examples of common rating errors such as leniency, halo, central tendency, and contrast errors. After raters are familiar with these errors, they are encouraged to avoid them. Studies categorized as *performance dimension training* attempt to improve the

effectiveness of ratings by familiarizing raters with the dimensions by which the performance is rated.

Training in performance standards attempts to provide raters with a frame of reference for making evaluations of the appraisees performance. The goal is to get raters to share common perceptions of performance standards.

A frame of reference is achieved by presenting samples of job performance to trainees along with the appropriate or “true” ratings assigned to the performance by trained experts.

2.10. Factors affecting performance appraisal

According to Ivancevich & Glueck (1989, pp. 322-324), there are several factors that have significance for performance evaluation. One factor is the task. A white collar or supervisory task is more likely to be formally evaluated than a blue collar task. In addition, the performance evaluation technique used will differ with the task being valuated. Other factors affecting performance evaluation are government requirements, regulations and laws. By inducing organizations to keep better records to support their decisions, government action has indirectly encouraged better performance evaluation systems. Keeley (1978, pp. 428-438) in his “Contingency Framework for Performance Evaluation”

has proposed that different appraisal techniques would be appropriate to different organizational structures depending on the degree of task uncertainty. Thus the following are suggested:

- **Behavior-based evaluation procedures** (e.g., BARS) - those defining specific performance expectations and, hence highly “mechanistic” in structure – are most appropriate for certain tasks.
- **Objective-based evaluation procedures** (e.g., MBO) – those defining less specific performance expectations and, hence, moderately “organic” in structure – are most appropriate for tasks which are neither extremely certain nor extremely uncertain.

- **Judgment-based evaluation procedures** (e.g., multi-rater techniques) – those defining the least specific performance expectations and, hence, highly, “organic” in structure – are most appropriate for uncertain tasks.

2.11. Employee participation in the appraisal System

One way of approaching appraisal lays emphasis on work performance rather than on the characteristics of the person doing the work (Beveridge, 1975, pp. 42-59). It involves a process of two-way communication not only about means to goals but about the goals themselves. In the midst of today’s rapid technological and organizational change managers have to recognize the impossibility of knowing enough about the details of every job to be able to tell their subordinates what to do and how to do it.

Appraisal in recent years has thus become a tool for corporate planning rather than a method for controlling individual jobs and assessing individual workers. The emphasis in an increasing number of organizations is directed towards work planning and review sessions where managers and subordinates are engaged in an interactive analysis of organizational behavior and the defining of organizational work goals. There are two points of special importance to be noted here.

First, this approach to appraisal will not work until there is mutual confidence between superior and subordinate. The appraising manager must have confidence in his/her subordinate’s competence to analyze and assess his/her own job and in the realism and relevance of the work goals he proposes. The subordinate must also have confidence in his/her manager’s comments on his/her work goals and on their interaction with the goals of others in the organization.

Secondly, discussion of individual goals in interactive groups is an increasingly important part of the appraisal procedure. Such discussion makes visible the real efforts of each man to his colleagues in the managerial team, identifies where his and their goals meet, and opens the way to a more effective coordination of their activities. It helps to prevent the manager foisting his own ideas about goal setting on to his subordinates, urging goals which may be unrealistic.

In the long run no goal setting exercise will prove effective unless the manager is prepared to work with his subordinates. If he is to force his views about the way the organization should be run and refuses to listen to the proposals of his subordinates who are engaged in doing the job, not even group resistance will prevail against him. Members of the group will then either escape the situation by finding other work or will stay on and make their main objective not the most effective performance of their jobs but the subversion of the manager's plans, or, finally, will become apathetic, doing what they are told to do, no more and no less. The tragedy for the organization is that it is likely the best people who will leave.

2.12. Feedback and appraisal interview

Appraisal is properly a learning process. Through their interaction in the appraisal the appraiser and his/her subordinate each learn how to make a more effective contribution to the adequate performance of the work. If this does not happen, appraisal merely serves a cataloguing purpose, 'this man is effective; that man is ineffective.' To enable learning to take place, the appraiser must provide the opportunity for an analysis by the subordinate and himself of the subordinate's performance so that the later can see where he/she is doing well and where badly.

This kind of feedback is essential to learning. At the same time the appraiser must allow the subordinate to exercise influence over his own work methods and targets (Beveridge, 1975, pp. 42-59).

Beveridge et.al. further stated that there are essentially four approaches used by managers to communicate performance feedbacks to (conduct appraisal interviews with) their subordinates.

The tell approach. The objective of traditional forms of appraisal seems to have been to control the job by controlling the man who did it; the emphasis of the appraisal was therefore on the man. The manager told his subordinate how in his opinion he was getting on, what his strengths and weaknesses were, and how he should set about developing the former and eradicating the latter. Appraisal was essentially a one-way affair and the

subordinate listened carefully and, if he wanted to keep his job and get on in the organization, did as he was told.

The sell approach. Sometimes, if there was an element of discretion in the job an occasional opportunity to choose between two ways of carrying out some aspect of the job, the manager might adopt a slightly less formidable tactic than the autocratic 'tell' approach; he might attempt to convince the subordinate that it would be best if he took the managerially approved course of action. He used the 'sell' approach, a manipulative style in contrast to the autocratic 'tell' approach.

The test approach. A variation of the 'tell' and 'sell' approaches' is the 'test' approach. This has the appearance of being more democratic in that it encourages discussion and decision-making by the subordinate but these are about means, not about ends.

The consult and join approach. In this approach the subordinate is asked to look at his job critically and constructively, to assess its problem and difficulties, to determine what actions and resources are needed to improve work performance. The manager's role is to help the subordinate carry out this critical analysis and evaluate the proposed solutions which the two have devised together. The manager has also the task of ensuring the provision of resources needed to implement the agreed solution, resources over which he may have an authority which the subordinate does not possess.

For many managers, few activities are more unpleasant than providing performance feedback to employees. In fact, unless pressured by organizational policies and controls, managers are likely to ignore this responsibility (Meyer, 1991, as cited in Robbins, 1996, pp. 458-659).

Chapter Three

Research Methodology

3.1 Research Design

The study has used a descriptive method of research by taking the employees at all levels working in Sunshine Construction Company head office and four asphalt road and housing construction projects located at Addis Ababa , Mehal meda Alem ketema and around Alaba as a target population. The strategy employed was survey. Questioners and interview were used as the main tool for primary data collection. The respondents were selected on the basis of their duration in operation for minimum of two years. It would believe that respondents with two years service at least have enough exposure to performance appraisal practice of Sunshine Construction Company. This study used both qualitative and quantitative approach of data analysis and interpretation for better understanding of the research problem. In this study, the methods used to answer research questions: sampling design, data source, tools and instrument of data collection, questioner construction and methods data analysis, interpretation and presentation are presented independently as follows .

3.2 Sampling Design

Since the study has used survey method, selecting the research subjects both judgmental and convenience sampling was employed.

Judgmental sampling is used to select the potential respondents who fulfill minimum operational requirements with desired representativeness of those four construction projects located in different regions of the country. Due to the volatile nature of construction industry, judgmental sampling was a very important technique of determine sample based on the characteristics that respondents should fulfilled. From a total of 1,252 employees, who meet the requirement, about 9.6% of employees (120 employees, 30 from head quarter and 90 from projects) were selected for study from both head office and projects. The sample size was determined based on the number of

employees who actually fulfill the requirement specially the service time and level of understanding for the questionnaire that will be distribute to them.

In the process of administering questionnaires, the staffs were stratified in to two broad categories, as supervisory and non-supervisory.

Therefore the questionnaires were served to 120 respondents: from the question distributed to respondents about 20% of the total respondents with equal proportion of 10% from head office and 10% from project employees were not filled and return the questionnaires provided to them. Which incorporates 108 respondents from 120 total sums of sample respondents? It also incorporates 71 non-supervisory and 37 supervisory respondents.

3.3 Data sources and instrument of data collection

The study has made use of both primary and secondary data in construction. Primary data were collected from operating employees and managers mainly through distributing questionnaires of closed-ended and open-ended types as well as interviewing of concerned human resource staff members.

The questionnaires have two types for managerial and non-supervisory respondents and the questioners were used to gather facts about supervisors/managerial and non-supervisors belief, feeling and exposure in assessment of performance appraisal practice by sunshine construction company and it was prepared in a way of providing sufficient data to address the desired solutions for the research problem.

The questionnaire also was designed in a way that keeps the respondents freedom of expressing their opinions and views via the response of questions provided to them without the researcher influence and interference.

In collecting secondary data published books, organizational appraisal forms, reviewing five years appraisal documents and the internet have also been extensively reviewed as references.

3.5 Methods of Data Presentation and Analysis

For the purpose of presentation and analysis of data a descriptive type of research has been used. Descriptive statistics such as tabulation, percentage and frequency were used to analyze the collected data.

This method of representation is very helpful to ensure an easy and quick understanding and interpretation of the data. The items grouped based on the response given by both supervisors/managerial and non-supervisory respondents and present them by using tables with their relative frequency and percentage. This method was used because it is very helpful to identify, assess, describe, and reach a conclusion in a descriptive type of research.

In general the data obtained were analyzed in order to assess the performance appraisal practices currently used by the company and to identify the weaknesses and strengths of the appraisal system to draw the recommended solutions in order to enhance the performance of employees as well as productivity of the company.

3.6. Validity and Reliability Issues

The questioners that I have used is prepared by me and its validity for this study is acceptable because almost all of the questions are prepared with maximum effort to create strong alignment with the research questions and to keep the contain validity of them. The questioners also enable me in obtaining information relevant to the purpose of my study. Concerning reliability issue I was proved it by conducting a pretest of research tool to insure weather the questions with in the questioner were understood by respondents or not and to ascertain the logical sequence of questions asked. I have distributed questioners to five staff members and test their response by using percentage and average. It shows 91% reliability. There for the reliability and validity of this study are ascertained in this way.

3.7. Ethical Considerations

The permission was sought from the chief executive officer (CEO) and owner of sunshine investment group “Ato Samuel Tamerat” before the study. That is the introductory letter sent to Chief Executive officer and approval received before the commitment of the research work. The chief executive officer sent the letter to the company human resource management department head to work was frequent contact in a scheduled manner in order to not unduly interrupts their work schedule, so the data gathering period were scheduled in convenient hours. No names or any identifiable information from respondents were taken as away of insuring the ethical principle of anonymity in social research to prevent the possible victimization. The respondents were informed that their participation was voluntary and have to confident in the confidentiality of their response.

Chapter Four

Data Analysis, Interpretation and Data Presentation

This chapter show as the presentation and analysis of data collected through interviews, questionnaire and referring company related documents by using the convenient statistical tables and narrations. In addition to analyzing and presenting the data, findings from respondents on various aspects of appraisal system and reasons for problems happened and possible solutions are also been presented.

Obviously looking at the brief explanation of performance appraisal practice and processes of sunshine construction company is very crucial in order to go through the various aspects of employee performance.

4.1. Performance Appraisal Practices of Sunshine Construction Company

In the case of sunshine construction company the entire responsibility for initiation and accomplishment of major personal (human resource) issues such as human resource planning, recruitment, selection, placement, induction, Training and development, determining compensations schemes, performance appraisal, promotion, demotion, transfer and lay off is the company's human resource management department (HRMD/ with continuous assistance and feedback from top management whenever necessary.

By the beginning of every consecutive appraisal period, the Human Resource management department is the one who takes an initiatives to remind departments of the company in both head office and different projects to carry out the periodic employee appraisal and to send the filled appraisal forms to the HRM department with in twenty days after the previous appraisal period laps (ends).

In addition to reminding the employee performance appraisal, the HRM department distributes appraisal forms to the concerned parties whenever they faced shortage of enough copies in their stock.

Supervisors at different teams and crews of the company filled the employee's appraisal forms for employees under their supervision and this also be ascertaining by the department heads.

Table I Respondents Profile /Personal details/

		Non- supervisors		Supervisors /Managers		Total Respondent	
		Frequency	%	Frequency	%	Frequency	%
Total Number of Respondent		71	100	37	100	108	100
Variables							
Sex	Male/M/	47	66.10	35	94.59	82	75.90
	Female/F/	24	33.80	2	5.41	26	24.10
Age	Below 25	21	29.58	-	-	21	19.44
	25-35	32	45.10	17	45.95	49	45.37
	36-45	9	12.68	11	29.73	20	18.52
	46-55	5	7.00	7	18.92	12	11.11
	Above 55	4	5.64	2	5.60	6	5.56
Educational Background	High school complete	36	50.70	2	5.60	38	35.19
	Diploma	18	25.35	12	32.43	30	27.78
	1 st Degree	17	23.95	20	54.10	37	34.26
	Master & Above		-	3	7.87	3	2.77
Job experience (in years)	b/n 2-5 years	60	84.51	29	78.38	89	82.41
	Above 5 years	11	15.49	8	21.62	19	17.59

Source:- Own Survey, 2015

- Based on the above table from a total of 108 respondents about 71 of them were from non-supervisory respondents and the remaining 37 were from managerial or supervisor employees.
- From the total of non-supervisory respondents 66% of them were male and the remaining 33.90% of them were female employees.
- When we have seen the employee data concerning their age, majority of the non-supervisory and managerial employees are fall under the age category of between 25-35 years old which incorporates about 45% and 45.95% of non-supervisory and managerial respondents responsibility on the contrary the number of employees in the age of above 55 years old are very few (about 5% both)
- Considering their educational background majority of non –supervisors about 50.70% are high school completed and also about 54.10% of managerial employees are first degree graduates. But none of non – supervisors employee have been go beyond bachelors degree level but about 7.87% of managerial employees have a masters and above competence level.
- Finally large number of respondents from both categories of respondents has an employment relationship with the company between 2-5 years and small number of employees has a stay more than 5 years due to the volatile nature of the industry.

4.2 Performance Goals and Standards

Establishing a clear objective and performance standards is the most important step in the courses of developing the appraisal system. It is an important tool for employees to perform their duties successfully. The performance standard also be clearly communicated and should have high degree of conformity with the overall goals of the organization.

In the contrary for organizations which have not setting performance standards in line with organizational goals, the employees will strive to their own goals by put aside the organizational goals. This will also have an adverse (negative) effect to the performance productivity of organization. Therefore goals or performance standards have an advantage of providing basis for setting employee performance expectation in a clear manner.

- Based on the responses from sample respondents of the Sunshine construction company survey. The table below shows the employee performance expectation and job satisfaction.

Table II performance expectation of employee and their satisfaction on job assignment.

Questions from part II for non- supervisors	Responses Yes/No			
	Frequency & Percentage (%)	Yes	No	Total
1. Are performance goals clearly communicated to you by your supervisors via job description or other statement of performance expectation	Frequency	49	22	71
	%	69	31	100
2. Do you feel satisfied with the kind of job you are performing? In other words is your present assignment in line with career plans to move up the organizational hierarchy?	Frequency	43	28	71
	%	60.5	39.5	100
Questions for supervisors/manager(part II)				
1. Do you provide employees working under your supervision with job description and clear performance expectations	Frequency	34	3	37
	%	92	8	100

Source: Own Survey, 2015

Based on the above data most of the employees /non – supervisors/ which incorporate 69% of total sample were provided with a clear job descriptions and they are well aware of performance goals and what is expected from them. This reality is also supported by 92% of the total respondents of managerial employees who claimed to have provided their subordinates with job description and clear performance expectations.

The above data also gives information that will lead us to conclude that there is a practice of providing job description in sunshine construction company. But the remaining facts of 31% of non supervisors and 8% of managerial respondents have not come up with such

practices and this indicate that the company will do more in this aspect because the variation of response in both categories may affect one another and may lead to performance failure.

As I have understand from their responses for an open ended question in the questionnaire which asks their suggestion and opinions about performance standards used by the company, they responded that most of the employees provided with job descriptions, they had little / no involvement in designing the standards or descriptions. Hence, the employees perceive job description as a means of imposing them by their supervisors rather than a guideline to carry out their duties. This also leads employee to reserve themselves from referring and following their job descriptions in their day to day activities.

As job description shows the clear definition of criteria's /standards/ of performance measure, it is a basic factor for employees to give their focus on the most important and challenging work activities that will lead them to an effective and better performance.

For question provided to supervisors/ managerial employees which says **“what would happen to the performance of employees in the absence of job descriptions and clear performance standards?** the respondents /supervisors/ give their opinions as :

- There would be a problem of not having a standard of evaluating /measuring/ performance /actual output of employee/ and the subordinate, also faced a problem of understanding their ultimate objectives to consign their performance against their supervisors expectations.
- Due to the lack of clear understanding of their performance expectations the employees performance would decline and it sometimes quoted as “a driver who travels without knowing his destination” here we try to look how much it is difficult to be successful without proper direction and clear performance expectations. Employees may suffer to be busy on unnecessary tasks and overlapping of activities beyond their performing ability and the organization may suffer due to redundancy

of performance of single task by a number of individuals due to the lack of knowing their duties and responsibilities in a clear manner.

- Some of the respondents also say, there may not be facing problem on performance due to lack of performance standards and expectations.

Their justification is that as far as the supervisor follow up the day to day activities and performance of subordinates no poor performance will be expected. On the other hand some job positions by themselves have given a clear picture of performance /duties to be performed/.

In order to conclude the two categories of respondents, it is better to give written standards to the employees and support it with a continuous follow-up and coaching of day to day activities to ensure whether the subordinates are performed their duties as it was stated in the job description.

Based on the data analyzed in the above table majority of non- supervisor employee /60.5%/ responds that they are satisfied in their job due to the job description and performance expectations provided to them. So it can be inferred that many employees are made aware of what is expected from them. It is very important and may contribute for better performance less absenteeism and turn over than dissatisfied one and providing employees with job description is a source of satisfaction for the majority of employees by aligning their present assignment with their career objectives through the achievement of organizational goals.

Performance appraisal system is very important in identifying an employee's career development objectives for those employees whose personal goals and organizational goals are congruence reasonably and here it is obviously achieve high level of employee performance and organizational effectiveness in this case the company should search and launch career development programs in continuous bases., it also creates person - job and person - organization fits, retaining employees and boosting of productivity.

Managerial /supervisor/ employees of the company responded for the question provided to them “ **what efforts you make to make sure your subordinates are in**

their right career path that would allow them to meet their personal as well as organizational goals? “Since most of the employees for various projects are employed based on the specific need of vacant posts with specific skills and abilities, the supervisors actively engaged in the assignment and latter follow up of employee in the realization of both goals.

- Few supervisors especially at head office, responded that they have made no effort in supporting their subordinates to be in the right track of performing their activities and they believe that responsibility is put aside to human resource management department. Their responsibility is only reporting of poor performing employees to HRMD to take the respective administrative decisions that will enhance employee to better performance.

In general it is better for supervisors /managers to be engaged in continuous bases in creating favorable working conditions for their subordinates and supporting them in the way of achieving their career objectives through better performance and competencies and subordinates can realize achievement of their career objectives through effective search of their competencies.

4.3. Methods and Criteria’s of Performance Appraisal

Sunshine Construction Company generally uses graphic rating scales of performance appraisal. Here the performance of individual employee is compared with some predetermine criteria’s and standards. The form has five levels of grading leveled as excellent, very good, good, fair and poor. All criteria’s of appraisal form have equal weight. Employee rating for each criteria of performance is marked out of 5 points as stated in the table below;

Table III - Appraisal forms content

Grading level	Point assigned	Rating criteria's
Excellent	$>4 \leq 5$	Will be stated below
Very good	$>3 \leq 4$	
Good	$>2 \leq 3$	
Fair	$>1 \leq 2$	
poor	$>0 \leq 1$	

Source - performance appraisal form of sunshine construction company.

- Each criteria of performance on the form is further broken down in to specific measures that will indicate the varying degree of performance for a particular variable.

The total rating result from the sum of points given to each criteria's will be divided in to 7 for non supervisor employees and would be divided by 10 for managerial employees with 3 additional criteria's in relation to their supervisory capability and the 7 criteria's are also essentially the same to both staffs.

Performance appraisal criteria's for supervisory and non- supervisory staff are as listed below. (Source- Performance appraisal form of the company)

4.3.1. Criteria's for Supervisory/ Managerial employees

1. Personality

- Neatness and style of dressing
- The way of approaching other..

2. Knowledge about the job

- Ability to carry out specific job assignments properly.
- Ability to adapt new work systems /adaptability/
- Quality of work performance

3. Working hours usage

- Punctuality on his/her job
- Presence on his/her job in working hours.
- Use all the time at work for carrying out organizational activities.

4. Cooperativeness

- Relationship with his/her work teams & involvement in team work
- His/her willingness to carry out group responsibilities and assignments

5. Dependability and sense of responsibility

- Confidentiality for company's secret.
- His/her activity to protect properties of the company
- Commitment to fulfill company's objective.

6. Creativity of new ways of performing activity and his/her ability to implement it.

7. Self confidence to carryout /perform his duties without letting support

8. Impartiality

- His/her ability to supervise subordinates equally without partiality
- His/her ability to give assignments for subordinates in fair and equal proportion.

9. Managerial Skill

- His/her ability to enforcing subordinates positively to carry out their duty and controlling of their performance.
- His/her Acceptance by subordinates under his/her supervision

10. Maturity

- In communication skill, leadership quality in solving problems and staff discipline.

4.3.2. Criteria's for non –Supervisory employees includes all

criteria's stated in the case of supervisors except criteria's stated from number 8 to 10 and these criteria's are exceptionally applicable to managerial employees only.

On the bases of the criteria's stated above, almost all criteria are listed for supervisors/managerial and non supervisory employees, we can understand that those criteria's are behavior/ trait related and they also leads the rater to be more subjective in measuring performance of employees. So raters in this case should have updated his/her ability to relate those behaviors to the actual job performance of employees.

From the questioner provided to them employees /both supervisors and non- supervisors/ as they responds their opinion can be summarized in the table below.

Table IV- Employees opinions about appraisal criteria's

Questions provided	Responses given				
		Yes	No	No response	Total
Do you think that all the standards are appropriately understood by appraises? /for supervisors Q.No 9	No.of Response	25	11	1	37
	Percentage	67.57	29.73	2.70	100
Do you think that the criteria in the present appraisal form are representative enough to truly reflect a subordinates real worth to his/her work unit or to the organizations as a whole?/for supervisors Q.No12/	No. of Respondent	30	7	0	37
	Percentage	81.08	18.92	0	100
Do you think that the weights assigned for the criteria's in the appraisal form are appropriate? /for both supervisors & non-supervisors Q.No11/	Supervisor No. Of Respondent	21	16	0	37
	Percentage	56.76	43.24	0	100
	Non-Supervisor No. of Respondent	29	40	2	71
	Percentage	40.84	56.34	2.82	100

Since the criteria's for appraisal focuses on behavioral aspects of employees and which leads the raters to be more subjective on judging employees performance, the subjectivity level will increase or decrease based on the level of relationship between supervisors and subordinates under their control. The greater degree of work relationship between superior and subordinates enables the supervisor to be more certain about behaviors and attitudes of the subordinate.

As we have seen in the above table about 29.73% of the supervisors responded as they believe that their subordinates do not have a clear understanding for criteria's of the appraisal based on which their performance will be rated. This implies that the appraisal criteria's are detached from performance elements in the job description of employees and it needs effort to create reasonable degree of relationship between employee's job description and performance appraisal criteria's.

For the question about "appropriateness of weights assigned to performance appraisal criteria" /question No 11/ about 40.84% of non-supervisory respondents are agreed with the appropriateness and about 56.34% of respondent are against the appropriateness of weight. The reasons for their disagreement for this idea are the weights given for job related criteria's and personality related criteria's should not have equal weight and the job related criteria's should have higher weight than those criteria's related to attitude and personality.

For the question No-12 which asked opinion about **the criteria's in the present appraisal form are representative enough to truly reflect a subordinates real worth to his/her work unit or the organization as a whole?** 81.08% of supervisory employees have answered "Yes" and 18.92% of them answered "No" due to they observe problems in those criteria's.

The second group of respondents (18.92%) have their own reason for disagreeing the idea which is while employees score highest result/weight/ in job related performance appraisal criteria's and their contribution to their organization or work unit is important,

their less weight /score/ achieved in non - job related performance appraisal criteria's may leads them down and here the employees real worth might not be recognized.

For question No13 which says **“what criteria/criterion must be added or removed from the existing appraisal form to enhance effectiveness of appraisal system and how do you see use the same appraisal format across all levels in the organization irrespective of the nature of job?”**

I. Responses from supervisory /managerial employees would be summarized as follows.

- 37.83% (14) of supervisors respond nothing and they are reserved from commented on appraisal form
- 21.62%(8) of managerial respondent are commented that the criteria's in the /existing/ appraisal form important enough and no need of addition or reduction from the existing appraisal form.
- 18.91% (7) of managerial respondents commented that criteria's in the existing appraisal form are very important and the human resource management department (HRMD) must work hard on those areas of criteria's which would enable to reduce the raters subjectivity of judgment.

In addition to this they also commented that the weights should be adjusted the way that higher weight should be given to job related criteria's and the lower rate for non- job related ones, which means it is better to use varying weights for different criteria's.

- 21.62% (8) of supervisors have commented additions and removal of some criteria's should be important

For example the statement of asking employees about their satisfaction in their satisfaction in their performance or job should be added the criteria's must be set on the basis of their position and criteria's not related to individual's position must be removed.

- They also commented that it is better to use separate appraisal forms for head office employees with specialized skill and functions and for project employees they carryout

tasks at very challenging situations. But, even if they comment to use separate appraisal forms, such practices are difficult and not applicable within a single organization.

II. Responses from non- supervisory employees could be summarized as follows:

- About 45%(32) employees of non supervisors gives no comment about the content of appraisal form
- About 32% (23) of non supervisory employees have commented that the appraisal form should add a statement which gives a chance to express their feeling about the performance appraisal result given to them which may be their satisfaction or dissatisfaction based on the score given to them and there must be a space provided to the appraises to sign on the final rating results (scores) after they discuss on it.
- About 22% (16) of non- supervisors employee commented that the criteria's which states the personality of employees should be removed and neatness and style of dressing from personality dimension is totally a criteria which completely detached from performance related criteria's so, the criteria's should focused only on the job descriptions given to the employees and their assignment / position as well as their competence level.

In general criteria define performance dimensions against which employee efforts towards achieving organizational goals would be judged. Thus, such criteria need to be quantifiable and measurable as much as possible if they are to be relied upon as bases for any administrative as well as developmental decisions. In the absence of such degree of objectivity, it is unlikely to find that different raters do not rate the performance of the same employee in the same manner, nor the same performance criteria judged similarly.

Interview with the Head, Human Resources Management Division of the company, has revealed that the Human Resource Department has devised ways to tackle the influence of such subjectivity on administrative decisions to be taken on the basis of employee performance ratings. Accordingly, the Department makes use of employee performance ratings for at least three consecutive appraisal periods so that the employee's consistency in achieving similar or better result can be ascertained to consider him/her for the intended administrative decision. The Division Head further disclosed that this procedure

would enable to judge the dependability of evaluator’s rating ability through checking their consistency of subordinate rating in the different periods or to search for explanations for any big variations in the employee’s rating results across periods.

A mismatch between employee job descriptions and performance criteria contained in the appraisal form may lead to nonperformance of certain activities on the part of the employees when appropriate measures are not provided for those activities. This may affect the overall performance of the organization when critical activities are not given particular attention in the performance appraisal. Weights reflect the relative importance of performance dimensions.

Therefore, it is logical that those performance aspects that are invaluable for the successful accomplishment of a given job should receive a higher weight.

4.4. Time Interval / period/ of Performance Appraisal

Sunshine construction company conduct performance appraisal for all employees with in every six months (twice a year) and the time to perform it is for the period from July 1 up to December 31 is at January and for the period from January 1 up to June 30 is at July by managers of work units and signed by project manager for project employees and by human resource management department head for head office employees

From questions provided to non- supervisory employees concerning frequency of performance appraisal which says “how often do you think performance appraisal should be conducted in a year? (Question No 4) responses would be summarized as follows

Table V- Employee opinion concerning Time Interval of Performance Appraisal

No	Responses	Frequency	percentage	Remark
1	Once a year	22	30.99	-
2	Twice a year	36	50.70	-
3	Three Times a year	12	16.90	-
4	When it needed	1	1.41	For consquative actions to be taken
Total		71	100	71

As we have seen in the table above it indicates that majority of employees are comfortable with the current performance appraisal time interval (period) which constitutes 50.70% of the respondents. The reason behind is that in the company trend, especially for projects, salary increment for employees is enacted on the bases of performance appraisal results given to employees during appraisal period. This is done due to the high turnover of employees in the projects, the company uses it as a technique of handling (retaining) its workforce.

But it is not practical to head office employees in the same manner in most cases salary increment for head office employees be enacted once in a year so , about 31% of the respondents who says the appraisal period should be done once in year may constitutes head office respondents. For question which states the performance appraisal period i.e. “how often do you evaluate your subordinates in a year?” (Question No 5) provided to supervisory or managerial employees. All of the respondents says they conduct appraisal twice a year and even if they carry out performance appraisal twice a year 20% of the respondents from managerial employees recommended that appraisal should be done in frequent bases when ever some major activities given to an employee have been completed and it enables employee to fill his gape and increase its effort to perform his/her task on a better performance. 19% of them also recommended that the appraisal should be done in quarterly bases and still majority of the supervisors agrees the current performance period which is conducted twice a year (about 70%)

Generally to conclude the results from respondent, in any cases the employees support the need of performance appraisal in whatever the appraisal period would be conducted. As far as the performance appraisal conducted, it is very decisive to give performance feedback frequently in order to correct performance gapes and to tackle problems in timely bases. But increasing frequency of appraisal may require more time, cost and effort, and this is the reason why most of the respondents from supervisory and non- supervisory employees support the biannual appraisal period.

As we have seen in the above question (No 5) of supervisors / managerial) employees, they all responds that they conduct appraisal twice a year, their response for question “whether

they are engaged in coaching their subordinate's performance" question No10) would be summarized as follows:

most of the respondents (72%) have been involved in coaching their subordinates performance in a day to day bases and about 13% of respondents have been involved in coaching the job performance of their subordinates in occasional bases and the remaining 15% of supervisors have not been involved a coaching of their subordinates.

since coaching involves an ongoing communication between supervisors and subordinates in the way of sharing information concerning work progress, working together on performance problems and their possible solutions, ongoing coaching have a cumulative effect on employees to keep the work processes dynamic, flexible, and responsive to changes.

As coaching is the basic tool in implementing good performance management system , it is very important activity of supervisors performed in day to day bases before going to appraise the employees performance. In many cases coaching has the aim of preparing subordinates for further development; it will leads employees to have a feeling of motivation and that will have a positive impact on productivity. Coaching also safe managers from committing mistakes in performance appraisal by using it as reference for particular employee performance throughout the period.

4.5. By whom performance appraisal of employees should be done?

Based on the current practice of the company, the ultimate responsibility of conducting performance appraisal of employee's lies on immediate supervisors and the final approval is made after signature of project managers in the case project employees and human resource management department head for head office employees.

Responses for question of "in your opinion who should evaluate an employee's performance?" provided to both sample respondents (supervisors and non- supervisor Q7 and Q5 respectively) with the options of Immediate Supervisors (I), employee him/her self (E) peers (P) subordinates (S), and customers (c) have been summarized as follows:

Table VI- Employee opinions about who should evaluate an employee's performance

No	Responses	Respondents			
		Non-Supervisory		Supervisory/managerial	
		Frequency	Percentage	Frequency	Percentage
1	Immediate Supr.(I)	31	43.67	21	56.76
2	Pears (P)	2	2.82	0	-
3	Subordinates (s)	1	1.41	0	-
4	Employees (E)	0	-	0	-
5	Customer (C)	3	4.23	0	-
6	Immediate Supervisor and Pears	11	15.50	6	16.22
7	Immediate Supervisors and Subordinates	6	8.45	2	5.40
8	Immediate Supervisors and Employees	8	11.26	5	13.51
9	Immediate Supervisors and Customer	7	9.86	2	5.40
10	Immediate Supervisors and Others	2	2.80	1	2.71
Total		71	100	37	100

As we have seen in the above data performance appraisal conducted by immediate supervisors has got the highest level of preference among the options listed above by both the supervisory and non- supervisory respondents which constitutes 56.76% and 43.67% of respondents respectively.

From the data we also see that about 48% of non- supervisory and 43% of supervisory employees responded that they preferred the immediate supervisors in combination with some other external and internal parties who have strong work relationship with the

company. Among those combinations, immediate supervisors with peers has got the highest score by both supervisory and non supervisory employees with 15.50% and 16.22% respectively this is because of the construction industry needs more cooperation between peers to the successful accomplishment of objectives.

Peers participation in performance appraisal would be mandatory. But some of the respondents strictly states that peers participation in performance appraisal may have adverse effect in measuring actual performance between peers who have strong positive relationship and they would give the highest. Score for each criteria's without give consideration for their contribution to organizational goal success. Even if, multi- person performance appraisal technique seems to be costly and time consuming relative to single person rater, it has a greater importance to reduce the errors committed by raters and to have an advantage of multi skill contribution in rating and also by comparing the cost of implementing multiple rating with the benefits obtained from error free performance appraisal.

Based on the responses majority of both groups of respondents prefer the appraisal conducted by immediate supervisors, so, we can conclude that employees and supervisors in the company have a trust between themselves and it also is very important to enhance effective performance of employees and improve productivity of the company.

4.6. Goals and objectives of employee performance appraisal

The company has a very good trend of documenting every appraisal period performance results (scores) of each employees in their personal file (hard copy) and in the employee master file (soft copy) in order to use these information for the purposes of salary increment decisions, training and development, promotions, demotions, strategic purposes and to use it at the time of litigation between employees and the company.

Answers for questions in the questioner related to purposes of performance appraisal of employees would be summarized as follows.

Question- **do you think that the performance appraisal system in your organization is strictly meeting its intended purposes?** (Q No 6 for non- supervisors and Q no 8 for supervisors)

Table VII- Employee response whether the appraisal system meets the intended purpose or not?

No	Respondents	Frequency & percentage of response	Responses			
			Yes	No	Says nothing	Total
1	Supervisor	Frequency	35	2	0	37
		Percentage (%)	94.59	5.41	-	100
2	Non- Supervisor	Frequency	45	22	4	71
		Percentage (%)	63.38	30.99	5.63	100

Based on the responses in the above table for question whether the employee appraisal meet the intended purposes or not, 94.59% of supervisory employees and 63 .38% of the non- supervisory employees have believes that the performance appraisal system of the company is meeting its intended purposes. The reasons for the majority of employees to believe on the system are that the reward and salary increment for employees, especially for project employees, have made based on the performance appraisal results achieved by the employee it also makes employee to be alert and be motivated due to the their expectation of positive performance leads to salary increment (reward)

On the other hand 5.41 % of supervisory and 30.99% of non- supervisory employees have responded that they are not believed on the appraisal system in meeting its intended purposes. Their reason for their response is that.

- Since the subjectivity of judging performance due to the lack of strong relationship between performance criteria's and job description provided to the employee, it could be create a condition of varying ratings between different raters.

- The company has lacking in creating awareness and in being transparent for the actual purposes of performance appraisal of employees in various administrative decisions. Generally as the company has a primary objective of using performance appraisal results for salary increment and for the time litigation meets , it can be concluded that the system have meet its intended purpose.

For question no 18 of the non- supervisory employees questioner, i.e. **“is there any possibility of misusing the appraisal system by your supervisor (rater) for purposes other than those intended by the company / organization)?”**

- Here about 43% of the respondents believe that there is a possibility of using appraisal system for purposes other than intended by the organization by their immediate supervisor’s /raters/ and the subordinates here are always frustrated and lack trust on their supervisors rating concerning their performance. In most cases employees who missed from list of employees in salary increment or training & development, they completely perceive that this is due to their supervisors misusing of appraisal system.
- Even if, majority of the employees (57%) believes on the purposes of the performance appraisal of employees, it is better to have a transparent system and maintaining a culture of free discussion between subordinates and supervisors regarding performance issues. They also working together in solving problems related to performing duties before the time of conducting performance appraisal and encouraging subordinates to express their feeling freely without fear and frustration to be attacked by their supervisors during performance appraisal.

For question No 19 and 20 which asking non- supervisors concerning **their suggestions of to avoid /reduce misusing of performance appraisal for other purpose and what improvement may be done**, their response of suggestion will be summarized as follows.

- Rather than solely carryout- performance appraisal by immediate supervisors, it is better to form a committee and the members of committee should have work relations with subordinate (employees) to be appraised.

- The company Human resource management department should give a continuous training for supervisors about how conducting performance appraisal and psychological make up to develop genuine evaluation to their subordinates
- Top management of the company should check and be sure about the supervisors whether they have adequate knowledge and skill about the job of employees under their supervision
- Do more in reducing the subjectivity of criteria's for performance appraisal and assign different weights to criteria's based of their relationship to jobs.
- The subordinates should have an opportunity to evaluate the performance of their supervisors.

For question **“how do you perceive the performance appraisal system in your organization?”** provided to both groups in **Q No 15** for non supervisors and **Q No 20** for supervisors /managers.

Their answer from the choices of has been summarized as follows in the table below;

Table VIII- Employees response about their perception of appraisal system.

No	Responses	Respondents			
		Supervisory		Non-Supervisory	
		Frequency	percentage	Frequency	percentage
1	A. As a mere evaluative tool that aims at magnifying your performance weaknesses in which case it creates frustration in you.	0	-	6	8.45
2	B. As a management tool targeted for employee development through reinforcing positive behaviors and creating the ground for improvement of weaknesses in future performance	18	48.65	27	38
3	C. As a process that adds to the paper work of managers without benefit sought	3	8.11	2	2.82
4	D. As an administrative tool on which various administrative decisions are based	8	21.62	24	33.80
5	E. Other	0	-	2	2.82
6	A & C	0	-	4	5.64
7	A & D	0	-	5	7.00
8	B & D	8	21.62	1	1.47
Total		37	100	71	100

As we have seen in the above table majority of supervisory respondents which constitutes about 91.89% and non-supervisory respondents which constitutes about 73.27% have similar perception of that the performance appraisal system uses either for management tool of developing employees or for administrative tool for various administrative decisions. It was also strongly supported by majority of respondents in the question whether the appraisal system meets its objective as set by the company or not. These findings regarding differences between non-supervisors' and supervisors' (managers') perceptions of the appraisal purpose appear to be related to differences in the

roles the two parties play in the appraisal process. As appraisers, supervisors (managers) are most likely to convince themselves of the real significance of the appraisal system, while subordinates, as appraisees on the other side, may render the system unimportant, building negative attitudes towards it.

It is said that people’s behavior is based on their perception of what reality is, not on reality itself. Accordingly, no matter what the reality behind the purposes of performance appraisal at the Human Resources Department, unless efforts are made to change employees’ perception of the system, employees would continue to behave in similar fashion with little or no regard to what the effects of their performance ratings, which may at times lead to loss of initiative and productivity.

4.7. Employee responses about their access to appraisal results and post assessment discussions

Here we are going to see the respondents response for questions provided to them in order to check whether subordinates have an opportunity to view their appraisal results and supervisors allow their subordinates to view their rating results and also whether they faced disputes on the bases of performance appraisal review discussions.

Table IX- non- supervisor’s response about an access to view and chance of discussion on appraisal results

No	Questions	Answer /Responses			
		Frequency & percentage	Yes	No	Total
1	Q 12. do you have access to view your appraisal results?	Frequency	68	3	71
		Percentage(%)	95.77	4.23	100
2	Q 13 do your supervisors law for appraisal discussions whereby you are encouraged to freely express your comments on your rating results?	Frequency	15	56	71
		Percentage(%)	21.13	78.87	100

Table X- supervisor's response about view, discussion and disputes faced based on appraisal results

No	Questions	Answer /Responses			
		Frequency & percentage	Yes	No	Total
1	Q 15. Do you allow your subordinates to view their appraisal results?	Frequency	32	5	37
		Percentage(%)	86.49	13.51	100
2	Q 16. Do you engage in appraisal discussions with your subordinates there by encouraging them to freely express comments on their rating results?	Frequency	9	28	37
		Percentage(%)	24.32	75.68	100
3	Q 18. Have you ever been engaged in any sort of dispute with your subordinates due to the their dissatisfaction with your performance rating?	Frequency	17	20	37
		Percentage(%)	45.95	54.05	100

From the responses given from respondents 95.77% of the non- supervisors and 86.49% of supervisor's employees have similar stand in relation to accessing appraisal results for which the supervisors allow subordinates to view their appraisal results and the subordinates have an access to view their appraisal results. On the other hand only little number of respondents has positive response for engaging in appraisal discussions between supervisors and subordinates. This group of respondents is composed of 21.13% of non- supervisors and 24.32% of supervisory employees and it also limit the employee's freedom of expressing their comments concerning appraisal results.

Due to the lack of exercising free discussions up on appraisal results the company losses various advantages

- Free discussion will create a positive effort on subordinates by understanding the concern given to them in involving their ideas concerning appraisal results.
- Free discussions on appraisal results will develop a positive relationship between subordinates and supervisors due to having an opportunity to know the reality behind appraisal results rather than reflecting negative criticism for raters and avoids negative perception on appraisal results.
- This free discussion will create an opportunity to subordinates for improving their performance through understanding their strong and weak aspects of performance.

In this respect majority of the respondents, which in compasses 78.87% of non- supervisor and 75.68% of supervisors responds that there is no opportunity to discuss on appraisal results. Their justification for their response is due to the nature of the construction industry the company involves needs restless move in performing project activities in their specified time period and this discussion will create waste time with unnecessary debates, and there is no trend of open discussion up on appraisal results.

As the response for question No 18. "have you ever been engaged in any sort of dispute with your subordinates due to the their dissatisfaction with your performance rating?" provided for supervisors about 45.95% of supervisors respond that they faced conflict on the bases of appraisal result discussions and ac cited above conflict management skill and counseling ability of supervisors would resolve such problems (conflicts) faced based on negative appraisal results discussions.

Even if, the above cited justifications for not be put performance appraisal discussion in practice, it has undeniable importance to reach consensus between supervisors and subordinates about the wrong and Wright performance of employees in the period before appraisal has been conducted but there may be a need of informing human resource management departments before the subordinates appraisal result disclose for discussions by supervisors, because there are various specific purposes of appraisal results for

administrative decisions and the supervisors also have further understanding and greater patency than subordinates in the time of appraisal results discussions because most of the time subordinates becomes aggressive and nervous when they see the negative appraisal given to them and they always have a habit of blaming others for their poor performance and appraisal results.

So, having good knowledge of conflict management is very important weapon for supervisors in this case.

4.8. Employees response about documentation of critical performances

Since documentation of critical performance of employees would be an incremental technique of recording employees performance which is critical and very unique at every spot of performance before the time of performance appraisal conducted

For questions provided to both subordinates and supervisory respondents of the sample population their response would be summarized as follows in the table below

Table XI- Employees response about documentation of critical performances.

No	Questions	Answer /Responses			
		Frequency & percentage	Yes	No	Total
1	Q No 14. Do you maintain documentation of your critical accomplishments during the appraisal period?(Non- supervising)	Frequency	7	64	71
		Percentage(%)	9.86	90.14	100
2	Q No 17- do you maintain documentation of your subordinate’s critical accomplishments during the appraisal periods? (For supervisors/ managerial employees)	Frequency	33	4	37
		Percentage(%)	89.19	10.81	100

Ns- non- supervisor’s employees

S/m- supervisors/managerial employees

Based on the responses of sample respondents about 89.19% of supervisory /managerial employees have confirmed that they have a trend of maintaining a record of their subordinates critical performance during the appraisal period in order to use these data as an evidence of conducting performance appraisal and which gives an important information for subordinates to avoid their complaints and negative perceptions about appraisal results.

On the other hand majority of non- supervisory employees (about 90.14%) did not maintain their own critical performance record and documentation. It shows that the subordinates understanding and awareness about the importance of critical performance record and documentation is very low, so supervisors and other concerned parties of the company should encourage and create awareness to subordinates in order to maintain their critical performance record during the performance appraisal period. It also enables employees to use this record at the time of appraisal review discussions between supervisors and subordinates.

For question No 19 provided to supervisors or managerial employees about the rating biases committed by them during appraisal /ratings, for which about 32.43% (12 employees) were, respond that they have never commit biases in appraisal ratings. But majority of the supervisors, which employees about 67.57%, responds that they have committed either of biases derived from similarity error, primacy & recency effect, halo error or single criterion error. From those factors affecting appraisal rating, halo errors and recency affect have largest share as a bases for biases in which the supervisors give strong sight to recent performance and losing the earliest performance of individuals. To overcome such problems (biases) supervisors should follow a diary method of maintaining subordinates performance and they should have a habit of recording critical performance during the appraisal period.

On the other hand the supervisors also try to overcome the biases derived from halo error by focusing on the whole criteria's of performance appraisal rather than give high emphasis for single and favorable to rater's criteria.

4.9. Employees response about opinions on problems of appraisal system

Since performance appraisal of employees is a decisive task performed by human resource management of the company, it is obvious to face problems and challenges in conducting this activity. Here the study will try to investigate problems involved in the company and their preferable solutions through the questioners provided to supervisors and non-supervisor's employees who are selected as a sample respondent. The question provided to both groups of respondents which is question No 21 for supervisors and question No 16 of non-supervisors state that. **"Which of the following problems apply to the performance appraisal system of your organization?"**

Table XII- summarization of employees Reponses about problems of performance appraisal

No	Responses from choice (A- E)	Respondents			
		Supervisory/managerial		Non-Supervisory	
		Frequency	percentage	Frequency	percentage
1	A. Lack of raters ability (training) to evaluate performance	0	-	6	8.45
2	B. Absentee of employee participation in setting performance evaluation criteria's	18	48.65	27	38
3	C. Rater bias in evaluating performance	3	8.11	2	2.82
4	D. No link between some evaluation criteria and employee job	8	21.62	24	33.80
5	E. Other /specify	0	-	2	2.82
6	A & C	0	-	4	5.64
7	B & C	0	-	5	7.00
8	B & D	8	21.62	1	1.47
9	C & D	-	-	-	-
10	A & C	-	-	-	-
11	Other	-	-	-	-
Total		37	100	71	100

From the responses in the table above, without considering the degree of frequency almost all problems listed in the choices have occurred in the appraisal system of the company.

But from the responses of non- supervisory employees about 33.80% of them have been respond that absence of employee participation in setting performance appraisal criteria's is the vital problem in appraisal system and also this response had been supported by about 21.62% of supervisory /managerial respondents. On the other hand about 27.03% of managerial /supervisory respondents cited the rater bias as a major problem in appraisal system. No link between some evaluation criteria's and employees job also cited as a major problem in the system by undeniable number of non- supervisory respondents (about 23.94%)

As the major problems for appraisal system of the company addressed , it is very clear that the company should going to work hard to solve those problems with an appropriate solutions and the solutions should also be addressed the problems cited in the choice above (A-D) and other un-cited problems(E) in order to make the appraisal system of the company more productive and effective through motivating employees performance at maximum effort (level)

In addition to the questioners distributed to bother supervisory and non- supervisory employees, the following points would be gathered from the interview conducted with human resource management departments.

- The formats of performance appraisal system should be designed by giving greater concern for its relatedness with job descriptions and also it could not be a static format rather the criteria's in the format should be up dated as the nature of jobs and strategic changes derived from external and internal environmental changes.
- The employees at lower /operational/ level of the company hierarchy should have an opportunity to participate in the process of setting performance criteria's (standards) in order to increase the subordinate's commitment to effective performance of their jobs.

- The company strongly used the appraisal system results for salary increment decision and give the concern of appraisal system highly with the views of this purpose, but the company should design and implement the appraisal system for various important human resource related administrative decision purposes and should be conducted in a view of maximizing the benefit of employees than punishing them.
- The rating criteria's and the supervisors skill and ability should be support each other in order to conduct the appraisal of employee performance in a fair and more objective manner rather than conducting more subjective and unfair judgments.
- Rather than using the supervisors solely to appraising performance of employees /subordinates/it is better to use multiple raters because it may be helpful to avoid the problem of partiality and biases occurred in using single rater (supervisor).
- Enable supervisors to improve their trend of conducting performance review discussions with their subordinates after the performance appraisal have been conducted.
- The top level management of the company should avoid their unnecessary interference to the appraisal process with an intention of limiting the number of employees who will fall in the range of providing salary increment.
- Improve the employees understanding about the impact of performance appraisal (ratings) on their future destiny within the organization.

Chapter Five

Summary of findings, Conclusions and Recommendations

5.1. Summary of findings

From the analysis of data collected from employees of the company as it is presented in chapter four above the following conclusions are drawn.

- Majority of the employees about 69% of non-supervisors and 92% of supervisors responded that the company has a trend of providing clear job descriptions to employees. But the problem identified here is in relation to the criteria's used in appraising performance of employees.
- Most of non- supervisory employees /about 60.5%/ responded that they are satisfied and have positive attitude towards their present job.
- The company currently uses graphic rating scales of performance appraisal system and here the performance of employee is going to compared with the predetermined standards /criteria's/. The form has five levels of grading as excellent, very good, good, fair and poor each criteria's also have equal weights and they are marked out of 5 points.
- About 29.73% of supervisory employees responds as they believe that the standards in the present appraisal form are not appropriately understood by the subordinates and about 18.92% of them /managerial respondents/ have present their opinion as the criteria's are not representative enough to truly reflect the real worth of his /her work units.
- For the appropriateness of weights assigned to criteria's of appraisal form, about 43.24% of supervisory and 56.34% of non- supervisory employees suggests that the criteria's should not receive equal weights and highest weight should be given to the job- related criteria's.
- About 21.62% of supervisory /managerial employees have been commented that the removal and additions of some criteria's in the appraisal form should be important.

- In coaching their subordinates performance about 72% of supervisory /managerial/ employees confirmed that they have a habit of doing it, and about 15% of them have admitted as they never been involved in coaching their subordinates performance until the performance period was elapsed and also the remaining 13% have an exercise in occasional way.
- About 50.70% of non-supervisor and 70% of supervisor's employees have responded as they are comfortable with the current performance appraisal time interval which is conducted twice a year and about 31% of non- supervisory respondents also express their intention of conducting appraisal annually.
- About 20% of supervisory respondents recommended as the appraisal should be done in frequent bases when ever major activities given to an employee have been completed and 19% of them supported the appraisal to be made quarterly.
- Concerning by whom the performance appraisal would be conducted about 56.76% of supervisory and 43.67% of non – supervisory employees are favored to be appraised by immediate supervisors in combination with peers have got the biggest share /about 16.22% of supervisory and 15.50% of non – supervisory employees/.
- Even if majority the respondents believe that the appraisal of employees meet it's intended purposes, about 30.99% of non-supervisory and 5.41% of supervisory employees are not believe the performance appraisal system of the company is meeting its intended purpose.
- About 43% of non – supervisory respondents believe that there is a possibility of using appraisal system for the purposes other than intended purpose/ measuring of appraisal results/.
- Majority of employees, about 91.89% of supervisory and 73.27% of non – supervisory have similar perception for the use of performance appraisal system as a management tool of developing employees and an administrative tool of various administrative decisions.
- About 95.77% of non- supervisors and 86.49% of supervisor's respondents have similar stand in relation to having an access of viewing their appraisal results and the

supervisory allows their subordinates to view their appraisal results. But about 78.87% of non- supervisors and 75.68% of supervisors respond that they do not have a habit of post appraisal discussions between the appraisee and appraiser /rater/.

- In relation to documentation of criteria accomplishment during the appraisal period, about 89.19% of supervisory/ managerial employees have confirmed that they have a habit of maintaining critical accomplishment of their subordinates and about 90.14% of non – supervisors responded that they did not have a habit of maintaining their own critical performance record.
- Concerning biases of rating committed in conducting appraisal about 67.57% of supervisors have admitted as they have committed either of the biases from factors affecting appraisal process , and halo error and recency affect have largest share as a bases for biases of rating.

5.2. Conclusions

From the above major findings the following conclusions are drawn:

- **Performance goals and standards:** The Company has a trend of providing clear job descriptions to employees. But the problem identified here is in relation to the criteria's used in appraising performance of employees which are stated as:
 - Absence of relationship between job-descriptions and performance criteria most of the criteria's in the appraisal formats emphasizes on behaviors and traits rather than job related outcomes,
 - Absence of employee participation in setting performance criteria's (standards).
 - Apply similar criteria's for all job categories and positions.
- **Methods and Criteria's of Performance Appraisal:** The company currently uses graphic rating scales of performance appraisal system and here the performance of employee is going to compared with the predetermined standards /criteria's/. the form has five levels of grading as excellent, very good, good, fair and poor each criteria's also have equal weights and they are marked out of 5 points.

The criteria's in the present appraisal form are not properly understood by employees. The company appraisal form also gives equal weights to each criterion's. In coaching their subordinate's performance about most of supervisory employees confirmed that they have a habit of doing it, and on the contrary some of the respondents admitted as they never been involved in coaching their subordinates performance untie the performance period was elapsed and also the remaining few of them have an exercise in occasional way.
- **Time Interval / period/ of Performance Appraisal:** Majority of the respondents responded as they are comfortable with the current performance appraisal time interval which is conducted twice a year due to their expectation of salary increment and some of the respondents also express their intention of conducting appraisal annually, this is due to salary increment is not act for head office in the same manner of projects.

Some of supervisory respondents recommended as the appraisal should be done in frequent bases when ever major activities given to an employee have been completed.

➤ **By whom performance appraisal of employees should be done?:**

Concerning by whom the performance appraisal would be conducted most of supervisory and non – supervisory employees are favored to be appraised by immediate supervisors. In the case of combination, immediate supervisors in combination with peers have got the biggest share.

➤ **Goals and objectives of employee performance appraisal:** Even if majority the respondents believe that the appraisal of employees meet it's intended purposes, some of the respondents are not believe the performance appraisal system of the company is meeting its intended purpose and they believe that there is a possibility of using appraisal system for the purposes other than purposes intended by the company. Majority of the respondents have similar perception for the use of performance appraisal system as a management tool of developing employees and an administrative tool of various administrative decisions.

➤ **Employee responses about their access to appraisal results and post assessment discussions:** In the company subordinates have an access of viewing their appraisal results and the supervisors allows their subordinates to view their appraisal results. But the problem here is that the company does not have a habit of post appraisal discussions between the appraisee and appraiser.

➤ **Employees response about documentation of critical performances:** Concerning to documentation of critical accomplishment during the appraisal period, majority of supervisory/ managerial employees have confirmed that they have a habit of maintaining critical accomplishment of their subordinates and on the contrary almost all of non – supervisors responded that they did not have a habit of maintaining their own critical performance record.

➤ **Employees response about opinions on problems of appraisal system:** Absence of employee participation in setting performance standard, raters biases, and

weak relationship between criteria's and jobs to be performed by employees and lack of skill, knowledge and experience of rating by supervisors /raters have been stated as a major problems in relation to conducting performance appraisal.

Generally the performance appraisal practice of Sunshine Construction Company is conducting mainly by giving attention to the purpose of salary increment for project employees and in order to use it for adverse conditions between employee and the company occurs. There are no clear guidelines about conducting performance appraisal and what consquative actions will be made on the bases of lower and higher score of ratings. The management also has not been take any action of reducing the subjectivity of ratings criteria's and in revision of the appraisal forms content. The company also confined itself by implementing a system of appraising subordinates by their immediate supervisors only. No connection between level of performance and reward achieved. Finally it is better to say the performance appraisal practice of the company could be performed for the purpose of salary increment and to use as a tool of administrative decisions specially in relation to employees in their probationary period /45 days/ to decide their stay or termination.

5.3. Recommendations

Since the contribution of employees in the way of achieving the ultimate objective of the company is very essential and undeniable fact a sound performance appraisal system /practice/ is a factor which enforce employees to exert their maximum effort towards the realization of organizational goals. In designing the company's appraisal system, the management should work hard in properly aligned it with the goals and objectives of the company and the system also be transparent to employees to be rated in order to increase their commitment of achieving the company's target effective appraisal system will motivate the employees and push them to a better performance rather than interpreting the system as a tool of punishment by always finding their performance gapes.

The following recommendations are forwarded in order to help the company to improve the weaknesses identified in the existing appraisal system.

- ◆ Even if most of the employee provided with job- descriptions, they had little /no involvement in designing the performance measurement standards. This also leads the employee to perceive the criteria's as a means of imposing them rather than as a guide line of performing their tasks, so the company should give a chance of employee participation in designing performance standard /criteria's in which the employees will commit themselves in performing their duties by understand the company's concern and value given to their effort.
- ◆ In addition to giving the job description to employee with their performance standards, the supervisors should support their subordinate's performance with a continuous follow up and coaching in their day to day activities, rather than waiting the appraisal period and it has a cumulative effect on employees to keep the work process dynamic, flexible and responsive to changes.

- ◆ The performance appraisal criteria's in the present form seems to be static and also the contents of the form are leads the rater to be more subjective in judging performance. So, the appraisal form should be updated with the continuous changes in the external and internal environments and also give more emphasis to job-related criteria's than behavioral criteria's. The weights for each criteria's should not be equal and the highest weight should be given to job- related criteria's and the lower weight also be given to behavioral/ trait related criteria's, which will enable to have an appropriate rating of employees.
- ◆ Even if, majority of the employees agreed with the current appraisal period which is conducted twice a year, it is better to increase the frequency of appraisal by considering the benefit gained from it with that of the related costs. Because it is very important to correct performances, gapes, and to tackle performance related problems in timely bases.
- ◆ Since the nature of construction industry need more coordination of activities and team work it is advantageous for the company to implement team based evaluation and rather than a single person is carry out the appraisal of employees, a multi- person evaluation system is also better to have an effective and efficient rating results for employees.
For example a machine operator will have an immediate supervisor /the project workshop head/ and the operator has a frequent work interaction with the site and construction engineers. So the appraisal is better to be conducted by both immediate supervisor & site /construction engineer in order to avoid the errors committed by the supervisor.
- ◆ Given the importance of appraisal results and performance management for various strategic and human resource related purposes, it is very essential to give greatest emphasis of using the appraisal result for strategic /link it with organizational goal/, communication, developmental, organizational maintenance, documentation, administrative purposes of training, promotion, demotion, termination, retention, merit increase etc. rather than using it for any salary increment and as a tool of adverse administrative decisions.

- ◆ The company, specially the human resource management department should arrange a continuous training and development program for supervisors who conduct performance appraisal in order to increase the psychological and technical makeup and to create a fit between individuals and environmental dynamism /frequent changes/ and about how conduct performance appraisal.
- ◆ As the company has a good trend of creating an opportunity for employees to view their appraisal results, it commits a mistake of limiting employees from freedom of expressing their comments concerning appraisal results via post appraisal discussions. So the company should implement a system of conducting post appraisal discussions between supervisors and subordinates up on the appraisal result, which will helping them to create strong relationship , and information exchange, to avoid negative criticism for raters and negative perception on appraisal results by subordinates. It also further helps employees to improve their performance through creating an understanding of their strong and weak aspects of performance.
- ◆ Even if majority of supervisors has a trend of maintaining critical performance record of subordinates, the company should encourage and give training for subordinates to develop the habit of maintaining their own critical performance records in order to avoid unnecessary complaints on appraisal result by comparing /using/ the data at the time of performance appraisal discussion with their supervisors/ raters.
- ◆ The company should work hard to design and implement a performance appraisal policy and procedure that will supported with continuous follow up of its appropriate implementation and should give a higher level of concern to individuals and teams participation in the process of introducing new performance appraisal system, because the employees participation will enable /enforce their performance to be effective and push themselves in highly committed state of performance make the company more productive.

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4. Job experience in present organization _____
5. Name of your department or project _____
6. Current position held _____

PART II. QUESTIONS ON PERFORMANCE APPRAISAL

1. Do you provide those employees working under your supervision with job descriptions and clear performance expectations? **Yes No**
2. Although providing employees with clear job descriptions and standards is not all that a supervisor (manager) is expected to do to ensure effective performance, what do you think would happen to the performance of employees in the absence of the former? _____

3. It is a well known fact that an employee who is assigned to work on a job in which he/she is not interested would not have effective performance, at least in the long run. In this regard, do you make efforts to make sure that your subordinates are in their right career path that would allow them to meet their personal as well as organizational goals? _____

4. What is the appraisal method you adapt to the interest of the employee?

5. How often do you evaluate your subordinates in a year? _____

6. If you think that this frequency is not enough, how often do you think performance appraisal should be performed to ensure effectiveness?

7. In your opinion, who should evaluate an employee's performance? You may choose more than one).

- A) Immediate supervisor? B) Colleagues C) Subordinates
D) The employee himself/herself E) Customers F) others, specify _____

8. Do you think that the performance appraisal in your organization is strictly meeting its intended purposes of determining employees' compensations, promotion demotion, transfer and identification of an employee's training needs? **Yes No**
If no, what other criterion (criteria) is (are) used to serve the above purposes?

9. Do you feel that all the standards are appropriately understood by appraisals?

Yes No

10. Are you busy enough coaching the performance of your subordinates thereby ensuring successful performance of your work unit /organization per targets set?

- (A) Yes, I do coaching all the time
(B) Yes, but occasionally
(C) Never at all, I wait until the appraisal period is over and rate him/her accordingly

11. Do you think that weights assigned for the criteria in the appraisal form are appropriate in judging the real worth of a subordinate? In other words, are all the criteria equally relevant to you in light of the tasks you are actually engaged in or those requirements put on your job description? **Yes No**

12. Do you think that the criteria in the present appraisal form are representative enough to truly reflect a subordinate's real worth to his/her work unit or to the organization as whole? **Yes** **No**

13. In your opinion what criteria must be added to the content of the existing appraisal form and which criteria must be removed there from to ensure maximum use of the appraisal system?

14. How do you see the fact that the same appraisal format is used across all departments/projects and to all employees irrespective of the type of task they are accomplishing? What do you recommend in this regard? _____

15. Do you allow your subordinates to view their appraisal results? **Yes** **No**

If your answer is **yes**, what do you think are the benefits and/or costs from doing so?

16. Do you engage in appraisal discussions with your subordinates thereby encouraging them to freely express their complaints or any suggestions regarding their rating results? **Yes** **No**

17. One reason for conducting performance appraisals is to defend your organization in case a legal dispute arises between the latter and its employees. In this regard, do you maintain documentation of your subordinates' critical (exceptionally good or bad) accomplishments during the appraisal period for use as a reference in your discussion with your subordinates? **Yes No**

18. Have you ever been engaged in any sort of dispute with your subordinates due to the latter's dissatisfaction on your performance ratings? **Yes No**
If **yes**, did you try to manage the conflict in the post appraisal period?

19. What type of bias do you consciously or unconsciously commit while rating your subordinates?

(A) Giving unreasonably high ratings to those subordinates who are in some way similar to you

(B) Rating subordinates on the basis of their recent performance losing sight of his/her performance by the beginning or middle of the appraisal period

(C) Allowing first impressions of your subordinates to distort your ratings

(D) Basing evaluations on single criterion while the subordinate's job involves good performance on a number of criteria

(E) Allowing one trait in the subordinate to influence your evaluation of him/her on other traits

(F) Other, specify _____

20. How do you perceive the performance appraisal system in your organization? (You may tick more than one)

(A) As a mere evaluative tool that aims at magnifying subordinates' performance weaknesses in which case it creates frustration in their future performance as well as in your feedback

- (B) As a developmental tool that reinforces positive behaviors and creates the ground for improvement of weaknesses in future performance
- (C) As a process that adds to the paper work of managers without benefits sought
- (D) As a management tool on which various administrative decisions are based
- (E) Other, specify

21. Which of the following problems apply to the appraisal system of your organization?

- (A) Lack of rater ability (training) to evaluate performance
- (B) Absence of employee participation in setting performance evaluation criteria
- (C) Rater bias in evaluating performance
- (D) No link between some evaluation criteria and employee job
- (E) Others, specify

22. Any suggestions on the employee performance appraisal practice of the company and on how to improve its effectiveness. (You may also suggest any possible alternatives to performance appraisal if you believe that the latter has no real benefits to success of the whole organization)

Thanks again for your kind cooperation. Good job!

4. Job experience in present organization _____
5. Name of your department or project _____
6. Current position held _____

PART II. QUESTIONS ON PERFORMANCE APPRAISAL

1. Do you clearly know what you are expected to perform in your present assignment, i.e., are your performance goals clearly communicated to you by your supervisor(s) via job descriptions and clear performance expectations? **Yes No**
2. Do you feel satisfied with the kind of job you are performing? In other words, is your present assignment in line with your career plans to move up the organization hierarchy? **Yes No**
3. How often is your performance evaluated in a year? _____
4. How often do you think performance appraisal should be conducted in a year?
(A) Once (B) Twice (C) Quarterly (D) Monthly (E) Other period, specify _____
5. In your opinion, who should evaluate an employee's performance? You may choose more than one).
(A) Immediate supervisor?
(B) Colleagues
(C) Subordinates
(D) The employee himself/herself
(E) Customers
(F) Others, specify _____
6. Do you think that the performance appraisal in your organization is strictly meeting its intended purposes of determining employees' compensations, promotion, demotion, transfer and identification of an employee's training needs?
Yes No

7. Does (do) your supervisor(s) actually engage in regular performance discussions with you thereby acknowledging your good contributions to your work unit and point out your bad performance so that you improve it in time before it cripples the whole of your performance?

A) Yes, he (she) does it at all times

B) Yes, but sometimes

C) Never at all

8. If your answer to question No. 7 above is “yes”, did the advice really work?

Yes No

9. If your answer to question No. 8 above is “yes”, what changes have you introduced to yourself to improve your future performance results?

10. If “no”, what do you think about the advice?

11.

11. Do you think that weights assigned for the criteria in the appraisal form are appropriate for the kind of job you are handling? In other words, are all the criteria equally relevant to you in light of the tasks you are actually engaged in or those requirements put on your job description? **Yes No**

12. Do you have access to view your appraisal results? **Yes No**

13. Do your supervisors call for appraisal interviews wherein you are encouraged to freely express your complaints or forward any suggestions regarding your appraisal results? **Yes No**

14. Do you maintain documentation of your critical accomplishments during the appraisal period for use as a reference in case your appraiser fails to consider them in appraising your performance? **Yes No**

15. How do you perceive the performance appraisal system in your organization?

(A) As a mere evaluative tool that aims at magnifying your performance weaknesses in which case it creates frustration in you

(B) As a management tool targeted for employee development through reinforcing positive behaviors and creating the ground for improvement of weaknesses in future performance

(C) As a paper work that doesn't affect your stay with the organization

(D) As an administrative tool on which your promotion, salary increment and other benefits are based

(E) Other, specify _____

16. Which of the following problems apply to the appraisal system of your organization?

(A) Lack of rater ability (training) to evaluate your performance

(B) Absence of employee participation in setting performance evaluation criteria

(C) Rater bias in evaluating performance

(D) No link between some evaluation criteria and employee job

(E) Others, specify

17. In your opinion what criteria must be added to the content of the existing appraisal form and which criteria must be removed there from to ensure maximum use of the appraisal system?

18. Is there any possibility of misusing the appraisal system by your supervisor, like giving lower results to those employees whom he/she thinks are competent enough to stand as a threat to his/her position? **Yes No**

19. If “yes”, what do you suggest to make it impossible?

20. Any suggestions (recommendations) on performance appraisal practices of the company (You may also consider any management practice that may stand as an alternative to performance appraisal).

Thanks again for your kind cooperation. Good job!

Addis Ababa University
Collage of Business & Economics
School of commerce
MHRM Program

Interview Questions for Human Resource Staff

Name of Student: - Teshome Ayalew Mobile: 0911-353875

1. How do you see the performance appraisal of the company in respect of its contributions to the achievement of organizational mission and goals? Have you formulated these objectives of performance evaluation? If so, what are they?
2. To what extent is performance appraisal system of the company meeting its intended purposes? For example it sometimes may happen that decisions that have to be made on the basis of performance appraisal (such as bonus declaration) would be taken before Employee appraisal results have reached the human resources department.
3. What efforts have been made to improve or otherwise change the appraisal practices of the company? It is well known that a number of organizations, particularly those in the public sector, are introducing a number of performance management practices such as, the result-oriented performance appraisal system (ROPAS), integrated performance management systems and most recently the balanced score card performance management systems. In this regard, how do you see the effectiveness of the company's existing rating scales method of performance appraisal?
4. What employee performance-related problems have you come across so far – like in terms of number of customer complaints, turnover, absenteeism, lack of motivation following unfavorable supervisor ratings etc?
5. How do you see the capability of existing raters and the dependability of the rating results for decision –making purposes? Have there been any attempt to develop rating skills of appraisers though formal training programs?
6. What are the contributions of the company's human resource department in insuring Implementation of periodic performance appraisals by the company different projects on a timely basis? What procedures are in use for this purpose?