

ADDIS ABABA UNIVERSITY

College of Business and Economics Department of Management

ASSESSMENT OF EMPLOYEES' PERFORMANCE MANAGEMENT PRACTICE IN THE (Case study on NIBInternational Bank s.c)

A thesis submitted in partial fulfillment of the requirements for the degree of **Executive Master's Degree in Business Administration.**

By:

Biruk Alemu

GSE/7167/11

Advisor:

Demeke Chemdissa(Phd)

May 30, 2025

Addis Ababa, Ethiopia

DECLARATIONS

I Biruk Alemu, registration number/I.D. number GSR/7167/11, do hereby declare that this thesis is my original work and that it has not been submitted partially; or in full, by any other person for an award of degree in any other university/institution.

Submitted by:

Full Name.——————Signature——————Date——————

Approved by:

This Thesis has been submitted for examination with my approval as university college supervisor.

Name of Advisor——Demeke———— Signature ——————————Date.30/01/2025



DEDICATION

My younger brother, Ato Fekadu Alemu, and my mother, without Gemeja Balcha, taught me the importance of education and reading at a young age, and I dedicate this thesis to them.

APPROVAL

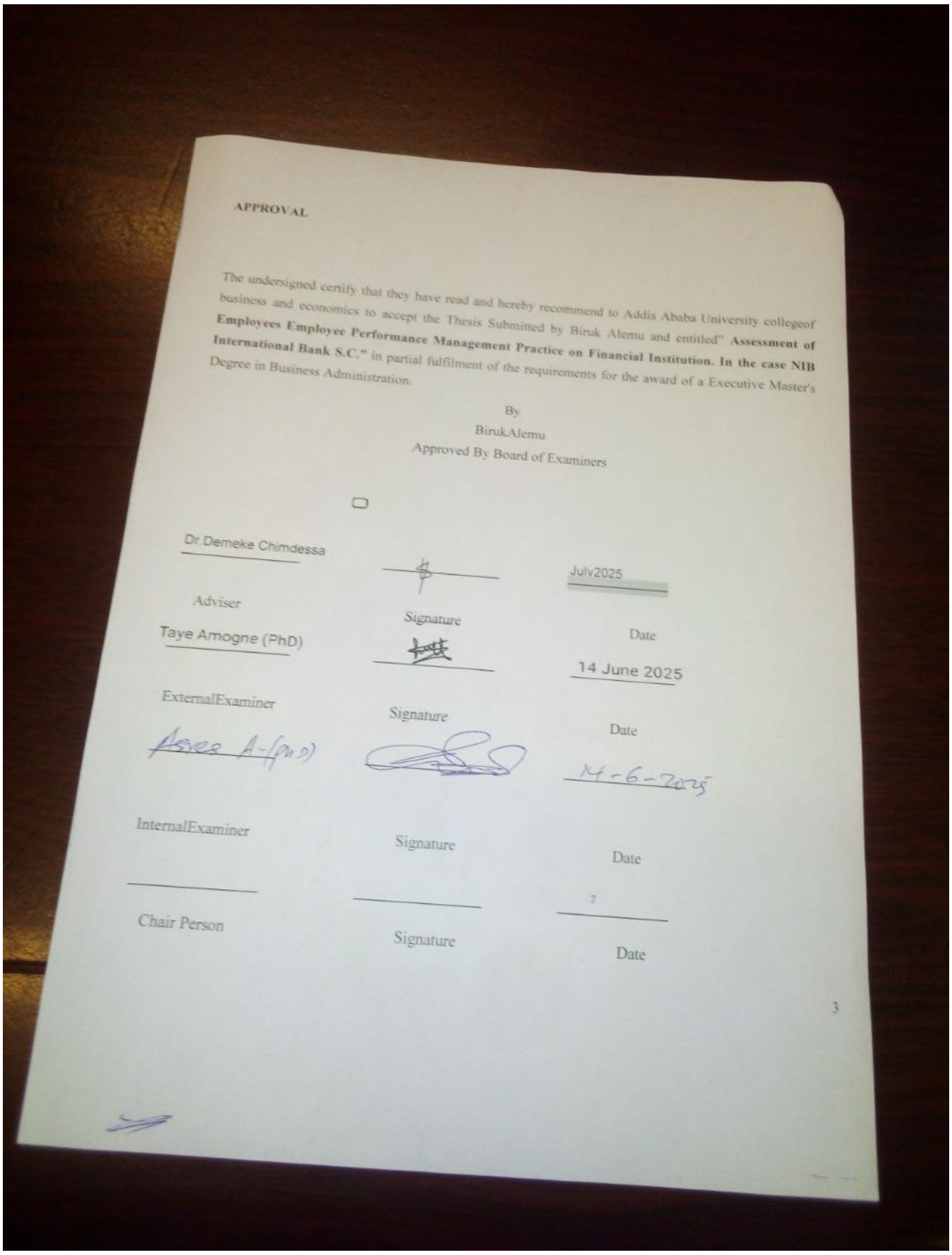
The undersigned certify that they have read and hereby recommend to Addis Ababa University college of business and economics to accept the Thesis Submitted by Biruk Alemu and entitled" **Assessment of Employees Employee Performance Management Practice on Financial Institution. In the case NIB International Bank S.C."** in partial fulfilment of the requirements for the award of a Executive Master's Degree in Business Administration.

By

Biruk Alemu

Approved By Board of Examiners

Dr. Demeke Chimdessa		July 2025
Adviser	Signature	Date
Taye Amogne (PhD)		14 June 2025
External Examiner	Signature	Date
Internal Examiner	Signature	Date
Chair Person	Signature	Date



APPROVAL

The undersigned certify that they have read and hereby recommend to Addis Ababa University collegeof business and economics to accept the Thesis Submitted by Biruk Alemu and entitled" **Assessment of Employees Employee Performance Management Practice on Financial Institution. In the case NIB International Bank S.C."** in partial fulfilment of the requirements for the award of a Executive Master's Degree in Business Administration.

By

BirukAlemu

Approved By Board of Examiners

Dr.Demeke Chimdessa		July2025
Adviser	Signature	Date
Taye Amogne (PhD)		14 June 2025
ExternalExaminer	Signature	Date
		14-6-2025
InternalExaminer	Signature	Date
		7
Chair Person	Signature	Date

3

ACKNOWLEDGMENTS

I give glory and thanks to the Lord for helping me get here through the ups and downs of life. Also I would unpretentiously like to thank those who supported me during the course of my study and to successfully take over this disquisition. First of all, I deeply appreciate my counsel Demeke Chimdessa(Phd) for the unreserved professional backing, forbearance and supports for the completion of this study. Besides, I would like to thank NIB staffs who showed their amenability to give me the necessary data and who committed their precious time to fill the questionnaires. ultimately, I would like to extend my appreciativeness to those who give me direct and indirect support in order to complete myexploration.

My graduation experience has been one that I will always treasure, and I owe my gratitude to everyone who helped make this thesis possible.

My sincere gratitude is extended to my advisor, Dr. Demeke Chemdissa, for her insightful criticism and recommendations along my thesis journey. Above all, I want to express my gratitude to God for being my strength and enabling me to triumph over all obstacles. A special thank you to my beautiful angle My life changed on the day I met you, Yonatan Wubshet. I am grateful for your love and support throughout the years; I couldn't have survived without you.

ENDORSEMENT

This thesis proposal has been submitted to Addis Ababa University, School of Graduate Studies for examination with my approval as a university advisor.

_____	_____
Advisor	**Signature**

Table of Contents

Statement of Declaration.....i

Dedication.....ii

Approval.....iii

Acknowledgment.....iv

Endorsement.....v

Table of Content.....vi

List of Table.....xii

List of Figure.....xiv

List of abbreviation /acronyms.....xv

Abstract.....xvi

Chapter one.....1

1. Introduction to the Chapter.....1

1.1 Back ground of the study.....1

1.1 Company Information.....5

1.2 Statement of Problem.....6

1.4 Objective of the Study.....7

1.4. General Objective.....7

1.4. Specific Objective.....7

1.5. Research Quetion.....7

1.6. Research Hypoteshesis.....8

1.6 Scope of the study.....8

1.7 Significant of the study.....9

1.8 Limitation of the study.....10

1.9 Structure of the thesis.....11

1.10 Description of Terms Performance Apprisal.....11

Chapter Two..... 12

2.1 Introduction..... 12

2.2 Performance Managment System..... 12

2.3 Purpose of Performance Managment System..... 12

2.4 Prequsite to Start Performance Managment System..... 13

2.5 Process of Performance Managment System..... 14

2.6 Theorotical Performance Managment System..... 15

2.7 System for Performance Managment..... 18

2.8 System Process for Performance Operation..... 19

2.9 Stages of Performance Managment..... 21

2.9.1 Tone Assesement and 360 degree feedback..... 29

2.9.2 Critiria for Assesing Perfomance..... 31

2.1.1 Studies conduted in other Country..... 34

2.1.2 Studies conduted in Ethiopia..... 35

2.2 Conceptual Frame Work.....36
Chapter Three.....38
3 Research Design and Methdology.....38
3.1 Research Design.....39
3.2 Research Aproach.....39
3.3 Target Population.....39
3.4 Sampling Design.....41
3.4.1 Branch Sample Size.....41
3.4.2 System of Testing.....43
3.5 Data Source.....44
3.6 Data Gathering Tool.....44
3.7 Data Gathering System.....45
3.8 System Data Analysis.....45
3.9 Trustability and Validity.....45
3.9.1 Validity.....46
3.9.2 Dependability.....46
3.10 Aspect of Ethics.....47

Chapter Four..... 43

4. Introduction..... 43

4.1 *Respondent Demographic*..... *43*

4.1.1 Demogaphic Information of the Respondent..... 48

4.1.2 The NIB current prequsite practice..... 53

4.1.3 The current performance planning practice..... 57

4.1.4 The current performance Excution pracitce..... 62

4.1.5 The current performance assesement pracitce..... 64

4.1.6 The current performance review practice..... 68

4.1.7 The current performance Renwal and Reconsuruction pracitce..... 70

4.1.8 The overall Performance Managment Process Practice..... 72

4.3 Result of the qualitative analysis..... 72

4.4 Corellation Analysis..... 78

4.4 Linear Regression Analysis (PSA)..... 82

4.5 Multicolinearity Test..... 82

4.6 Major Finding..... 84

4.7 Sumary of Result..... 86

Chapter Five..... 87

5.1 Introduciton..... 87

5.2 Conclusion..... 88

5.3 Recomendation..... 90

REFERENCE..... 92

APENDIX I..... 96

APENDIX II..... 105

List of Table

Table 1Sample size determination 41

Table 2 Number of Sample Branches 42

Table 3 Number of sample size from each districts 43

Table 4 Reliablity Stastics 47

Table 4 Demographic Information of the Respondents 49

Table 5 Summary of responses on prerequisite practice 54

Table 6 Summary of responses on performance planning 58

Table 7 Summary of responses on performance execution 62

Table 8 Summary of responses on performance assessment 65

Table 9 Summary of responses on performance review 68

Table 10 Summary of responses on performance renewal and reconstruction practice 70

Table 11 Summary of responses on overall performance management process practice 72

Table 12 Testing for Formality Analysis *79*

Table 13 Correlation on employee perception *70*

Table 14 Pearson Corelation Analysis (PCA) *79*

Table 15 Model Summary *81*

Table 16 Anova F Test *82*

Table 17 Mulitcollinearity test for Indepenedet Variables *83*

List of Figure

Figure 1 Theoretical Framework.....37
Figure 1.....84

List of abbreviations /acronyms

CO – Customer Orientation

EXP – Export Performance

EXPL – Exploitive Innovation

EXPR – Exploratory Innovation

TO – Technology Orientation

Abstract

The primary ideal of this exploration is to dissect the performance and functional practices of NIB International Bank S.C. within the Addis Ababa region, specifically to assess the influence of the performance operation system on hand performance and to estimate how hand provocation has been affected by the bank's performance review processes.

To achieve comprehensive results, a mixed- system approach combining both quantitative and qualitative exploration ways was employed, exercising a descriptive exploration design. The study targeted workers from colorful sections in Central Addis Ababa, including North, South, East, and West Addis Ababa sections, as well as the Head Office, with responders named through a stratified slice system. Data was collected from a sample of 366 workers using a structured questionnaire. Descriptive statistics, including frequence, probability, and standard divagation, were applied for data analysis.

The findings indicate that, despite certain failings, the bank's performance and functional practices are generally effective. vital scarcities linked include the lack of active participation in target setting, the absence of a specific development strategy, and ineffective performance of feedback mechanisms and guidance packages. also, the bank relies solely on a singular performance operation system, neglecting peer- to- peer reviews and 360- degree assessments.

Accordingly, workers are n't adequately awarded rested on their performance, and while training and development enterprise are intended to align with factual performance, they're constantly executed without clear direction. In light of these findings, the experimenter has proposed several recommendations the bank should insure that high- performing workers admit both financial andnon- fiscal prices.

Key words: personal development plan, performance management, coaching and feedback, performance requirements, and reward.

CHAPTER ONE
INTRODUCTION

INTRODUCTION TO THE CHAPTER

This chapter presents the basis for the study. It discusses about the background to the study, an overview of Nib Bank SC, statement of the problem, research questions, objectives of the study, scope/ delimitation of the study, significance of the study, definition of terms and at the end organization of the paper.

BACKGROUND OF THE STUDY

In the contemporary business environment, organizations increasingly recognize that their most valuable asset is their human capital. Effective employee performance management practices are essential for achieving organizational goals, enhancing productivity, and maintaining a competitive edge. Performance management encompasses a range of activities, including setting performance standards, monitoring progress, providing feedback, and appraising employee performance.

Performance management systems play a crucial role in ensuring that each employee's goals are aligned with the overall strategic objectives of the organization.Properly implemented, these systems motivate employees, identify training needs, improve job satisfaction, and foster organizational growth. Conversely, poor performance management practices can lead to employee dissatisfaction, decreased productivity, high turnover rates, and ultimately, organizational failure.

In Ethiopia, financial institutions such as NIB International Bank S.C. are experiencing rapid growth and increased competition. To sustain their market position, these banks must effectively manage their human resources, particularly employee performance. Despite the importance of performance management, there is limited research focusing on how these practices are implemented within Ethiopian banks, especially NIB International Bank S.C.

This study seeks to assess the performance management practices employed at NIB International Bank S.C., evaluate their effectiveness, and identify areas for improvement to enhance overall organizational performance.

In recent times numerous associations enforced performance operation system with the view to ameliorate organizational performance and gain competitive advantage. Nungu,(1998) mentioned that performance Managment is a gospel and way of allowing about nonstop performance enhancement through bettered performance of workers. It's irrefutable that among factors of product, mortal capital is the most important factor for the success of any business. Performance Management system greatly works for the enhancement of performance of the workers, department, association, as well as numerous other areas of the association similar as process. Performance operation systems play a pivotal part in helping companies to identify workers' performance gaps and accordingly apply corrective measures that will ameliorate performance of workers'.

Performance Managment systems are essential rudiments of a broader crucial business strategy(Priya, Secours, Mohideen, 2016). thus it's a holistic approach by which associations line up their coffers, systems, workers and brigades to realize strategic directions and commercial objects of the association. Shrivastava and Mathur,(2019) denote that ' Performance Managment system serves as a strategic tool and a important foundation for the achievement of both workers bournes and associations fiscal pretensions.'

The abecedarian end of performance Managment system is to help peoples to develop their capacity in the way they could meet and exceed prospects and their full eventuality to the benefit of both themselves and the association(Armstrong and Taylor, 2014).

Measuring and managing hand performance has ample significance for the attainment of advanced position of hand satisfaction, work provocation, creativity and rise in the knowledge and faculty situations, through linking benefits and prices with advanced performance. This will accordingly leads to the achievement of advanced performances by the association.(Coens & Jenkins, 2002).

Stewart Kaupa and Atiku,(2003) linked that ' a lack of training and proper exposure in performance operation as primary challenges in espousing a performance operation system. The other contributing factors include shy monitoring and evaluation, the deficit of programs supporting the perpetration process, poor communication in performance planning, performance reviews, poor feedback on performance and lack of hand involvement in the perpetration of the performance operation system'.

Performance Managment unnaturally helps the association to make sure that workers performance is in line with anticipation which is necessary to achieve charge and objects of the company. Performance operation establishes norms for worker affair and motivates hand trouble in agreement with the association's

prospects. also, a performance Managment system offers a complete process to estimate the performance issues of associations as well as peoples of the association.

Macky and Johnson(2000) asserted that nonstop enhancement of organizational performance that's brought by bettered individual hand performance is the base for the significance of performance Managment system. thus, bettered hand performance through the influence of performance operation system will lead to bettered organizational performance. exploration done by Kibichii, Kiptum, and Chege(2016) suggests that performance appraisal system, training and development and price system will have affects hand productivity. According to M. Bishaw(2016) performance operation system has impact on hand performance in Ethiopian banks. Morris, Mulwa, and Weru(2017) states that Performance Managment system improves hand performance by slinging overall organizational thing to individual workers, and enhancing staff faculty situations by addressing linked chops gap through applicable trainings.

It's a rather recent generality. It is used in the private sector first, and then it will be used in the public sector. Performance management determines the association's goals, the outcomes required to reach these goals, the strategies for achieving these goals, and the motivations for achieving them.

This suggests that participation may not necessarily translate into results. It assists us in realizing that hard work, devotion, and effort do not equate to results.

This implies that attaining results is not the same as becoming involved.For this reason, performance operation focuses on attaining the desired outcomes within the department, team, association, or individual by understanding and adjusting our efforts to effectiveness within the framework of planned pretensions, morals, and chops requested.(Osmani, Maliqi, and, 2012) According to a study on the effect of the performance assessment process on hand provocation conducted by Kathmandu University (KUSOM), Kathmandu, Nepal, he writes in his journal article on performance operating systems that it is essential for hand provocation. Employee performance has improved as a result of the implementation of performance standing systems.

Regular performance reviews lead to hand provocation. Performance morals are measured and based on an individual assessment in order to inspire employees. Performance appraisal rating is one tactic that may be accepted as having a positive effect on work performance and hand provocation.However, if the appraisal process is based on current and accurate job descriptions, the employees may be more motivated.

Performance concerns are related through performance appraisal in order to boost worker productivity and motivation.Dangol (2021) The study's findings, according to academic editor Wen-Tsao Pan of the School of Business & Economics, University of San Carlos- Downtown Lot, P. Del Rosario Street, Cebu City 6000, Philippines, indicate that after the operation staff's performance appraisal system was optimized, the operation staff's enthusiasm improved and the enterprise's vitality and competitiveness were increased. (Peng J., 2022)

In today's cutthroat environment, organizations are devising strategies to create a favorable work environment that draws in, nurtures, and keeps skilled and effective employees. Associations are confronted with the dilemma of how to improve their systems in order to become more competitive and a desirable place for everyone to work. Currently, organizations are making efforts to develop "whole person" workers by developing systems and practices, hiring talented individuals, and placing them in positions that allow them to contribute and align their abilities with the overall association's goal.
Performance operation, according to Armstrong and Baron (2005), is providing employees with guidance and support so they may operate efficiently and match their goals with the primary organizational objective. According to Armstrong (2009), the goal of performance operations is to attain good performance by producing high-quality work.

Performance operation is a strategy procedure that is used to monitor and estimate workers' stations, results, and activities, according to Armstrong and Baron (2004). Odhiambo (2016) asserts that performance operation is a wide-ranging and intricate function of the mortal resource, encompassing conditioning that includes concerted pretense setup, continuous evaluation and frequent communication, feedback and reward, and rewarding accomplishments. When a new employee joins the organization, this procedure starts, and it concludes when they leave the association.

According to Armstrong and Baron (2006), performance operations provide effective outcomes in a strategic and integrated way. According to Armstrong and Baron (2005), performance operation entails giving employees guidance and assistance so they may operate productively and efficiently in accordance with the organization's overarching goals and fostering their individuality and brigade talents.
When whole quality operation programs were recognized as helpful in attaining quality performance in the

1980s, performance operation had its start. Throughout a fiscal period, performance operation is a continuous communication process between the line director and the employees. Ndungu (2016) established that the performance operation procedure offers a means of rewarding good work done by all members of the organization's pretensions and enables individuals and the association to understand how a certain job may be applied to obtain results.

Regular feedback is crucial since it aids in identifying issues early on and implementing solutions (Odhiambo, 2016). According to Waka (2010), performance operation is a visionary system that focuses associations and individuals on the desired performance and outcomes.

Additionally, according to Waka (2010), an effective performance operation system consists of the following behaviors: it creates job descriptions that are clear and a workers' performance plan that includes important performance and outcomes guidelines; employing the right people with the right skills through an appropriate hiring process; providing regular coaching and feedback to deliver performance during that time; measuring issues with the established norms through training and development and implementing development programs that are effective for enhancement; creating performance plans through daily performance review conversations and performance evaluations; developing efficient pricing structures and compensation for related employees who have performed exceptionally well after meeting the performance plans in accordance with the established norms; and developing career development initiatives to support employees including conducting conversations with departing employees to determine the reasons behind their discontent and eventual departure from the company.

According to Armstrong (2009), the performance of individual employees is addressed through work planning, goal-setting, feedback and evaluation with their directors, guidance through the provision of training to increase knowledge, rewarding employees who do well, and career advancement. According to a study by Mulwa (2017), the goal of performance operations is to guarantee that employees are dedicated and capable of doing the tasks involved within the association.

It also aims to create a culture that emphasizes excellence for individuals and brigades so that they can continuously improve the process and ensure faculty by honing their own skills within the framework. It focuses on empowering people to act appropriately at the appropriate moment by generating clarity.

According to Lawler (2003), the primary goal of performance operation is to ensure that the organization's system and subsystems collaborate in a coordinated manner to resolve complex problems. The system's goals include empowering employees to strive for higher standards of work performance and assisting

them in doing so by providing the necessary skills and knowledge.

According to Fletcher (2001), performance operation is a strategy that helps an organization create a shared vision for its future while assisting individuals in understanding their contribution to the endeavor. Some of the enterprises that a performance operation system addresses in an organization are the following: the results that will be obtained, the problems, the processes that must be implemented to get the results, and the conditioning, such as the creation of knowledge chops and stations; the measurement of problems and the tracking of results to achieve the set targets; the creation of business plans before creating a good future; the establishment of an honest culture and an understanding agreement that permits the inflow of information at all operation situations, such as clarifying what's anticipated educating individuals about the organization's basic principles, which unite the brigades and guarantee impartiality and openness when forming opinions (Mulwa, 2017).

COMPANY INFORMATION

NIB International Bank S.C. is one of Ethiopia's leading private financial institutions, established in 1999. The bank offers a broad range of banking services, including retail banking, corporate banking, international banking, and treasury services. With a network of branches across Ethiopia, NIB International Bank S.C. prides itself on innovative financial solutions, customer-centric services, and contributing to Ethiopia's economic development.

The bank has experienced significant growth over the years, driven by strategic expansion, technological advancements, and a focus on employee development. Its organizational culture emphasizes professionalism, integrity, and continuous improvement, making effective employee performance management crucial for sustaining its success.

One of the private banks, Nib International Bank S.C., was founded in 1999 under the banking industry proclamation number 84/19904, which governs license and supervision. In 1999, the bank had a paid-up capital of 27.6 million Birr and an authorized capital of 150 million Birr. The Bank's June 2022 report states that from its founding, it has achieved consistent growth and success in all area of its business. The combined amount of deposits, loans, and advances was around 49.8 billion Birr and 39.4 billion Birr, respectively. Additionally, total means increased to almost Birr 61.5 billion, while paid-up capital reached Birr 4.82 billion. Before duty, the net profit position was Birr 1.76 billion. The stockholders of the bank are near.

The employees of the Banks went above 8.520. These days, the bank offers marketable banking services, rallying deposits, various credit services, letter of credit services, foreign exchange services, and original and

international plutocrat transfers. Along with providing domestic and international banking services, the bank also implemented mobile and internet banking, issuing NIB cards and installing ATMs in various locations across the nation to make its wide range of products easily accessible to our valued customers. Additionally, the Bank has formed a strategic partnership with Master Card, VISA, and Union Pay payment cards, which is one of the ways to improve the functioning of current banking technologies and provide competitive service through a variety of card banking services.

STATEMENT OF THE PROBLEM

While NIB International Bank S.C. recognizes the importance of employee performance management, there is limited information on how effectively these practices are implemented and their impact on employee performance and organizational success. Anecdotal evidence suggests that some employees perceive the performance appraisal process as subjective or inconsistent, which may affect motivation and productivity.

Furthermore, inadequate performance management practices can hinder the bank's ability to identify high performers, develop talent, and achieve strategic objectives. This gap in understanding necessitates a comprehensive assessment of current performance management practices within the bank to identify strengths, weaknesses, and areas for improvement.

In today's globalization, the fast growing technological advancement easily connected the world, and it creates an opportunity for industries to easily access technologies. This no longer will be a key to achieve a competitive advantage for industries. It is evident that the banking sector is operating with almost similar type of products. Technology will not guarantee the achievement of competitive advantage by organizations. Their survival will basically depend on efficiency and effectiveness of their work force. Therefore they should strongly work on the development of their important resource, human capital (Smither and London, 2009 p. 37).

Organizations are implementing performance management system with the view to achieve improved organizational performance. Consequently it has become the fundamental for ensuring the survival of any organization specifically high competitive industries like banking sector. Different authors identified the importance of implementing employee performance system in organizations to achieve improved organizational performance through the development of organization's people capacity. On the other hand studies carried out by Jawaria, Qureshi, Shahjehan, Zia-ur-rehman, and Afsar, (2010) have asserted that

organizations face difficulty in implementing PMS and the challenge lays its foundation on lack of enough consideration given to specific condition or nature of the organization. Because, performance management system is not generic, rather it is tailor-made to match employee and organizational characteristics and qualities.

As a result, Nankervis and Compton (2006) concluded that satisfaction with performance management systems remain problematic, although there are some indications that the increasing integration of the balanced scorecard within these systems appears to encourage more strategic links between individual, group, and organizational outcomes, as espoused by strategic human resource management theorists through which it improves organizational performance. This suggests that the impact of performance management system varies across organizations. It is addressed by undertaking study for a specific company that we understand the impact. Therefore, this justifies the rationale for the study.

OBJECTIVES OF THE STUDY

GENERAL OBJECTIVES

Objectives of the Study

General Objective

To assess the employee performance management practices at NIB International Bank S.C. and evaluate their effectiveness in enhancing employee performance and organizational success.

SPECIFIC OBJECIVES

The study was intended to achieve the following specific objectives

Specific Objectives

1. To identify the performance management practices currently employed by NIB International Bank S.C.
2. To evaluate the perceptions of employees and management regarding the effectiveness of these practices.
3. To determine challenges faced in implementing performance management systems.
4. To suggest recommendations for improving performance management practices in the bank.

RESEARCH QUESTION

This research designed to addresses the subsequent basic research questions:-

Sub Questions:

1. What methods of performance management are currently implemented at NIB International Bank S.C.?
2. How do employees and management perceive the effectiveness of these practices?
3. What challenges does the bank face in implementing and maintaining effective performance management systems?
4. What measures can be adopted to improve employee performance management in the bank?

RESEARCH HYPOTHESIS

- H1: There is a significant positive relationship between effective performance management practices and employee performance at NIB International Bank S.C.
- H2: The frequency and quality of feedback positively influence employee motivation and productivity.
- H3: Challenges in performance management negatively affect the effectiveness of employee evaluation systems.

SCOPE OF THE STUDY

This study focuses on the assessment of performance management practices at NIB International Bank S.C. in Addis Ababa, Ethiopia. It covers the bank's various departments, including retail, corporate, and support services, and involves both management and frontline employees. The study considers data collected over the last two years to capture recent practices and perceptions. It does not extend to other financial institutions or organizations outside the banking sector.

The study aims to investigate the effect of performance appraisal on the employee job satisfaction. And also covers Performance Prequisite, Planning of Performance, Performance Excution, Performance Assesement , Performance Review and Current Performance Renwal and Reconstruction Pracice, and components of employee performance improvement.

This study or the researcher aimed to consider only the effect of performance management system on employees' performance & only some branches of Nib Bank SC located in South-East Addis Ababa district. The study did not consider all employees of the bank located dispersedly all over the country; rather, focused

only on those employees and management staffs of the selected branches of the aforementioned district of the bank. In addition to this other variables rather than Performance Prequisite, Planning of Performance, Performance Excution, Performance Assesement , Performance Review and Current Performance Renwal and Reconstruction Pracice
, and employee performance that can affect and affected by performance management system are not addressed. The researcher has employed single method which is quantitative approaches. Questionnaire has bed developed and used to collect the data from respondents. Descriptive (Mean, Standard deviation) and explanatory type of research design has been used. Therefore, the researcher employed correlation analysis and multiple regression analysis as statistical tools to find the linkage between PMS and employee performance by **using SPSS software**

The study is being done with NIB staff members as its target population. The questionnaire is then created in English, and only workers with a diploma or higher are taken into consideration for this study.
Additionally, pertinent data is gathered from workers who have worked for the bank for at least a year or whose supervisor has at least once evaluated their job performance.With nine district offices across the nation, NIB is a geographically distributed organization. Therefore, the scope will be limited to four districts within the branches in Addis Ababa City.

The investigation is completed within the specified time frame, which is July 1, 2021, through December 2021. The study employs the proper research design, sample strategies, data collection instruments, and other methods as needed by the study's nature.

SIGNIFICANCE OF THE STUDY

The findings of this research will provide valuable insights into the effectiveness of performance management systems at NIB International Bank S.C., helping management identify gaps and areas for improvement. It will contribute to academic literature on performance management in the Ethiopian banking sector and serve as a reference for other banks and organizations seeking to enhance their human resource practices. Additionally, the study aims to assist policymakers within the bank in designing strategies that improve employee motivation, productivity, and organizational performance.

The research is that the first of its kind to examine the impacts of Performance Appraisals on employees' job-relating attitudes with attention on Nib international bank.
The study's conclusions and suggestions will be crucial for human resource professionals who plan and

carry out employee performance reviews in order to meet organizational goals, address issues with employee performance reviews, and raise employee job satisfaction.

The bank will benefit from the study's understanding of the evaluation process's advantages and disadvantages as well as its impact on employee performance.

The study going to be help as a source of reference for other relating research works within the future and can even is invaluable with regards to bringing to the fore factors to notice in designating appraisal systems.

LIMITATION OF THE STUDY

Potential limitations include:

- Access to Data: Limited availability of comprehensive and reliable data due to organizational confidentiality.
- Response Bias: Employees and management may provide socially desirable responses, affecting the accuracy of findings.
- Scope Constraints: The study is confined to NIB International Bank S.C. in Addis Ababa, limiting generalizability to other contexts or regions.
- Time Constraints: The research timeline may restrict in-depth analysis or extensive data collection.

I would like to state that the time and resource constraints I faced during the course of my research andother related factors have affected the quality of my thesis in some way. If these reasons had been addressed, it could have been a better thesis.

The researcher had few encounters while doing this investigation and writing this report. On the basis of their true beliefs, some respondents will be reserved and unwilling to express their opinions. Additionally, a lot of respondents were unable to complete a questionnaire on time, and it was a delicate work. The relationship between job satisfaction and performance reviews is the study's hypothetical focus.

The study was delimited to one district in Addis Ababa. Majority of employees of the bank are spread throughout the country. Thus, for the purpose of this academic research it is not economical and realistic

to consider this large size population. Target population of the study from which sample is drawn are employees of South-East Addis Ababa district only. As a result the research result may not be suitable for generalization. On the other hand, respondents' might be reserved to respond exactly what they now due to lack of interest and fear of the unknown. Employee performance would not only be affected by performance management system (goal setting, monitoring and evaluation, feedback, and reward system). It can be affected by other factors either negatively or positively. Therefore, this research project looked in to the relationship between performance management system (goal setting, monitoring and evaluation, feedback, and reward system) and employee performance.

STRUCTURE OF THE THESIS

This thesis is organized into five chapters:

Chapter One: Introduction, including background, problem statement, objectives, research questions, scope, significance, limitations, and structure.

Chapter Two: Literature Review, covering theories and previous studies related to performance management.

Chapter Three: Research Methodology, detailing research design, data collection methods, sampling techniques, and data analysis procedures.

Chapter Four: Data Analysis and Discussion, presenting findings and interpreting results.

Chapter Five: Summary, Conclusions, and Recommendations, providing summaries of key findings, practical recommendations, and suggestions for future research.

There are five chapters in this paper. Background is covered in the first chapter information, Statement of the problem, ideal of the study, importance of the research, abstract The framework, compass, and limitations of the research. The other chapter deals with Review of literature. The third chapter discusses the employed methodology. In the fourth chapter, donation, analysis, interpretation and summary of major findings are agitating. The last chapter consists of the conclusion and recommendation corridor.

DEFINITION OF TERMS

- Performance Management: A continuous process of identifying, measuring, and developing employee performance to align with organizational goals.

- Performance Appraisal: A formal assessment process where an employee's job performance is reviewed and evaluated.
- Employee Performance: The measurable or observable behaviors and outcomes resulting from an employee's work activities.
- Feedback: Information provided to employees regarding their performance, aimed at improving future work.
- Motivation: The internal or external factors that stimulate employees to perform their tasks effectively.

*Performance****: is the level of output or result accomplished against a given targets and the way it is accomplished***

*Employee performance management system****: a mechanism designed to align organizational objective with individual objective so that the individual will be tracked against to the target and goal accordingly.***

*Challenges****: refers to limitations, that restrict the implementation of performance management system in the organization***

HRM-Human Resorce Managme

CHAPTER TWO

1. Literature review

INTRODUCTION

The purpose of this chapter is to review the works of previous researchers. This chapter presents the most recent works on the moral impact of performance management system on how well workers perform in firms.

PERFORMANCE MANAGEMENT SYSTEM

Different parties confuse performance appraisal with performance management. In many organizations the traditional performance appraisal system often carried out retrospectively once or twice in a year to measure employee performance. Later, due to the development of PMS, performance appraisal became component part of the performance management. Both systems have similarities in their objectives; it is that their purpose is to measure outcomes in the working environment, to initiate corrective measures that help the organization to realize performance improvement but they employ different methodologies.

Performance management system is 'a continuous process of identifying, measuring and developing the performance of individual and teams and align with strategic goal of the organization' (Aguinis, 2009 p.3). It is also known as a never-ending process of setting goals and objectives, observing performance, and giving and receiving of the continuous feedback. Performance management is a central concern of organizations, for the reason that it entails the organizations' management must guarantee congruence between employees' activities and outputs with the organizational goals, in order to gain a competitive advantage. Thus, creates a direct link between employees' performance and organizational goals in the way to improve organizational performance.

PURPOSE OF PERFORMANCE MANAGEMENT SYSTEM

Once PMS is well enforced it can be used for colorful purposes. Performance operation can be used to ameliorate individual, departmental, and overall organizational performance by aligning their pretensions(Cokins, 2012). Aguinis,(2013) farther developed that performance operation system can serve the following six purposes strategic, executive, instructional, experimental, organizational conservation, and attestation purposes.

thus first, by linking the association's pretensions with individual pretensions, the PMS reinforces actions harmonious with the attainment of organizational pretensions. A alternate function of performance

operation systems is to furnish valid and useful information for making executive opinions about workers, similar as opinions regarding payment adaptations, price, elevations, hand retention or termination, recognition of superior individual performance, identification of poor players, layoffs, and merit increases. Thirdly, it also serves as an important communication device. Feedback is the fourth important element of a well- enforced performance operation system. directors can use feedback to trainer workers, for the identification both of strengths and sins and of the causes of performance scarcities. The fifth purpose of PMS is to give information to be used in pool planning. Plant planning is a set of systems that allows associations to anticipate and respond to requirements arising within and outside the association, to determine precedences, and to allocate mortal coffers where they can do the most good. Incipiently, performance operation systems allow associations to collect useful information that can be used for several attestation purposes.

PREREQUISITS TO START PERFORMANCE MANAGEMENT SYSTEMS

Peter Benedikt, (2014) elaborates that there are certain prerequisites that organizations should track before implementing the performance management system; Integration with other HR systems, fitting with the corporate culture, alignment with corporate strategic objectives, qualified and motivated assessors, top management commitment, result-orientated job descriptions, and clear reporting lines and relationships.

Organizations before embark the development and implementation of performance management system, they should ensure the fulfillment of the prerequisites by the organization. First, the availability of human resource management practice to support and link its various HR functions with the performance management process. Second, organizations be an advocates of valuesbased performance management where they integrate their core value as a framework on which their performance management system is built on. Third, define and clarify organization's strategic goal and cascade into more refined goals and expectations at the unit, team and individual levels. Fourth, ensure that a line managers or supervisors and qualified and motivated assessors to understand their role in managing performance and achieving the overall aims of performance management system. Fifth, get the top managements' commitment to make performance management a priority for the success of the program. Sixth, the availability of result-oriented job descriptions which defines the working situations where value is created for the organization and the last one is to have the organizational chart which shows a clear relationship and reporting among different positions. Once the management ensures that the organization has all the prerequisites in place, they can start the development of performance management system.

PROCESS OF PERFORMANCE MANAGEMENT SYSTEM

Performance Operation system is a nonstop process that involves different interrelated stages. Cardy and Leonard(2004) describes Performance operation as a process which consists, opinion, evaluation, feedback, and dealing with feedback. According to Zhang Y(2004), performance operation mentioned as a three step process; Developing & Planning performance phase, Managing & Reviewing performance phase, and Rewarding Performance phase. On the other hand Pulakos(2004) unfold the process by six phases; performance planning phase, ongoing feedback phase, hand input, performance evaluation, and performance review.

From this we can conclude that the way abstract frame of performance operation process draw by different scholars varies from one another. But, the substance of performance operation process principally will have the following way; thing setting stage, performance monitoring and evaluation stage, ongoing feedback stage, and performance price stage.

EMPIRICAL REVIEW

expansive empirical studies carried out on the area of performance operation system, hand performance and their relationship as well as their consequential influence on the organizational performance. Then the findings of named and related literatures reviewed.

Research accepted by Samwel(2018) on the impact of performance operation on hand and organizational performance- substantiation from named private associations in Tanzania reveal that ‘ there is a significant relationship between performance operation and hand performance as well as between performance operation and organizational performance.’

The study conducted by Adam(2020) on the effect of performance operation system on hand performance a case study ofUN-Habitat-Somalia Program aimed on relating the effect of performance norms, performance measures, quality enhancement process, and progress reporting on performance atUN-Habitat Somalia Program. The experimenter set up that ‘ performance norms, performance dimension, and quality enhancement processes, had no significant association or relationship with hand performance. still, the study established that progress reporting had both a significant positive association and relationship with hand performance.’

Ambedkar(2023) carried out exploration disquisition to assess the effect of performance operation practices on hand performance as well as the relating the features of a successful performance operation system and the challenges in enforcing the system. The author set up that the performance system

significantly affects the hand performance. On the other hand performance planning has a limited impact while a well- defined performance appraisal greatly determines hand performance. Further the study reveals that working conditions, compensation, and creation are other factors that impact workers' performance.

Said Muhammad, Imran Khan, and Filza Hameed(2021) study the goods of a performance operation system on hand's performance on Air Blue Airline. The study concluded there's a significant relationship between performance operation system and hand's performance. In addition to this factors; staff involvement, fair monitoring, and prices reckoned on the most closeness of performance operation system.

STUDIES ON PERFORMANCE MANAGEMENT SYSTEM AND EMPLOYEE PERFORMANCE

Setting Goals, monitoring**, evaluation, feedback and reward system** are the variables that this study interest on. Hereafter the review of literatures on the relationship between these variables and employee performance will be presented.

The experimenter grades the related literature into three sub-sections in this chapter: theoretical review, empirical review from a previous affiliated workshop, and finally, the abstract frame is created following a comprehensive analysis of the theoretical and empirical literature. Similarly, literary-based homework will be given out.

Theoretical Literature Review

An explanation of the performance According to Wikipedia, performance is the accomplishment of a task using one's knowledge, skills, and abilities. Performance, in the words of Brumbrach (1988), "involves both actions and results." The pantomime transforms performance from abstraction to action through actions that emanate from it. Actions are not only tools for results; they are problems in and of themselves, the consequence of internal and external struggles applied to tasks, and they can be evaluated separately from outcomes.

This explanation of performance leads to the conclusion that both labors (results) and inputs (gestation) must be taken into account while controlling performance. It is not just about focusing on achieving goals, as was the case with "operation by objects" methods in the past. It is necessary to incorporate faculty factors into the procedure.

This is the performance operation's so-called "mixed model," which includes the accomplishment of

anticipated situations of capability as well as objective setting and review. . description of Performance Management Fletcher(2001) defines performance operation as "a method for developing a shared understanding of the association's goals and principles, assisting each person in appreciating and comprehending their role in advancing them, and thereby managing and improving the performance of the individual and the association." Additionally, performance operation is a procedure for motivating employees to fasten their work sweats in ways that support the association's mission. There are three stages to it.

(a) establishing expectations for hand performance;

(b) keeping the administrator and hand in communication to ensure that performance stays on course; and

(c) comparing actual performance to potential performance. Armstrong (2004) offered a thorough explanation of performance operation as a means of understanding and controlling the performance of planned pretensions, standards, and capacity requirements within a preset framework in order to enhance total association results.

Performance Managment is the process of creating and implementing interventions, motivational techniques, and drivers with the goal of transforming the unprocessed potential of human resources into performance. Every mortal creature has implicit abilities in a variety of functional domains. Nevertheless, for a number of reasons, the implementation and transformation of this possibility into achievable performances is usually suboptimal.

Through the removal of intermediary barriers and the motivation of mortal resources, performance operation serves as an agent in transforming the eventuality into performance.

According to Pulakos (2004), performance operation is a multifaceted process that involves integration of various elements of mortal resource operation, such as organizational development, mortal resource development, price, and recognition to ensure excellence in the operation and development of people, as well as connecting the association ideal with the brigades and individual core capabilities.

Performance improvement, specific development goals, and the agreement of objects, knowledge, skill, and competence (capability) conditions constitute the foundation of performance operation. It entails the

negotiation and execution of plans for improvement and further development as well as the collaborative and ongoing evaluation of performance in relation to these goals, conditions, and plans.

An association's performance operating system will be impacted by several aspects, but the three most crucial ones are as follows. First, the system must support and align with the association's key success elements and direction. Second, in order to make the system user-friendly and easy for members of the organization to access, well-designed and effectively managed tools and procedures are required.

In terms of performance strategy, progress enhancement, evaluations, and achieving results, the third and most crucial requirement is that both directors and employees use the system in a way that offers clear, value-added advantages.

Perfomance managment is the process of defining clear objects and targets for individuals and brigades and the regular review of actual achievement and evantual satisfying for tagret acheivement (O'Callaghan,2005)

Akata(2003) considers performance operation as a methodical and holistic process of work planning, monitoring and dimension aimed at continuously perfecting the brigades and individual hand's donation to achievement of organizational thing. likewise(Rothwell, 2002) take into By connecting each entity's performance and objects to the association's overall charge and pretensions, performance operation is a continuous process of relating, measuring, and developing performance in associations. As such, it is a tool that makes it easy to align the general objects and charge of the associations with each existent's or platoon's pretensions, thereby improving organizational performance.

In most situations, there is a connection between the performance appraisal and the performance operating system. However, performance appraisal is a subset of performance operation that we use to evaluate the capabilities of personnel, while performance operation is the larger one that identifies, measures, manages, and develops the performance of the mortal resource in an association (Robert and John, 2013).

In general, performance management is a collaborative, continuous communication process between an employee and their immediate supervisor that includes setting clear expectations and understandings of the following: how the employee's job contributes to the organization's goals; what it means to do the job well in

specific terms; how the supervisor and employee will collaborate to maintain, enhance, or build upon current employee performance; how performance management will be measured; and identifying and removing performance barriers (Bacal, 1999).

Performance appraisal and performance management are typically tied to one another. However, performance appraisal is a subset of performance management that we use to assess employee competency, while performance management is the larger one that identifies, measures, manages, and develops the performance of the human resource in an organization (Robert and John, 2013). According to Armstrong (2006), performance management is the process of enhancing an organization's performance by assisting teams and individuals in increasing their ability to achieve their goals.

System for Performance Management

According to Rudman (2003), a performance management system is increasingly viewed as a way to integrate HRM activities with the organization's business objectives, where management and HR activities collaborate to influence both individual and collective behavior in support of the organization's strategy.

In addition, he emphasized the need for the performance management system to align with the culture of the company. One type of finished and integrated cycle for performance management is a performance management system. According to Macky and Johnson (2000), the goal of performance management systems is to continuously enhance organizational performance, which is accomplished through better individual employee performance. According to Lawler's (2003) suggestion, the goals frequently include boosting performance, assisting people in honing their abilities, creating a culture of performance, deciding who should be promoted, firing underperforming employees, and assisting in the execution of business plans.

This covers the organization's fundamental skills as well as the unique abilities of people and groups. It would be more accurate to refer to performance management as performance and development management. Thirdly, meeting the demands and expectations of all parties involved in an organization—owners, managers, staff, clients, suppliers, and the general public—is the focus of performance management. Specifically, workers are viewed as partners in the company, with their interests valued, their opinions sought and heard, and a voice on issues that affect them (Armstrong, 2006).

This includes the core competencies of the organization as well as the individual and collective talents.

Performance management would be better described as performance and development management. Thirdly, performance management focuses on satisfying the needs and expectations of all stakeholders in a business, including owners, managers, employees, clients, suppliers, and the public. In particular, employees are treated as partners in the business, and as such, their interests are respected, their opinions are sought out and heard, and they have a say in matters that impact them (Armstrong, 2006).

As a result, it entails managers and the people they oversee functioning as partners, but within a framework that outlines the most effective ways for them to collaborate. Therefore, it involves managers and those they supervise working together as partners, but within a framework that specifies how they might work together most effectively.

Process of the Performance Management System

Numerous choices must be made in order to create a system that is best suited to the requirements of a particular company, even though research and seasoned practitioners have identified a number of requirements for successful performance management systems.

The choice of the system's purpose or purposes is one example of this. For example, wage choices, promotions, staff development, and force reductions can all be supported by performance management systems (Bacal, 1999). A system of performance management that tries to accomplish too many goals is likely to fail due to its own lack of weight and concentration. There isn't a single system or set of goals that works well for every firm. Business demands, organizational culture, and the system's interface with other HRM systems should all be taken into account when determining the goals of a particular performance management system (Grote, 2002).

One crucial thing to keep in mind is that, although performance management for decision-making and employee development is undoubtedly connected, a single system rarely supports these two goals equally.

Pay raises, promotions, transfers, assignments, force reductions, and other administrative HR activities are all based on the assessment data when a performance management system is used for decision-making. When a performance management system is utilized for development, staff members' training, work experiences, mentorship, and other developmental activities are guided by the information gathered from their performance reviews. In theory, it is feasible to have a performance management system that effectively supports both development and decision-making, but in reality, this can be challenging to do

(Chingos, 2002).

Generally speaking, performance operation can be defined as a cooperative, continuous communication process between a hand and his or her immediate administrator that includes establishing clear expectations and understanding of the key job functions that the hand is expected to perform; how the hand's job contributes to the association's pretensions; what doing the work well means in specific terms; how the administrator and hand will collaborate to maintain, improve, or make on-hand performance; how performance operation will be measured; and connecting and removing barriers to performance (Bacal, 1999).

In most situations, there is a connection between performance appraisal and performance operation. However, performance appraisal is a subset of performance operation that we use to evaluate the capabilities of personnel, while performance operation is the larger one that identifies, measures, manages, and develops the performance of the mortal resource in an association (Robert and John, 2013). Performance operation is the process of improving an association's performance by assisting individual members and platoons in increasing their ability to get at their destination (Armstrong, 2006).

Managment of performance

Primarily focused on improving performance to attain success on an individual, platoon, and organizational level.

Second, hand development is a concern of performance operation. Without efficient continuous development methods, performance improvement is impossible. This covers the association's fundamental competencies as well as the unique talents of brigades and individualities. It would be more accurate to refer to performance operations as performance and development operations.

Third, meeting the needs and expectations of all stakeholders in an organization, including employees, visitors, suppliers, and the general public, is the focus of performance operations. Employees are specifically viewed as colleagues in the company, whose opinions are sought out and taken into consideration, whose interests are valued, and who have a say in issues that affect them (Armstrong, 2006).

Similar to this, it entails directors and the people they oversee functioning as partners, but within a

framework that outlines how they might collaborate most effectively.

System Process for Performance Operation

Although research and knowledgeable interpreters have connected a number of qualities that are necessary for efficient performance operation systems, many viewpoints must be considered in order to create a system that is flawlessly tailored to the needs of a particular association. Choosing the system's purpose or purposes is one similar choice.

For instance, pay opinions, creation opinions, hand development, and force reductions can all be supported by performance operation systems (Bacal, 1999). A performance operating system is likely to fail due to its own lack of weight and concentration if it tries to accomplish too many goals. There isn't a single, elegant approach or collection of items that works for every organization.

Business requirements, corporate culture, and the system's interface with other mortal resource operation systems should all be taken into account when determining the goals of a particular performance operation system (Grote, 2002).

One crucial thing to keep in mind is that, although though performance operation is clearly related to hand development and timber for decision-making reasons, these two items are rarely handled inversely well by a single system. Pay raises, promotions, transfers, assignments, force reductions, and other executive HR actions are based on the appraisal data when a performance operating system is employed for decision-making.

When a performance operation system is employed for development, the workers' training, job gests, mentorship, and other experimental conditioning are guided by the information from the assessment. Theoretically, a performance operation system that effectively supports development and decision-making may exist, but in reality, this can be challenging to accomplish (Chingos, 2002).

Stages of Performance Management

Aguinis (2007) states that there are six levels in performance management systems:

First Stage: Requirements

Smither & London (2009) state that two crucial requirements must be met before a performance management system is implemented:

Understanding the organization's mission and strategic goals: Strategic planning enables an organization to clearly define its purpose for existing, where it wants to be in the future, the goals it wants to achieve, and the strategies it will employ to reach these goals. This leads to the organization's mission and strategic goals.

Similar goals cascade downward when the organization's goals are created, with departments establishing goals to complement corporate aims. Until every individual has a set of goals that align with the organization as a whole, the cascade of goals keeps going. It is also well known that employees need to feel they can reach their goals and that their dedication to those goals is crucial to their success.

Therefore, it is crucial to make sure that staff members are motivated to work toward their objectives, embrace their goals, and take part in the goal-setting process. It's also critical for managers to express their readiness to help staff members reach their objectives by offering resources and advice as well as removing roadblocks (Pulakos, 2004).

Understanding of the job: Job analysis is used to achieve this. Job descriptions should be used to set performance standards for positions. Job descriptions assist both the manager and the worker in determining the discrepancy between the worker's performance and the job's expectations (Chingos, 2002). Step 2: Planning for Performance

Employee performance expectations should be reviewed at the beginning of the performance management cycle. This includes the behaviors that employees are expected to exhibit as well as the outcomes that they are anticipated to attain in the next rating phase. Expectations for behavior and outcomes should be in line with the business goals of the company.

Actually, when correctly designed and executed, performance management systems encourage workers to take actions and produce outcomes that help the company reach its goals (Smither & London, 2009). When there is widespread employee involvement and people take ownership of their own development, the planning process is most effective (Chingos, 2002). Performance planning, according to Aguinis (2007),

includes behavior, results, and a developmental plan.

According to Grote (2002), performance planning is a dialogue between a supervisor and employee that aims to establish a shared understanding of the goal and objective that must be accomplished, identify the most critical competencies, and create a suitable plan for the individual's development.

Results: describe what must be done or the output that a worker must produce. Key accountabilities, or aspects of a work for which a person is accountable, must be included in the results. Specific goals that the employee will accomplish for each accountability are also included in a discussion of results (Chingos, 2002). Employee outcomes or objectives should be linked to the organization's strategy and objectives (Pulakos, 2004).

Behaviors: According to Pulakos (2004), successful performance management systems offer behavioral standards that outline expectations for workers in critical competency areas. When examining behaviors, one must talk about competences, which are quantifiable groups of knowledge, skills, and attitudes (KSAs) that are essential for figuring out how to get results (Shippmann et al., 2000).

Development plans typically cover both habits and results. These plans identify an employee's areas of strength and growth, and they offer a plan of action to strengthen areas of weakness and advance areas of strength (Nickson, 2007).

Grote (2002) distinguished between behavior and results by pointing out that the former comprise measurable accomplishments and outcomes, countable items, actual job outputs, and goals attained. It focuses on the individual's accomplishments.

However, behaviors encompass a person's style, manner, and attitude, as well as their competences, skills, expertise, and proficiencies. They also include their adherence to organizational principles. Behaviors pertain to the manner in which an individual approached their work.

Performance Planning Components

The process of establishing objectives in connection with the primary responsibilities of the position is known as performance planning. Setting performance objectives, according to Kirkpatrick (2006), include determining how we will assess the goals' accomplishment, establishing goals in connection to these accountabilities, and having a thorough understanding of the important accountabilities. According to

Armstrong (2009), performance planning often entails consensus on major outcome areas, performance standards, performance metrics, goals and objectives, and personal development needs.

Goals and objectives: Grote (2002) asserts that one of the most important components of performance planning is goal setting. Setting appropriate goals for the next year is another crucial component, in addition to determining the primary duties of each individual's position and the competencies or behaviors that the business expects everyone to exhibit.

According to the United States Office of Personnel Management (January 2001), performance standards are management-approved statements of the performance threshold, requirement, or expectation that employees must fulfill in order to be evaluated at specific performance levels. Objectives are not the same as performance standards. Instead of setting goals for a work, one should create goals for oneself. Thus, a manager with multiple employees performing the same task will have a single set of job standards but may have distinct goals for each employee depending on their background, abilities, and performance history.

Stages One performance operation

Aguinis (2007) states that there are six levels in performance operation systems. Phase OnePrerequisites Smither & London (2009) state that there are two crucial criteria before implementing a performance management system:

Understanding the charge and strategic claims of the association Strategic planning enables an association to readily define its purpose, where it wants to go in the future, the pretensions it wants to achieve, and the tactics it will employ to reach these pretensions. This leads to the charge and strategic pretensions of an association. Similar pretensions spread when the association's pretensions are set, with departments creating objects to support commercial ones.

Up till each hand has a collection of pretensions consistent with the general connection, the cascade of pretensions keeps going. It is also well recognized that employees must think they are qualified to fulfill their pretensions and that hand devotion to pretensions is crucial for thing achievement. Therefore, it's critical to make sure that employees are driven to work toward their goals, accept their pretenses, and participate in the thing-setting process.

It's also critical that directors convey their willingness to assist employees in fulfilling their aspirations by providing resources and direction, as well as by removing barriers to success (Pulakos, 2004).

familiarity with the position Job analysis is used to do this. Job descriptions should be used to set performance standards for positions. According to Chingos (2002), job descriptions assist the director and the hand in determining the performance gap between what is expected of the work and what is being accomplished by the hand.

Stage Two Performance Planning

It's crucial to discuss with employees their performance prospects at the beginning of the performance operation cycle. This includes what they are expected to do and the outcomes they are expected to get in the upcoming standing phase. Prospects for behavior and outcomes should match the association's business goals. Indeed, when properly designed and implemented, performance operation systems motivate employees to take activities and produce outcomes that advance corporate goals (Smither & London, 2009). According to Chingos (2002), the planning process is most effective when there is widespread engagement and employees take ownership of their own growth. Performance planning includes results, geste, and experimental strategy, according to Aguinis (2007).

Performance planning is a conversation between an administrator and staff that includes identifying key job responsibilities, establishing a shared understanding of what needs to be accomplished, connecting the most critical competencies, and developing a relevant personal development plan (Grote, 2002). The outcomes pertain to the tasks that must be completed or the problems that a hand must cause.

Crucial liability, or the aspects of a job that the hand is in charge of, must be included in the results. According to Chingos (2002), an explanation of the outcomes also contains particular goals that the hand will accomplish for each duty. The association's strategy and pretensions should be linked to the outcomes or pretenses that employees are expected to attain (Pulakos, 2004).

According to Pulakos (2004), effective performance operation systems provide behavioral standards that outline expectations for employees in key faculty areas. Agitating capacities, which are quantifiable groups of skills, knowledge, and stations (KSAs) that are essential in figuring out how outcomes will be attained, are taken into account while taking actions (Shippmann et al., 2000).

Typically, a development plan includes both actions and results. Similar plans highlight a person's strengths and areas that require improvement. They also provide an action plan to address areas of sin and enhance areas of strength (Nickson, 2007).

According to Grote (2002), results include quantifiable problems and accomplishments, countless goods, factual job labor, and items attained in order to demonstrate the distinction between result and geste. It focuses on the individual's accomplishments. Actions still encompass a person's style, manner, and approach, as well as their abilities, chops, moxie, and proficiencies, as well as their devotion to corporate principles.

Actions relate to the manner in which the individual completed the task. Performance Planning Factors The process of establishing expectations on the part's critical liability is known as performance planning. Setting performance pretensions, according to Kirkpatrick (2006), entails determining how we will gauge the success of the pretensions, establishing pretensions in connection to these liabilities, and having a clear grasp of crucial liability.

Agreement on pretensions objects, performance norms, performance indicators, important outcome areas, and specific development needs are typically included in performance planning. Armstrong (2009). According to Grote (2002), one of the most important foundations of performance planning is the setting of pretensions and objects. Setting appropriate pretensions for the future is another vital component, in addition to outlining the essential responsibilities of the position and the skills or behaviors that the association expects everyone to exhibit.

According to the United States Office of Personnel Management (January 2001), performance standards are operationally approved statements of the performance threshold, demand, or expectation that employees must fulfill in order to receive a rating at specific performance scenarios. Performance standards are not the same as objects. It is better to set items for a person than for a job. Therefore, a director who oversees multiple employees performing the same task will have a single set of standards for the work, but may have distinct goals for each employee based on their background, abilities, and performance.

Performance measures relate to the key responsibilities of a position; the director and the individual must agree on how the individual's performance will be assessed. Affair measures and overgrowth measures are

not the same thing.

While an overgrowth is a visible impact that results from difficulties but cannot be quantified, an affair is an outcome that can be measured. Grote (2002) identifies four broad parameters of affair. Cost, timeliness, and quality. According to Armstrong (2009), indicators of outgrowth include modifications in geste, the accomplishment of tasks or designs, the acquisition and efficient application of new skills and information, etc. important performance guidelines KPIs identify the outcomes or problems that are connected and essential to achieving high performance.

Stage Three : Performance prosecution

The onus is on the hand to communicate honestly and frequently with the administrator, even if both the directors and the employees are accountable for performance punishment. In order for the hand to succeed and remain motivated, the administrator should also monitor and verify performance, update the hand on any modifications to organizational pretenses, and provide funds (Aguinis, 2007).
Smither & London (2009) state that the hand aims to fulfill development requirements, display previously determined behaviors, and provide results. Administrators are in charge of the following matters:

- Observation and attestation: it's critical to stay up to date on examples of both successful and unsuccessful performance.
- Updates It's critical to update the association's core goals, standards, and essential liability and faculty areas as its claims may evolve.
- Before the review cycle ends, feedback on the progress made toward pretenses and guidance to improve performance should be provided continuously.
- Funds administrators ought to provide employees with funds and opportunities to participate in development conditioning.

- Administrators must ensure that employees are aware that their exceptional performance is recognized through supportive actions and progress towards objectives. Performance issues should be identified early, and appropriate measures must be implemented promptly upon detection of the problem.

Stage Four : Performance Assessment

During the assessment phase, both the employee and the manager are responsible for evaluating the degree to which the necessary actions have been taken and whether the desired outcomes have been achieved. While various sources, such as peers or subordinates, can provide performance information, the direct manager typically serves as the primary source. The evaluation also encompasses the extent to which the goals outlined in the development plan have been met Ownership in the assessment process is essential for both the management and the employee (Smither & London, 2009).

Techniques for Evaluating Performance

Armstrong (2006) listed seven ways to evaluate performance. An overall performance analysis is a type of evaluation that identifies areas for improvement by highlighting strengths and flaws. A written synopsis outlining the performance level attained is part of narrative assessment.

A rating scale is intended to help in decision-making, enabling these evaluations to guide decisions pertaining to performance or contributions, or just to give a brief summary of a person's performance. Rating scales can be numeric (1, 2, 3, etc.) or alphabetical (a, b, c, etc.).

Sometimes terms like a = excellent, b = good, c = satisfactory, and d = unsatisfactory are used to characterize the points on these scales. Managers must follow a preset rating distribution across many categories in order to avoid forced distribution. An extension of forced distribution is forced ranking, in which ranks are obtained straight from the evaluations.

Underpinning administrators must support successful actions and progress toward pretenses in order to inform employees that their exceptional performance is being noticed. Performance issues should be linked in advance, and appropriate action should be done as soon as the issue is identified.

Stage Five Performance Evaluation

Both the director and the hand are responsible for determining if the necessary outcomes have been

attained and the degree to which the necessary activities have been demonstrated during the evaluation phase. Performance information can be obtained from a variety of sources, such as peers or inferiors, but it is typically provided by the direct administrator. Additionally, an assessment of how well the development plan's goals have been met is given. Both the director and the hand must assume control of the evaluation process (Smither & London, 2009).

Types of performance evaluation

Armstrong (2006) suggested seven methods for evaluating performance. Overall performance analysis is a type of evaluation that may reveal strengths and weaknesses that point to areas that could benefit from improvement.

A narrative assessment is a written synopsis of the performance level attained. Standing A standing scale is intended to facilitate the process of making decisions and allow those decisions to be disseminated to shape opinions regarding performance, donation pay, or just to provide an instant summary for the record of how well or poorly someone is performing.

One can define standing scales numerically (1, 2, 3, etc.) or alphabetically (a, b, c, etc.). Adjectives may be used to describe the alphabetical or numerical scale points; for example, a = excellent, b = good, c = satisfactory, and d = wrong. Directors are required to adhere to a predetermined distribution of conditions among various circumstances, which is known as forced distribution.

The evolution of forced distribution is forced ranking. Rankings can be produced laterally by transforming performance conditions into groups of workers or directly by assigning workers to orders (such as A, B, and C). Share systems specify how conditions should be distributed and adjust directors' conditions following the event to guarantee that each position's share is fulfilled.

Assessment methods that are visual Using a visual system of assessment is the volition approach to standing. This can be expressed as a consensus between the director and the existent over the final location on a matrix or grid.

Tone: Evaluation and all-encompassing comments

Individuals evaluate their own performance using a structured process called tone-assessment, which serves as the foundation for discussions with their directors during review sessions (Armstrong, 2006).

According to Shore, Adams, and Tashchian (1998), tone-based appraisals can lower a person's guard during an appraisal meeting, boost their level of satisfaction with the performance operation system, and improve their understanding of justice and delicacy, which in turn can lead to system adoption.

Although it is still relatively new, 360-degree feedback is becoming more and more popular. "The systematic collection and feedback of performance data on an individual or group deduced from a number of stakeholders on their performance" is how Ward (1995) defined 360-degree feedback.

Conditions against colorful performance confines are typically used to feed back the data. 360-degree feedback is often referred to as multi-rater feedback or multi-source assessment.

The people to whom they report, their direct reports, their peers (who may be platoon members and/or associates in different corridors of the association), and their external and internal guests can all provide performance statistics for them in a 360-degree feedback process.

Other stakeholders, such as outside visitors, guests, or suppliers, could be included in the scope of the input (also referred to as 540-degree feedback).

It is also possible to include a tone-assessment method that uses the same criteria as the other feedback producers for comparison.

Peers alone (in a platoon context) or peers and platoon leaders together can initiate feedback. It can also be delivered by subordinates to their directors in the form of upward or 180-degree feedback. Individuals may receive feedback directly from their directors, themselves, or both.

A member of the HR department or an independent advisor may provide professional consolation and guidance for individuals as a result of the feedback. A technology that has gained popularity is 360-degree feedback, which collects data from various groups to help employees—especially those in administrative roles—improveperformance.

Armstrong (2009) claims that 360-degree feedback helps employees become more tone-aware, better understand the actions required to improve individual and organizational performance, create more hand-

specific development conditioning, increase employee involvement in all scale situations, and improve tone-development and literacy among employees.

Performance Evaluation Criteria

Performance evaluation criteria must to be balanced between:

- Accomplishments in connection with objects;
- The degree to which Geste supports the association's basic values;
- the position of knowledge and skills held and utilized (capabilities);
- behavior in the workplace as it impacts performance (capabilities); and
- Daily efficiency.

As has consistently been the case in conventional assessment systems, the criteria shouldn't be restricted to a large number of quantifiable things.

In many situations, the most crucial factor will be how well employees execute on a daily basis in fulfilling the ongoing performance standards related to their key responsibilities. For certain vocations, it might not always be feasible to reach meaningfully new measurable targets. The behavior that led to the results must receive just as much attention as the actual results.

During performance evaluation, the following issues are frequently encountered: Decenzo & Robbins (2005), Ivancevich & Gluedck (1989), and Rao (2004) have linked the following typical issues that arise during performance evaluation. Primacy vs. Recency The proximity to the appraisal period is referred to as error recency. The opposite of recency is supremacy.

It describes a scenario in which a rater's evaluation choice is influenced by the hand's original print, regardless of whether the hand is suitable to maintain the original print or not. Error in charity By consistently assigning advanced rates, certain raters exhibit a propensity for being liberal in their status. Constantly giving low ratings is also harmful. While some estimate low (negative charity), others estimate large (positive charity).

The tendency of a commentator to allow the appraisal of an individual based on one particularity to affect their opinion of that individual based on other characteristics is known as the "halo error." Even if someone excels in one area, they are typically regarded as good overall. The halo effect occurs when characteristics are not well defined and are strange. Similarity error occurs when commentator rates others in the same way that the commentator perceives him or herself. Central tendency crimes the disinclination to use the

axes of a standing scale and to adequately distinguish among workers being rated.

They follow play safe policy because of responsibility to operation or lack of knowledge about the job and/ or the hand rated or the pundits ‟ lack of interest in their job. Inflationary pressures pressures for equality and fear of retribution for low conditions leads to lower insulation among rated workers. unhappy backups for performance trouble, enthusiasm, appearance, etc. are less applicable for some jobs than others. criterion proposition evaluations are affected predicated on whether someone's performance is due to internal factors they can control and external factors which they cannot.

However, the judgment is more severe when bad performance is ascribed to internal control as opposed to external control. Step 5: Performance review In this step, the director and the hand meet to go over their evaluations.

The assessment meeting is crucial because it offers a structured environment where the employee can get feedback on how they are performing, which eventually improves performance and increases system satisfaction. What has been done and how, the price that has been submitted or rejected as a result, and the pretenses to be met prior to the upcoming review session are the main topics of the appraisal debate. A two-way communication mechanism and shared accountability between directors and employees are necessary for the feedback process to be successful.

Effective feedback should be immediate, constructive, detailed, and balanced, and it should include both positive and growth information based on what the hand did or did not perform, according to Decenzo & Robbins (2005). It is crucial that feedback be based on behavior rather than specific traits and that behavior be connected to successful or unsuccessful performance.

The primary issues that come up when doing performance appraisals are Armstrong, 2006)

- □ establishing a connection between performance metrics and evaluation standards;
- □ gathering factual data regarding performance;
- □ recognizing the reality of director bias;
- □ Resolving disputes between reviewers and the individuals they critique;

- Individuals acting defensively in reaction to criticism.
- Grossman and Parkinson (2002) promoted suggestions for carrying out efficient performance evaluations.
- Acknowledge the hand's accomplishments and shortcomings by relating particular good and negative behaviors.
- Ask your hand for input regarding these behaviors.
- Describe the consequences of altering or leaving the situation as is.
- Describe how the hand can overcome any performance issues at the moment by using the chops utilized in past accomplishments.
- Decide on a course of action.
- Call a follow-up meeting to decide on the conduct, conduct, and estimated stations.

Stage 6: Rebuilding and renewing performance

This is essentially the same as the performance planning component. The primary distinction is that the stage of renewal and reconstruction makes use of the knowledge and insight acquired from the previous stages (Smither & London, 2009).

Performance operation system prospects and obstacles.

Performance Management's Potential Advantages

In actuality, everyone benefits from performance operations, which are everyone's duty. There are several particular advantages to performance operation for employees, the business, and the organization. The purposes for a given performance operation system should be determined by considering the system's integration with other mortal resource operation systems, company culture, and business situations (Pulakos, 2004). Performance operation systems can generally fulfill the following crucial functions, as exemplified below by Cleveland & Murghy (1989): By encouraging behavior consistent with the realization of organizational pretensions, it strategically connects the association's pretenses with personal pretenses.

Administrator: it provides helpful information for forming judgments about employees, such as payment acclimations, elevations hand Merit raises, layoffs, identifying bad players, recognizing exceptional performance, and retention or termination. Information and communication enable employees to be aware of their own performance as well as to acknowledge areas that may require improvement.

Experimental: it incorporates feedback, enabling managers to mentor employees and support continuous performance improvement. Organizational conservation provides information about the skills, abilities, implicit promotions, and assignment histories of present employees. This information can be utilized to design the pool, evaluate future training opportunities, and evaluate performance accomplishments at the organizational position.

documentation: it provides information that can be utilized to evaluate the predicted accuracy of recently suggested selection tools.

Performance Management System Difficulties

According to Armstrong (2009), common obstacles to efficient performance operating procedures include:

- Insufficient training for directors and individuals,
- The absence of a formal change operation process,
- the failure to address the association's cultural shift,
- the excessive subjectivity in evaluations,
- the use of performance reviews as a tool to discipline employees,
- the failure to address employees' concerns and provide them with an explanation of the entire process and its benefits,
- the lack of conformity with regard to performance operation across departments, and

The lack of operation commitment. Review of Empiricism.

Research from foreign nations

This section presents empirical validation pertaining to the performance operation system. Similar evidence is still lacking because only a small number of research were approved, and none of them focused on banking sedulity, particularly in the government banking sector.

According to Tommy, Umoh, Inegbedion, and John's (2015) discussion of a Nigerian multi-choice company, the majority of employees were unaware of the association's dominant performance operating system model. Additionally, the employees believe that their donation to the organization has not been adequately evaluated by the company's performance operation system.

Employees are generally dissatisfied with Multi Choice Limited's staff performance review system. According to a 2017 study by Morris and Jane on commercial banks in Kitui Town, Kitui County, Kenya, performance operating systems improve employee performance by providing a trustworthy performance metric, hiring instructors, and ultimately achieving goals.

The researchers also came to the conclusion that creating a performance operation system improves hand performance by adding staff capability circumstances and establishing particular objects that are generated from general organizational pretensions and linked chops gaps that are addressed through trainings.

The same study also suggested that banks' operations should increase their employees' understanding of the performance operation system, recognize key performers, close training gaps, conduct appraisals professionally, and provide accurate feedback regarding employees' performance following the process.

Research carried out in Ethiopia

According to Solomon's (2016) report on Abay Bank S.C., the bank measures employees' job performance twice a year, in January and July, using Performance Management as a tool. The same study's conclusions also show that the bank does not use a formal appraisal procedure, and its performance ethics deal with problems like volume, quality, timeliness, cost effectiveness, and strategic connection.

However, it ignores consistency, stability, and the degree to which individualities tend to hold onto a particular performance position over time. Additionally, the bank has a lot of issues with its performance review process. The primary ones are rater errors, such as recency, halo/cornucopias, situational influence, etc., and the system itself is the remaining issue. The bank's HR department is ultimately in charge of employee appraisals, and directors fill out documents for employees' final evaluations to take the captain's share. Only creation, requisite payment, and periodic proliferation opinions are made using the appraisal results at Abay Bank.

In the case of this organization, performance reviews are not discussed unless someone raises grievances. The discussion's overall conclusion confirmed that Abay Bank S.C.'s performance review procedure

contains flaws and shortcomings that should be fixed.

Furthermore, a study by Frehiwot (2017) on the Commercial Bank of Ethiopia revealed that some of the goals were unachievable, the data tracking system was manual and did not function with formats, the PMS lines were not properly documented, the office layout made it difficult to provide employees with private feedback, there were no guidelines to manage the hand's movement from one job to another during the standing period, etc.

Furthermore, Habtamu (2020) carried out a study on the Commercial Bank of Ethiopia. Based on the results, the researcher suggested that the bank should establish realistic goals, automate its data tracking system, assign reputable personnel, create explicit guidelines for handling the transfer of employees to another position at the conclusion of the standing period, etc. The researcher of the current study has a clear understanding of the generality and overview of the hand performance operation system based on the theoretical and empirical studies listed below.

The researcher has studied a variety of performance operation literature, and almost all of them concur that performance operation is concerned with identifying organizational goals, operations, and fancies; aligning directors and employees toward the attainment of organizational strategic objects; fostering a common understanding; offering periodic and guiding performance reviews; concluding performance evaluations; attaching results with a pricing system based on the type of result; and fostering an environment that all employees feel is fair. The experimenter is so curious to observe the Commercial Bank of Ethiopia's general hand performance operation procedures.

The conceptual structure

According to Kombo and Tromp (2009), an abstract frame is a collection of general concepts and guidelines drawn from relevant disciplines of study that are used to organize a subsequent gift.

Various theoretical and empirical evidences have demonstrated that performance operation is a continuous, ongoing process that seeks to strategically accomplish organizational goals and individual objectives while making necessary corrections through the maintenance of an efficient and transparent feedback system.

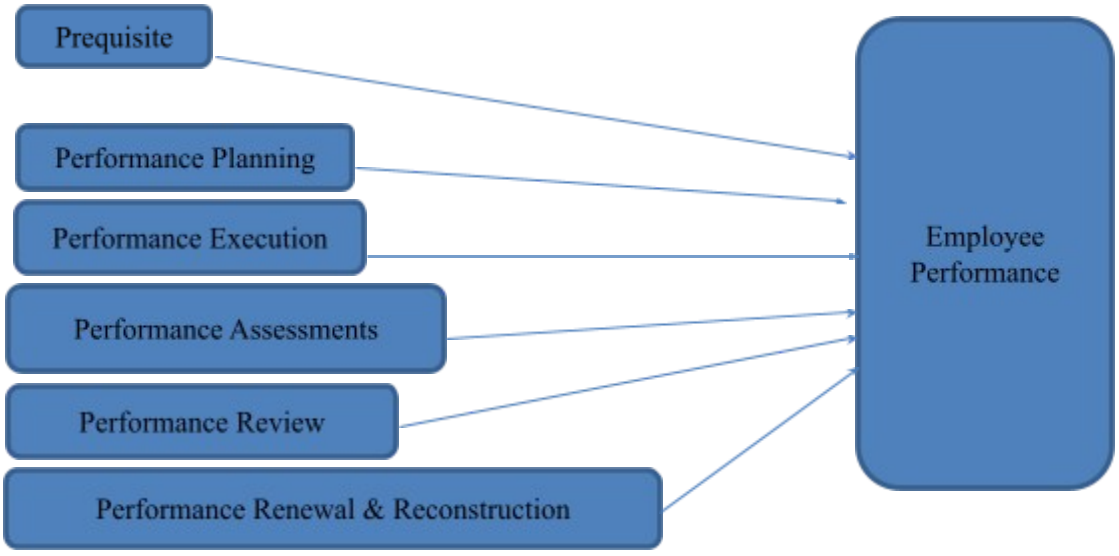
However, practices reveal that businesses solely focused on corporate success, failing to preserve alignments between individual and organizational goals. However, the hand performance operation system is an ongoing cycle that includes performance planning, prosecution, review, feedback, and conservation all

of which are conditioned by the employer and hand's cooperation.

However, while associations do the backseat, they do not receive the justified portion or increase their request value because of hand unhappiness. Additionally, empirical assessments demonstrate that the involvement of hands-on performance operation is genuinely low, which runs counter to the theoretical perspective.

The performance operation system's goal was thus rendered meaningless or became a point of contention. Finally, based on the following and other thorough readings of related literature, the experimenter proposed an appropriate abstract framework that aids in precisely understanding how the hand performance operating system operates. The frame also helps the experimenter create surveys and provides a roadmap for answering exploration questions.

Independent Variable **Dependent Variable**



CONCEPTUAL FRAMEWORK Figure 2.1

CHAPTER THREE
RESEAR DESIGN & METHODOLOGY

Research Design & Methodology

INTRODUCTION

The chapter is about the research design and methodology. The detail discussion covered in this part of the paper are research approach followed, design employed, presenting the target population from which the sample is drawn, Sampling method used, basic assumptions of the researcher and Sampling size determination, type of data to be collected and method of data collection, data analysis technique, and at the end reliability and validity of questionnaire.

Research purpose, research design, data source, target population & sampling techniques, data collection method, data analysis, and ethical considerations are all covered in detail in this chapter's methodology, which demonstrates the responsible framework.

Any kind of research project requires a thorough, professionally conducted investigation and a well-designed research methodology grounded in scientific principles.In the methodological section of the study, Eldabi (2002) proposed a set of procedures to be followed as a research paradigm. A sizable population of Nib International Bank employees in the Addis Ababa districts is taken into consideration in this study, which employs a quantitative and qualitative methodology.

Quantitative research is substantially better in these situations (Dawson, 2002). According to Dawson, quantitative research is any study that uses a variety of techniques, such as structured interviews or surveys with questionnaires, to provide statistics. It is also frequently employed in the behavioral and social sciences, which indicates the suitability of the quantitative approach for this behaviorally oriented study (Kothari, 2004). As a result, this study is primarily quantitative, demonstrating that it employs the survey

approach.

Research Design

This study sought to determine and investigate, using a sample so that the findings could be extrapolated to the entire population, the impact of performance reviews on NIB employees' work satisfaction. thus, this study employed an explanatory research design; thus, it mostly used quantitative research design types that enable the researcher to quantify the link between the variables through objective measurement.

To assurance the research design has reliable through the research objectives, pretesting of the questionnaire has conducted before the distribution of questionnaires for data collection to the selected respondents. Since the research studies a one-time instance, the researcher uses a cross sectional approach.

Research Approach

There are different types of research design needed based on the nature of the purpose or research problem. Academic researches depending on the problem area and the nature of the phenomenon that it will be studies Ahmed, (2011).The purpose of the research can be exploratory which deals An understanding and explanation of the test with an unclear test, as the problem is clearly stated Dr. Y.P. According to Aggarwal (2008), descriptive research focuses on obtaining data regarding current circumstances or conditions in order to describe and interpret them.

The research method which concerns itself; with the present phenomena in terms of conditions, practices, beliefs, processes, relationships or trends invariably. This type of research method is not simply build-up and tabulating facts but includes proper analysis, interpretation, comparisons, identification of trends and relationships.

Target Population

The target population for the study is the sample frame for the current study consists of 4,324 employees of NIB's Addis Ababa city branches who have worked for the bank for at least a year or whose job

performance has been evaluated at least once by the supervisor. Branches in Addis Ababa are divided into four districts according to their geographic location. As previously stated, all Addis Ababa city branch employees are regarded as the population for the purposes of this study.

TARGET POPULATION & SAMPLING METHOD

Taking in to account the objective of this study, that is, to analyze the impact of performance management system on employee performance the case of Nib Bank SC. Nib International Bank has more than 7578 employees working in four districts dispersed throughout the country. Out of the total workforce 4,324 are working in 253 branches of the four districts of Addis Ababa. The total population in Addis Ababa was divided into four geographic areas. These are North-East, South-East, and North-West and Central Addis Ababa district. Target population refers the full set of people concerned with the case and from which the sample would be drawn. To be realistic to target all employees who are working throughout the country as well as the city of Addis Ababa is not economical. It requires large effort. Therefore, all employees of the bank who are in South-East district of Addis Ababa are the concern of this research project.

Sample Size Determination

Since too small samples might produce erroneous results and too large samples can waste a lot of time and resources, choosing the right sample size is the first step in any research project. As an alternative to Cochrane's method, Yamane (1967) proposed a straightforward formula for determining sample size a priori. The degree of generalizability and the level of confidence you can have in your data will undoubtedly depend on the sample size and selection process.

As of June 30, 2023, there were 4,324 employees working for the city branches of NIB International Bank. The following sample size determination method is applied in order to obtain a representative sample from the population.

Sample Size Determination

For all research, the first thing we need to decide is the sample size, because too large samples can waste a lot of time and resources, while too small samples can lead to inaccurate results. Yamane (1967) suggested a simple formula for calculating sample size a priori, which is an alternative to Cochrane's formula. The size of

the sample and the way in which it is select will definitely have implication for the confidence you can have in your data and the extent to which you can generalize.

On June 30, 2023 the total number of employee of nib international banks city branches are **4,324.** To get a representative sample from the population the following sample size determination technique is used.

n = N/ 1+N (e2) Where, N = number of total population of NIB

n = required sample size; e = margin of error 5%

n = 4,324/ (1+4,324 (0.05)2), n =366

Based on the above information, the sample size (n) is calculated for the target population of 4324 and it is 366.

Sampling Design

Sampling has been carried out to choose a representative sample from the branch's staff population using appropriate sampling methodologies that best fit the scenario and goal. To identify the particular respondents, this study employed multi-stage sampling procedures, including both probability and non-probability techniques. As previously mentioned, the districts are chosen with a certain purpose in mind, thus we can think of them as strata.

Branch Sample Size

To calculate the sample size of the bank's branches, a unique technique created by Carvalho (1984) was applied. (Nobel, 2018) used this sampling technique to determine the bank branch sample size. The researcher gathered the total number of employees in the Addis Ababa branches using the bank's June 31, 2021 employment statistics; as a result, there are currently 243 branches.

The four districts of North West Addis Ababa, South East Addis Ababa, North East Addis Ababa, and Central Addis Ababa comprise these 243 branches.

Table 1 Sample size determination

N	51-90	91-150	151-280	281-500	501-1,200	1,201-3,200	3,201-10,000	10,001-35,000	35,001-150,000
Small	5	8	13	20	32	50	80	125	200
Medium	13	20	32	50	80	125	200	315	500
Large	20	32	50	80	125	200	315	500	800

Source: Carvalho (1984)

Thus, using the Carvalho sample size determination approach, the researcher would choose a small sample size—50 NIB employee branches in Addis Ababa districts—from a population of one bank employee; the small number is taken into account while analyzing the data. Because each stratum has a different number of employees, the researcher uses a proportional calculation to determine the size of each stratum, which means that the percentage of employees in each district relative to the total number of employees will be taken into account when determining the number of branches from each district. As a result, the following formula has been used to determine how many employees each district has.

Table 2 Number of Sample Branches

Name of Addis Ababa Districts	Number of branches in each (N) in each District	Proportion (in percentage)	Number of sample branches (n) in each District
North west Addis	55	22.6%	11
South east Addis	55	22.6	11
Central	57	23.4	13
North east Addis	76	31.3	15
Total	**243**	**100%**	**50**

Source: Nib International Bank Report data June 30/2024.

Purposive sampling will be used to choose 50 branches with the highest number of employees in order to

gather data from respondents after the proper number of sample branches from each district has been determined (Appendix).

Table 3 Number of sample size from each District

Name of Addis Ababa Districts	Number of employees (N) in each District	Proportion in Percent	Number of sample employee (n) in each District	Number of sample branches (n) in each District	Number of sample employee from each selected branches
North East Addis	1200	27.7	101	14	8
North west Addis	1002	23.4%	86	12	7
South east Addis	901	20.8%	76	10	6
Central Addis	1215	28.1%	103	14	9
Total	**4,324**	**100%**	**366**	**50**	

Source: Nib bank documents data June 30/2024.

Incipiently, data from the sample of 366 guests/ repliers is gathered using the convenience slice approach. Anon-probability slice system called convenience slice selects a sample from the population that's handy, fluently accessible, or close by. In order to fulfill the asked number of samples from the chosen branch, the intentionally named hand questionnaire is distributed to workers on a walk- in base, that is, to a customer who has just arrived to get service.

Overall, the experimenter employed amulti-stage slice strategy for this study, and 366 labor force from colorful branches will be tried and data will be collected meetly.

System of Testing

slice is the process of choosing a sufficient number of rudiments from the target population similar that the experimenter can probe the sample and determine the characteristics or rates of the subjects, also decide those characteristics or parcels to the population factors. intentional slice, anon-probability slice fashion, was therefore employed by the experimenter. The demand was that every bank pastoral staff be directly involved in performance operation procedures that likewise, the investigator discovered that the branches located around Addis Ababa, including the head office, are suitable to directly represent the remaining branches of the client base of banking services,. high position of profit accumulation, budget, etc.

Data Source

Both primary and secondary data were used in this disquisition. The primary data was attained from operation and workers through questionnaires and interviews, independently, while the secondary data was attained from a variety of secondary sources to condense and corroborate the original data. Information collected by someone other than the stoner is appertained to as secondary data. The fact that a significant quantum of the required background exploration has formerly been finished or reviewed is one clear benefit of using secondary data(Funsho, 2012). Since the data is formerly available, you can estimate each one before using the preliminarily indicated system as a general rule.

Data Gathering Tool

Questionnaires created in response to the study questions were used to gather the primary data. The main benefits of questionnaires are that they're less precious and time- consuming than other dimension tools, and they can be distributed to groups of individualities at formerly. Both unrestricted- concluded and open-concluded questions were included in the structured questionnaire, and interviews were used to collect the material data for the study. Both open- concluded questionnaires and unrestricted- concluded questions with a 5- point Likert scale(1 being explosively differ and 5 being explosively agree) were used.

Secondary data sources were employed to gather and examine the material in order to address some of the study objects and to condense the original data. colorful lines, company primers, reference books, company

reports, periodic reports, National Bank reports, and other published and unpublished accoutrements are among them. also, by examining multitudinous material journal papers via online

accesses used as secondary data sources, journal papers and other published literature were used to close the knowledge gap and comprehend the generalities, delineations, suppositions, and empirical results.

Data Gathering system

Since one of the data collection tools used in the study was a questionnaire, these were modified grounded on reviews of colorful literature and other studies pertaining to performance operation ways. The purpose of the questionnaires was to learn further about CBE's performance operation procedures. 390 tried workers who work in the main office and four Addis Ababa external sections were given these questionnaires. Dispatch and in- person relations were used to circulate and collect the questionnaires. Out of the 390 sample workers, the experimenter ultimately collected 383 completed checks.

likewise, content analysis has been used to contextualize or qualitatively examine the information gathered viasemi-structured interviews and open- concluded questions. Meaning is added up grounded on their similarities, and the analysis's findings are also intermingled to support the study's conclusion.

system of Data Analysis

Descriptive statistics are primarily used to explain how a sample of data behaves. On the base of the handed data sets, it's employed to give quantitative analysis. To simplify vast quantities of data, descriptive statistics are employed. Measures of central tendency or variability can be used to quantify descriptive statistics. Central tendency measures point to a single figure that encapsulates all of the measures and data that make up the full set(Sohil, 2019).

More and more data analysis ways are employed once the raw data has been retained.The data was tabulated and presented in tables using SPSS interpretation 26 and a descriptive statistical analysis system, specifically for the quantitative data attained through the questionnaire. The data was specifically used to calculate frequentness, probabilities, means, and standard diversions.

Trustability and Validity

The data's trustability and validity were completely examined. In order to make meaningful interpretations of data, it's necessary to insure that scores on instruments are valid and dependable.

Validity

describes the degree to which the measurement tool truly captures the information it was designed to capture. It is employed to propose assessing the findings' accuracy from the perspectives of the participant, the researcher, or the readers (Creswell, 2014). The content validity of the research instrument was carried out to guarantee the caliber of this study design. The research advisor, who examines the suitability of the questions and the measurement scales, also confirms the content validity. Another way to assess whether a question is appropriate was to have peer discussions with other scholars.

Dependability

system is related to the accuracy. Cronbach alpha is a coefficient of reliability. The internal strength of the device is commonly known when it is used to measure its reliability.

In light of this, 25 respondents who were not included in the primary study were given copies of the questionnaires as a pilot test. In addition to checking the questions' clarity, length, structure, and language, this is done to see whether the designed instrument measures what it is intended to measure. The researcher was able to change several questions and obtain insightful feedback thanks to this test.

It is known that in the process of research, the results are statistically interpreted, that is, the closer the Cronbach's Alpha reading is to 1,. the more dependable. Reliability values below 0.60 are regarded as poor, whereas internal consistency values above 0.80 are good and those in the 0.70 range are acceptable. Therefore, Cronbach's Alpha was used and computed in this study to assess the accuracy, dependability, or reliability of the research tool (Lee Cronbach, 1951). Every statement in this study was scored using a five-point Likert scale. This led to the creation of a reliability test using a sample of 20 employees from the Arat Kilo Branch.

The test was created using Cronbach's and a sample of 20 employees as respondents. Prerequisite (0.749), performance planning (0.466), performance execution (0.780), performance assessment (0.611), performance review (0.764), performance renewal and reconstruction (0.72), and overall variable (0.713) were determined to have a reliable alpha coefficient for the questioners.

Table 4 Dependability Statistics

Variables	Cronbach's Alpha	N of Items
Prerequisite for performance	0.749	6
Planning for performance	0.466	11
Execution of performance	0.780	6
Assement of Performance	0.611	9
Review of Performance	0.764	5
Current Performance Renwal & Reconstruction Practice	0.7212	2
Across all variables	0.713	39

Aspects of ethics

The research code of ethics governed and severely bound the researcher with regard to ethical considerations. Therefore, the respondent's privacy and personal values will be protected. In order to protect their private information, respondents were not asked to write down their names, phone numbers, or precise addresses.

The study also complied with the law's prohibitions on using someone else's work without giving due credit, and all data were gathered with the organization's permission and solely for scholarly purposes to avoid damaging the organization's reputation

CHAPTER FOUR

DATA PRESENTATION ANALYSIS AND INTERPRETATION ANALYSIS

INTRODUCTION

This chapter presents the results of the analysis and findings of the research. It discusses on the six groups of questions. First, is the explanation on the questionnaires' response rate and respondents' demographic data. Second, the statistical results of the study on PMS with regard to the variables such as goal setting, monitoring and evaluation, reward, feedback and employee performance will be systematically analyzed on the on the bases of objective of the research. At the last discussion on the findings of the study on the relationship of variables with one another will be discussed.

The composition of the workforce in the banking industry has significant implications for organizational effectiveness and decision-making processes. Recent insights indicate a notable trend where a substantial proportion of employees possess extensive work experience, particularly among senior-level staff. This literature review synthesizes findings from various studies to explore the characteristics, implications, and potential gaps in understanding the dynamics of experienced employees within the banking sector, specifically in the context of the National Investment Bank (NIB).

RESPONSE RATE

Data were collected by the use of structured questionnaires. Questionnaires were sent to all the 175 employees working in 20 selected branches of south east district in Addis Ababa. Excluding non-returned questionnaires 166 employees were responded properly. This is translated to 94% response rate. The analysis which was done reveals that the response to be taken as the true representative of the population because probability sampling technique was deployed.

DEMOGRAPHIC RESPONDENTS'

In this section, the general information about the respondents is summarized and discussed by their gender, age group, educational status, and work experience and classification position.

Gender Composition:

As presented in the table 4.1 below, the gender composition of respondents, from the total of 166 respondents 97(58.4%) are male, which has the larger share and the rest are female which account for 69(41.6%). Based the given data, the researcher conclude that the gender composition of respondents is nearly equal.

Age Composition:

Age group of 26-35 accounts for 98(59%) which is the larger share from the total number of respondents. The second portion of respondents 52(31.3%) fall with in age group of 36-45. Age group of 18-25 contains 12(7.2%) of respondents. Age group of respondents 45 and above holds 4(2.5%) respondents, which is the least share. From this data the researcher concludes that 97% and above questionnaire is responded by more young, energetic and productive manpower those who are able to realize the vision and mission of the bank.

Educational Background:

From the table 4.1 below, the educational qualification, 2 which is 1.3% of total respondents have college diploma or certificate. The larger number of respondents those who have first degree are 123 and represents 74.2% of the total participants. 41 respondents have second degree and account for 24.5% from the total. Unfortunately from the total respondents there is no response for PhD holders. From the total participants' response on educational level data shows that 164 respondents have first and second degree. From this we can conclude that the respondents are fit to provide relevant and reliable information required in the questionnaire.

The demographic information of the attesters

Table 5. below shows the demographic characteristics of the NBE employees who participated in the study.

Variables	**Category**	**Frequency**	**Percentage**
Gender	Male	189	47.4
	Female	177	44.4
	Total	366	91.7
Age	Under 25 Year	84	21.1
	26-30 Year	163	40.9
	30-45 Year	119	29.8
	Total	366	91.7
	Diploma	15	3.8

Education	BA/B.Sc.	220	55.1
	MBA/MSc.	131	32.8
	Total	366	91.7
Working Experience	1 – 3 Years	122	30.6
	3 – 5 Years	73	18.3
	Above 5 Years	171	42.9
	Total	366	91.7

Source: Original Information Gathered by the Investigator (2024)

The survey's findings showed that 177 (44.4%) of the respondents were female, while 189 (47.4%) were male. For example An earlier investigation According to a 2020 survey, the Ethiopian Commercial Bank employed primarily male employees.

The survey's findings showed that 177 (44.4%) of the respondents were female, while 189 (47.4%) were male. This demonstrates that men make up the majority of the workforce in the banking sector. This is 50.2%; however, female NBE employees make up less than one-third of all the study's participants. This necessitates concerted efforts to promote female employees' involvement in the bank workforce.

The purpose of this 2024 study was to demonstrate that there is a balanced gender makeup rather than to demonstrate the supremacy of men.

According to the survey's findings, 189 (47.4%) of the participants are men, while 177 (44.4%) are female responders, representing a difference of about 3%. Regarding the respondents' ages, nearly 29.8% are between the ages of 30 and 45, while the majority (40.9%) are under the age of 26 to 30. Nearly 21.1% of the respondents are under 25 years old. This indicates unequivocally that the vast majority of NBE's workforce is young and within the productive age range.

Therefore, by implementing efficient performance management procedures within the bank, the bank can

har mobile and eager to explore new options, there may be a risk of losing them if they are unhappy with the current performance (human) management procedures.

When it comes to educational attainment, 131 (32.8%) of respondents have an MA or MSc degree, 220 (55.1%) have a BA/BSC degree, and 15 (3.8%) have a diploma.

According to the findings, 87.9% of the bank employees who participated in the study have a BA, BSc, or MA. This suggests that the banking sector is staffed by people with a good level of education, which creates an environment that is conducive to productivity, expansion, and development inside the bank. However, in order to turn the potential that exists into tangible outcomes, this also requires efficient human resource management.

Regarding the respondents' job experience at the bank, 171 (42.9%) had more than five years of experience, 73 (18.3%) had three to five years, and 122 (30.6%) had one to three years.

It is clear from this result that the majority of respondents (almost half) had worked for more than five years, indicating that they are senior level employees. Just 18.3% of the respondents have worked for three to five years.

This suggests that, at least in the case of NIB, the banking sector is primarily managed by seasoned and mature staff members. Additionally, this might demonstrate .

Experienced Workforce in Banking

The assertion that nearly half of the respondents in a recent study have more than five years of work experience underscores a critical characteristic of the banking workforce at NIB. This trend suggests that the banking industry is predominantly staffed by mature and seasoned professionals. Al-Zu'bi et al. (2019) emphasize the importance of mental capabilities among decision-makers in crisis management, suggesting that experienced employees are better equipped to navigate complex challenges due to their accumulated knowledge and skills. This aligns with the findings from the NIB context, where the majority of the workforce is likely to have developed robust decision-making capabilities over their years of service.

Moreover, Sayed and Edgar (2019) highlight the moderating effects of dynamic managerial capabilities in heterogeneous workplaces, particularly in private banks. Their findings suggest that experienced

employees not only contribute to stability but also provide the necessary leadership to adapt to changing environments. It can be inferred that the predominance of senior-level employees at NIB facilitates a culture of resilience and adaptability, crucial for the industry's sustained success.

The prevalence Implications of a Senior-Level Workforce of senior employees in the banking sector has both positive and negative implications. On one hand, experienced employees bring a wealth of knowledge, which can enhance organizational performance and stability. Lata and Chaudhary (2020) discuss workplace spirituality and its relationship with experienced incivility, indicating that experienced employees may contribute positively to workplace culture through mentorship and collaboration. On the other hand, the presence of a significant number of senior employees may result in resistance to change, particularly in sectors that are rapidly evolving due to technological advancements and shifting consumer expectations.

Lakshminarayanan and Best(2020) present a nuanced view by agitating different career forms, including traditional and gig employment. Their findings suggest that associations with a generally elderly pool may struggle to integrate youngish, less educated workers, potentially leading to a chops gap and lowered invention. This may be particularly applicable in banking, where digital metamorphosis is imperative for competitiveness.

Knowledge Gaps and unborn exploration Directions

Despite the perceptivity gained from being studies, several knowledge gaps remain regarding the dynamics of elderly- position workers in the banking assiduity. For case, while the benefits of experience are stressed,

there's limited understanding of how the age and experience of workers interact with arising technologies and organizational change. unborn exploration could probe the balance between using the strengths of educated workers while fostering an terrain that encourages invention and rigidity.

Also, there's a need for further empirical studies that concentrate on the gests of youngish workers within associations dominated by elderly staff. Understanding how these dynamics affect plant culture and hand satisfaction could give precious perceptivity for organizational development strategies.

Conclusion The banking assiduity's pool, particularly at NIB, is characterized by a significant presence of

educated workers, which has colorful counteraccusations for organizational effectiveness and rigidity. While the benefits of such a pool are apparent, challenges related to invention and integration of youngish workers need to be addressed. unborn exploration should aim to ground being knowledge gaps by exploring the interplay between experience, organizational change, and hand dynamics, eventually contributing to a further comprehensive understanding of pool composition in the banking sector. .

Examination of the data gathered for the research The findings of the descriptive statistics pertaining to NIB's hand performance operating system practices are shown in this part.

A five-point Likert scale was used to measure the responses for the factors listed below: 1 meant "explosively differ," 2 meant "differ," 3 meant "neutral," 4 meant "agree," and 5 meant "explosively agree."

The experimenter determined the standard deviation and mean. As demonstrated by comparative bases on the mean score of the five-point Likert scale instrument, a mean score of less than 3.39 was deemed low, a mean score between 3.40 and 3.79 was deemed moderate, and a mean score greater than 3.8 was deemed high (Zaidaton & Bagheri, 2009).

The NIB's current prerequisite Practice

The primary preconditions of the major perpetration plan are examined, followed by the perpetration operation procedure. Knowledge of an association's goal and charge statement, as well as familiarity with the work, job analysis, and job description, are prerequisites (London et al, 2008). In order to comprehend the banks' practices with respect to prerequisite practice, the study included six exploration questionsness and utilize the energy and enthusiasm and turn it into results. Since these youthful groups are often

mobile and eager to explore new options, there may be a risk of losing them if they are unhappy with the current performance (human) management procedures.

When it comes to educational attainment, 131 (32.8%) of respondents have an MA or MSc degree, 220 (55.1%) have a BA/BSC degree, and 15 (3.8%) have a diploma.

According to the findings, 87.9% of the bank employees who participated in the study have a BA, BSc, or MA. This suggests that the banking sector is staffed by people with a good level of education, which creates an environment that is conducive to productivity, expansion, and development inside the bank. However, in order to turn the potential that exists into tangible outcomes, this also requires efficient human resource management.

Regarding the respondents' job experience at the bank, 171 (42.9%) had more than five years of experience, 73 (18.3%) had three to five years, and 122 (30.6%) had one to three years.

It is clear from this result that the majority of respondents (almost half) had worked for more than five years, indicating that they are senior level employees. Just 18.3% of the respondents have worked for three to five years.

This suggests that, at least in the case of NIB, the banking sector is primarily managed by seasoned and mature staff members. Additionally, this might demonstrate .

Table 6. Summary of responses for practice in advance

S.No.	*The current prerequisite practice*	N	Min.	Max.	Mean	Std. Dev.	Mean Score
1	I understand the bank's corporate, functional, and team objectives. I also know about the organization mission and strategic goals	366	2	5	3.7869	0.90868	Moderate
2	I participate in corporate goal-setting, so I know what the bank expects of me.	366	2	5	3.7213	0.77207	Moderate
3	The NIB supervisors can effectively oversee the work because they are well-versed in its tactics.	366	1	5			Moderate

					3.7377	1.05573	
4	I can contribute when they need information because I am knowledgeable about my line of work.	366	1	4	3.1639	1.13495	Low
5	I am aware of how my personal aspirations complement the strategic aims and objectives of the entire firm.	366	1	5	3.4754	0.95269	Moderate
6	Performance objectives of my department are aligned with the bank's goals	366	1	5	3.8197	1.04959	High
Grand Mean					**21.705**		
Marginal Mean					**3.617**		

Source: Researcher's Survey Result (2024)

The actors' answers to the question, "Are you concerned about the bank's commercial, functional, and platoon pretensions? Do you know about the association charges and strategic pretensions?" are displayed in table 4.2. Their agreement is demonstrated by the response rate, which has a mean score of 3.78 and SD
=.908. According to the results, 81.5 percent of respondents are concerned about the bank's commercial, functional, and platoon pretensions, compared to 8.6 percent who disagree and 9.9 percent who are neutral.

Similarly, with a mean score of 3.74 and SD of 1.180, actors also tended to agree with the statement regarding "the degree of their involvement on organizational thing setting and banks anticipation from

them" in their response. This demonstrates that respondents are somewhat involved in creating organizational goals and anticipating business needs.

However, the actors who witnessed the NIB administrators are utterly terrified of the organization's tactics. Therefore, their response is better than the lower mean (M = 3.74, SD = 1.055), indicating that they can effectively handle the job under their supervision.

Actors were also questioned about their understanding of their roles and their ability to contribute information when the business needed it. According to the response rate of agreement, they agreed with the statement (M = 3.16, SD = 1.134). It has a detrimental effect on the business since it lowers executive and functional expenses in addition to the cost of external discussions. Additionally, it has the potential to improve the bank's pool's efficiency.

The actors gave a good answer (M = 3.48, 0.953) to the statement, "Individual objects support the overall associations strategic thing and objective." This suggests that individual pretenses were intentionally constructed to support the association's broader stratigic pretenses.

This leg also indicates the hand's unspoken contribution to fulfilling these pretenses. The statement, "I know how my individual objects support the over-all performance objects of my department are aligned with the bank pretensions with advanced response rate," was eventually also accepted by the actors (M = 3.82, SD = 1.049).

Generally speaking, more respondents are concerned about my department's performance goals being in line with the bank's pretenses. According to Kaplan and Norton (2001), we must educate every employee so they know what they can do to help the business every day when they go to work.

The current study's findings in this area show that employees are more concerned about departmental prospects and organizational pretenses. As a result, we can conclude that the banks' prerequisite practice

(Borderline Mean of 3.62), while requiring some new investments, is estimable. This is especially true when it comes to improving administrators' ability to oversee jobs. Additionally, the bank must work together to ensure that departmental and organizational things are in sync.

The Current performance planning

Is done nowadays Performance planning, which includes establishing performance standards and acceptable behaviors, is the next stage. According to London et al. (2004), pre-requisites and pre-planning are crucial for mutually agreed-upon participatory thing setting. Instead of giving inferiors pretenses without any involvement, the performance is always improved if this process is two-way or participatory.

However, the ultimate goal is to improve performance, which can only be accomplished by putting up a front. In addition to improving performance, an association can convey expectations. By achieving pretenses and improved quality, an association can increase employee confidence and job satisfaction (Locke and Latham 1984). In order to comprehend the banks' performance planning practices, the study included eleven exploratory questions.

Table 7. A summary of the responses from performance planning

S.No	The planning for performance	N	Min.	Max	Mean	Std. Dev.	Mean Score
1	For me, the goals of employee performance management are explained in detail.	366	2	5	3.779	0.90	Moderate
2	Goal-setting, performance evaluation, and competency development are conducted in the bank in collaboration with the employee and direct supervisor.	366	2	5	3.7158	.774	Moderate
3	Regarding staff performance management, the bank (NIB) is aware of my expectations.	366	1	5	3.73	1.059	Moderate

4	I always take responsibility for my actions.	366	1	5	3.178	1.141	Low
5	I am aware of the KSA's required behavioral norms for me.	366	1	5	3.478	1.221	Moderate
6	When implementing an action plan for deviations made against the plan (adjustment/weakness), the bank involves its workers.	366	1	5	3.2978	1.221	Low
7	Do the bank's key performance metrics make sense?	366	1	5	3.768	.923	Moderate

8	I openly communicate my personal development strategy with my supervisor.	366	1	5	3.702	.791	Moderate
9	Do you believe you possess the abilities and talents required to meet the bank's stated goal?	366	1	5	3.744	1.056	Moderate
10	Do you know exactly what kind of performance you are supposed to achieve?	366	1	5	3.174	1.138	Low
	My supervisor, I think, has the necessary KSA on performance	366	1	5	3.473	.953	Moderate

11	formulation.						
Grand Mean					**39.039**		
Marginal Mean					**3.55**		

Source: Researcher's Survey Result (2024)

The actors' reaction to the question, "Do the objects of hand performance operation easily describe for you?" was moderate (M = 3.78, SD = 0.908), as shown in table 4.3. Based on the results, we may conclude that the respondents' maturity is evident in their ability to accomplish tasks. Since the main goal of hand performance is to rephrase organizational objectives, it is not delicate for the hand to accomplish organizational objectives unless they have a clear understanding of their performance.

However, the actors' answers regarding whether the bank's performance expression, thing setting, and faculty growth are carried out in concert with the integration of the hand and immediate administrator in the bank are positive (M = 3.71, SD = 0.774). Developing and planning performance is the process by which directors or administrators, along with individual employees, set the goals and aspirations of each worker. It is also a motivating process that gives employees a sense of empowerment and involvement (Schneier et al., 1987). Therefore, NIB practice necessitates good practice.

Furthermore, the respondents inquired as to whether the bank (NIB) was accountable for my actions, the hand's sharing of action plans for diversions, and a clear understanding of the level of performance expected of the hand. The hand's response was low, with M = 3.17, SD = 1.141, and M = 3.29, SD = 1.221. The outcome suggests that the bank has to increase employee involvement in action plan medication in order to develop a workable and relevant strategy that the employees can implement.

This suggests that over 73% of the respondents are concerned about their behavioral standard (KSA)

prospects, which is a good idea since it can at least reduce time and training and development costs while

also improving organizational effectiveness. Additionally, the players were questioned about if the bank shares employees when creating an action plan for deviations from the plan (adaptation/weakness). the outcome with comparatively subpar performance (M = 3.297, SD = 1.221). The outcome suggests that the bank has to increase employee involvement in action plan medication in order to develop a workable and relevant strategy that the employees can implement.

When asked if the banks' key performance indicators were prevailing, the party's reaction was moderate (M = 3.76, SD =.923). Performance pointers are the tangible values that are used to assess, evaluate, and control the entire performance of a company, according to Gosselin (2005). To achieve the prospects, the hand acts in accordance with the performance indicators, which can include quality, time, cost, etc. Because of the information provided by the NIB, people are aware of or persuaded by performance indicators.

Additionally, the actors received a rather moderate score (M = 3.70, SD =.791) when asked if they "bandy with my administrator on my particular development plan." A specific development gives the hand the opportunity to plan outcomes and activities, and if there are any detours, it gives the hand the opportunity to create an action plan. This could assist the business in restating its claims in a specific development plan. Consequently, the outcome indicates that the bank needs to give this sector more attention.

"Do you suppose you have the necessary chops and capabilities to achieve the given ideal by the bank?" is the party's response to the statement. They had a good response rate overall and a moderate score (M = 3.74, SD = 1.0551).

Additionally, actors agreed when asked if they had a clear understanding of the performance position they were expected to achieve (M = 3.17, SD = 1.138).

This suggests that employees are concerned about what is expected of them and work hard to meet it. believe the bank should give this sector more attention. In the end, the respondent's answer to the statement, "I think my administrative has the necessary KSA on performance expression," was likewise favorable and showed a moderate level of agreement (M = 3.47, SD =.952). This could improve the hand-administrators interaction, but it will take more work to develop a KPI that will greatly satisfy the hand.

Performance planning, according to Armstrong (2006), entails establishing goals and faculty conditions as stated in part biographies; relating the necessary actions; creating plans stated in performance agreements for achieving goals and enhancing performance; and creating specific development plans to improve knowledge, skills, and capability and support the requested actions.

With a borderline mean of 3.55, the results indicate that the banks' performance planning practices appear to be good in this regard. However, there is room for improvement, particularly for those employees who received mean scores below 3.39.

The practice of performance prosecution as it exists now Aguinis (2013) asserts that after the performance operation cycle starts, employees labor to meet development requirements, demonstrate the previously agreed-upon actions, and create results.

The following elements need to be present at the performance prosecution stage: dedication to goal attainment, ongoing coaching and performance feedback, contact with the administrator, gathering and analyzing performance data, and being ready for performance evaluations. Employees need to be dedicated to the pretensions that were established. Allowing the hand to actively participate in the process of establishing the pretenses is one method to increase commitment. In order to comprehend the banks' practices regarding the performance prosecution process, the current study included eleven exploration questions.

The current performance execution process

Table 8. A summary of the feedback on how the performance was carried out

S. No.	*The performance execution*	N	Min.	Max.	Mean	Std. Dev.	Mean Score
1	The resources I need to accomplish my goals are at my disposal.	366	2	5	3.787	.909	Moderate

2	I have the most recent information even while the bank modifies the organizational goal.	366	2	5	3.721	.772	Moderate

3	We talk with my supervisor whenever I have trouble meeting my goals.	366	1	5	3.738	1.056	Moderate
4	My supervisor constantly discusses my areas for development and gives me positive, up-to-date information on my performance improvements.	366	1	4	3.167	1.135	Low
5	My boss may keep an eye on how I'm doing in relation to the plan, giving and receiving coaching and feedback as needed.	366	1	5	3.475	.923	Moderate
6	All of my performance details were recorded by my supervisor.	366	1	5	3.819	1.049	High
Grand Mean					**21.707**		
Marginal Mean					**3.618**		

Source: Researcher's Survey Result (2024)

In response to the question, "Does the necessary coffers exist to achieve your objects?" actors gave a moderate response (M = 3.78, SD =.908), as shown in table 4.4 below. In fact, the administrators are expected to manage the coffers for the hand under their supervision if the work of performance prosecution falls under both their purview.

Although there isn't a gap in the NIB procedure, it still has to be improved. Furthermore, the actors were

questioned if they had simplified information in the bank during organizational changes, and they responded moderately (M = 3.42, SD =.772).

Ensuring that employees have up-to-date knowledge about the association and the ever-changing business world is another crucial duty. Additionally, they receive simplified facts as the bank modifies its streamlined organizational pretenses.

The actors also gave a moderate response (M = 3.73, SD = 1.055) to the statement, "Whenever I face challenges to deliver my target we bandy with my administrator." This consensus demonstrates the need for this topic to receive more attention. Actually, all of the difficulties might be resolved, and the workers' businesses, issues, and agitation might be at least partially addressed.

Light agreement was also expressed in the response to the statement, "My administrator gives me regular feedback on my areas of improvement and up-to-date, formative information on my performance progress" (M = 3.16, SD = 1.134). This clearly indicates that this part of the hand performance operation practice has to be improved.

Light agreement was also shown by the actors' response to the statement, "My administrator has the capacity to cover my performance against the plan, furnishing and taking feedback and coaching if necessary in NIB" (M = 3.47, SD =.952). To maximize the achievement, the bank and administrators must once more pay more attention to this sector. The party's final response to the question, "My administrator proved all my performance details," was a high one (M = 3.81, SD = 1.049).

Evidence demonstrating a history of hand improvement or failure to improve performance over time is provided by attestation. Both the company and the employee can benefit from the conclusion that performance attestation is a better practice than the bank valve. According to Smither and London (2006), the administrator must undertake their fair amount of work even though the hand bears the primary responsibility for performance prosecution.

The director maintains a critical enabling role while the hand works to accomplish the promised performance, which includes managing the finances, providing off-the-job training, addressing overlooked walls, providing "inside" knowledge, ongoing coaching, and providing formative feedback. Additionally,

they said that administrators are primarily in charge of the following matters. Modernizing items, standards, important liability and faculty areas, providing feedback on progress toward pretensions and guidance to improve performance, providing employees with funds and opportunities, and providing underpinning are all examples of observation and attestation. Administrators must inform employees that their exceptional performance is acknowledged by supporting both effective actions and progress toward pretensions.

The bank follows and applies the performance prosecution procedure, as shown by the outcomes below, but it needs to be improved in every way.

The Current practice of performance Assesment

Now in use Performance evaluation is still a crucial component of running an association and its members. According to Rowley and Jackson (2010),providing accurate assessment feedback and connecting assessments to positions and organizational goals are essential components of the assessment process. Therefore, in order to comprehend the banks' practices surrounding the performance assessment process, the study included nine exploration questions.

Table 9. Responses to the performance evaluation summary

S. No.	*The performance assessment*	N	Min.	Max.	Mean	Std. Dev.	Mean score
1	My supervisor and I agree on outcomes and behaviors, which is how my actual performance is evaluated.	366	2	5	3.607	1.014	Moderate
2	Prior to administering the evaluation, I have the opportunity to discuss the goals that were not met.	366	1	5	2.508	1.315	Low
	My achievement is determined by the performance evaluation criteria that	366	1	4	2.4754	.881	Low

3	the bank has implemented.						
4	I can examine my own performance using the self-assessment program provided by the bank.	366	1	4	2.738	1.1734	Low
5	Instead of focusing on my most recent achievement, my performance assessment takes into account all of my past performances over the agreement time.	366	3	4	3.771	.421	Moderate
6	My peer groups asked to comment on how I performed.	366	1	5	2.833	1.254	Low

7	If I disagree with your supervisor's assessment of my performance, I have the opportunity to appeal to the bank's upper management.	366	1	5	2.213	1.309	Low
8	The bank's senior management had no say in how the assessment procedure turned out.	366	4	5	4.388	.488	High

9	Inappropriate generalizations are made by my boss from one area of my performance to all of them.	366	1	5	3.628	1.003	Moderate
Grand Mean					**28.1614**		
Average Mean					**3.129**		

Source: Researcher's Survey Result (2024)

Table 4.5's results demonstrate that actors' reactions to my factual performance are evaluated in relation to the agreement of outcomes and actions made with my administrator, who entered a positive response (M = 3.60, SD = 1.014).

Even while it appears to be a favorable answer, it still has to be improved because employees will complain if their real performance isn't measured against the goal. It is also necessary for the remaining individualities to agree on accessible adaptation.

383 respondents in all responded to the statement, "The hand has a chance to explain on poor performed objects before conducting the assessment" (M = 2.50, SD = 1.315). This low score indicates bad performance operation practice. This is purportedly one of the areas where bank operations are looking for attention.

Similarly, the actors were asked if their accomplishments were determined by the bank's performance rating criteria. Their score was really low (M = 2.47, SD =.880). This requires more focus on refining the bank's performance evaluation standards in order to increase employees' trust in them. Additionally, the respondents provided a somewhat low score (M = 2.73, SD = 1.173) when asked about the statement, "The bank has a tone- assessment package so I can estimate my own performance."

The outcome suggests that if the organization does not fully permit employees to do tone-assessment, it

may forfeit the advantages of tone-assessment. Tone-assessment can lower a hand's guard during an appraisal meeting, boost hand satisfaction with the performance operation system, and improve

understandings of fairness and delicacy, which in turn can lead to system acceptance (Shord, Adams, & Tashchian, 1998).

The actors' response to my performance assessment is rated as moderate (M = 3.77, SD =.421) and takes into account all of my performance records within the agreement time rather than just my most recent accomplishments.

When asked to answer the question, "My peer groups were asked to provide feedback on my performance," the respondents' response rate was M = 2.85, SD = 1.254, which is somewhat different. This implies that administrators usually make their own decisions and don't offer their colleagues a chance to comment on one other's work.

As a result, this is yet another area that need improvement. The respondents were given a somewhat low score (M = 2.21, SD = 1.308) after being asked if they had a chance to appeal for the bank top operation if they didn't agree with their administrator regarding their performance standing. A source of discontent that could also contribute to high staff development is the absence of a comparable outlet for them to express their disagreement and grievance. Additionally, the players offered a reasonably advanced response (M = 4.38, SD =.487) when asked if "the elderly operation of the bank did not impact the outcome of the assessment process." Despite the generally positive response, it should be sustained because of the high consensus and outcome.

Does your administrator follow unhappy conception from one aspect of performance to all areas of your performance?" was the final question the actors were asked to answer. They gave a score that indicated moderate practice (M = 3.62, SD = 1.003). This should once more be seen as an area that requires attention in order to be further enhanced.

"At the heart of any performance operation system is the assessment of performance," says Aguinis (2007), summarizing the importance of performance evaluation and the participation of directors and staff. An assessment of the degree to which the development plan's goals have been met is also part of this.

Both the director and the hand must assume control of the evaluation procedure. There is less chance that the data will be used effectively later on when the administrator and the hand are both active participants in the evaluation process. Employee commitment to the system and hand power are increased when they participate in the process. It also offers crucial information for performance reviews. With a borderline

mean score of 3.129, we can conclude that the performance assessment process as a whole was carried out insufficiently based on the results. Therefore, the bank ought to improve the questions that received scores lower than the mean of 3.39.

The Current performance reviews

Table 10. An overview of the performance review responses

S.No.	*The performance review*	N	Min.	Max.	Mean	Std. Dev.	Mean score
1	My supervisor provides me with official performance comments following a performance evaluation. Next, we talk about areas that need improvement.	366	1	5	2.719	1.355	Low
2	My supervisor and I talk about the issues preventing us from reaching our goals and come up with a plan of action to deal with them.	366	1	4	2.699	1.038	Low
3	The development and improvement needs serve as the foundation for the evaluation process.	366	2	5	3.3525	.995	Low
	We evaluate and, if needed, agree on the performance plan for the upcoming review period as well as the major result areas, competences,	366	1	4	2.519	1.056	Low

4	and performance measurements.						
5	I received rewards from the bank based on my performance.	366	1	4	1.659	.854	Low
Grand Mean					**12.9485**		
Average Mean					**2.5897**		

Source: Researcher's Survey Result (2020)

The party's response to the statement "My administrator provides me with formal feedback on my performance following a performance assessment" is displayed in Table 4.6. Additionally, we found that the "area of enhancement" was either neutral or altered (M = 2.71, SD = 1.354). This implies that administrators should be encouraged to provide comments on employees' performance.

However, when asked, "Do you and your administrator bandy and identify what are the problems that hamper achievement of agreed objects and agreed on action plan to overcome together?" the actors gave a smooth positive response with a low score (M = 2.69, SD = 1.037), something that again needs improvement.

"The review process is grounded on the development and enhancement needs," the performers responded. The respondents' reaction was subpar (M = 3.35, SD =.995). Additionally, when the actors were asked if they had revised and agreed on areas of change (key performance metrics, capabilities, and result areas), they also agreed on a performance plan for the upcoming review period if needed. They displayed a lower level of agreement (M = 2.51, SD = 1.056), which still needs improvement.

The last question asked of the respondents was, "Does the bank award me according to my performance;

also the hand?" They gave this statement a poor score (M = 1.65, SD =.854). Employee dissatisfaction with the system's satisfying performance operation is indicated by the low score. As educational exercises, performance appraisals are permitted in order to encourage individuals to think about how they would like to develop.

Research by Ashford and Cummings (1983) shows that feedback has a significant positive impact on individual and group performance, particularly through improved tone-efficacy, part explanation, the creation of geste price contingencies, and an increase in tone-nonsupervisory control processes. Additionally, Armstrong and Baron (2004) state that the genuine performance could be compared to the performance that was requested; as a result, the overgrowth is anticipated and a development plan is established based on the weakness.

Consequently, the result below shows that NIB's performance evaluation procedure was measured insufficiently, with a borderline mean score of 2.58. As a result, the bank ought to improve the questions that received scores lower than the average of 3.39.

The Current performance Renewal and Reconstruction

Table 11. An overview of the replies about the general procedure of performance management

S. No.	*The current performance renewal and reconstruction practice*	N	Min.	Max.	Mean	Std. Dev.	Mean Score
1	Every deviation gathered during the prior review period is used as an input.	366	1	5	3.514	1.307	Low
2	I participate in the process of reconstruction and performance renewal.	366	1	5	2.175	1.131	Low
Grand Mean					**5.689**		
Average Mean					**2.845**		

Source: Researcher's Survey Result (2024)

Participants' answers to the question "all deviations collected from the previous review period serve as an input" were poorly judged, according to table 4.7's results (M=3.51, SD=1.306). Employee support for the current practice, however, cannot be inferred. Consequently, there is still opportunity for improvement.

Lastly, there was some variation in the participants' responses to the statement about employee involvement in the performance renewal and rebuilding process (M=2.17, SD=1.130). This indicates to management the necessity of promoting employee participation in the process of performance reconstruction and renewal.

Therefore, with a marginal mean score of 2.84, the aforementioned result shows that NIB's performance renewal and rebuilding practices were poorly measured. The bank should therefore improve the questions where employees received a mean score of less than 3.39.

The overall Performance Managment Process Practice

Table 12. An overview of the replies about the general procedure of performance management

S. No.	*Employee Performance Management Processes*	Average Mean	Mean Score
1	Response summary for preparatory practice	3.617	Moderate
2	An overview of the performance planning responses	3.55	Moderate
3	The performance execution procedure in use today	3.618	Moderate
4	Performance assessment summary of responses	3.129	Low
5	The way performance reviews are now conducted	2.589	Low
6	The technique of performance reconstruction and renewal as it exists today	2.845	Low
Marginal Mean		**19.348**	
Average Mean		**3.22**	

Source: Researcher's Survey Result (2024)

Table 4.8's results indicated that the bank's overall performance management practice had a low average mean of 3.22. Thus, the outcome suggests that the bank's whole performance management procedure has to be improved, particularly at the performance evaluation, review, renewal, and reconstruction stages.

Result of the Qualitative Analysis

All 383 respondents answered an open-ended question on the questionnaire, and the results are summarized below: In response to a question concerning their opinions of the NIB Employee Performance Management System, the PMS practice is encouraging, according to the majority of respondents, although others believed that it is still in its infancy and has certain shortcomings. As an illustration, they stated that employees are occasionally assessed at the end of the quarter with different outcomes that were not disclosed during the target-setting phase. Additionally, they believed that while employing such a system to monitor employee performance is a good idea, it lessens human interaction and intervention.

However, the system was not well tailored to the bank's needs, and some targets are simply concerned with resource mobilization, neglecting the human element in the process. Certain targets still need to be tracked manually, which occasionally results in error messages or, even if it passes, may not be taken into account during the evaluation period. Because some managers are careless, employees may not have a goal or may receive inaccurate results. However, some respondents think that NIBs' practices are even more competent than those of other service providers.

Since the majority of respondents have an MBA or MSc and a BA or BSc, they are theoretically aware of performance management and its goals. They were asked how they saw the aim of employee performance management practices.

Given that one of PMS's goals is to set standard goals for employees in the same job, evaluate them in a standard manner, reward top performers, make adjustments for targets that deviate from those goals, and provide coaching and feedback to underachievers, they were somewhat at ease with the NIB practice's purpose.

However, several employees believed that the bank had failed to uphold this by providing proof to back up

their criticisms. They said that technical and developmental trainings are provided at random and that certain departments and personnel lack goals.

In connection with performance management output (e.g., promotion, transfer, bonus, etc.), how do you assess the NIBs' use of the Employee Performance Management System? Do you feel comfortable using it as a result?

The respondents said that although the bank's PMS administration is good, it only uses performance results for promotions. Instead, they think it would be better to use them for bonuses, transfers, training and development packages, and other advantages.

Some respondents, however, expressed disagreement with the aforementioned opinions for a variety of reasons. For instance, it is unfair for the bank to use performance results for promotions as employees are assessed using performance results that are out of date. They also think that some of the targets are preferred, but until it is updated quarterly and annually, the manual data tagging has issues, role ambiguity exists, and it is unfair. These days, the bank promotes employees without consulting them by using their PMS results out of 50. They believed that seniority and experience should be taken into consideration as promotion criteria rather than PMS.

Lastly, in order to fill in and comprehend the gaps, the researcher physically interviewed key informants who were chosen from among clerical and managerial level employees:

The majority of respondents who were exposed to NIB during the interview process knew enough about the organization's goals and objectives. According to every interviewee, the bank's vision and objective are conveyed to staff members in a clear and concise manner through training, the intranet (Outlook address), and brochures.

Participants in the interviews also discussed the goals of the performance management system from the perspectives of the employer, the organization, and the employee.

For the employee, the system helps to establish a clear, documented outline of expectations regarding their

level of work performance, raises awareness of key tasks and how they relate to NIB goals, supervisors' expectations and how their performance will be measured, provides constructive feedback on progress and identifies strategies to overcome obstacles, encourages employees to think about and plan their career options, and helps them identify their training needs both individually and in collaboration with their supervisors.

Employers benefit from it in a number of ways, including the creation of employees who are more willing to put in extra effort to help the team succeed, the establishment of established standards by which employees' performance is evaluated, the facilitation of open communication between managers and staff, and the provision of feedback and encouragement.

For the organization, it helps to maximize employee performance and contribution in order to increase NIB efficiency; it helps to create a culture that promotes excellence in performance; it helps to give more accurate information about the skills and attributes of employees; and it helps to link individual contributions with the organizational objectives.

The study attempted to ascertain the degree to which the NIB's performance management system is fulfilling its stated objectives. Following the interviewees' responses, the plan was to use the results of the yearly performance review to award staff for their work.

Employees are also evaluated for rewards in the form of bonuses, promotions, project assignments, scholarships, successor selection criteria, and more based on their annual performance results. Employees who fall short of expectations or receive "below expectation" or "unsatisfactory" evaluations for their yearly performance, on the other hand, will not be eligible for any kind of compensation. However, the bank only uses PMS for promotions these days.

The researcher attempted to ascertain the extent to which individual performance and the NIB's strategic aim are related during the interview. In response, the interviewee stated that at the conclusion of Supervisors and line managers create the performance development plan for the annual performance cycle based on the employee's achievement of business goals and their display of organizational value competences and leadership. To enhance and develop employees' performance, supervisors and line

managers implement the following and other associated interventions: formal training, job rotation, reading assignments, project work, on-the-job coaching, mentoring, and other related interventions. The researcher did not use their procedurally approved status in practice, even though they were aware of it throughout the interview.

Additionally, the researcher inquired as to whether they believed that the NIB's performance management system could differentiate between high and low performers. If so, what significant actions are made in response to both encouraging and unsatisfactory performance? The top performers will receive bonuses, promotions, project assignments, scholarships, successor selection criteria, and other rewards once the EPM team responds. If the employee scores The employee's immediate supervisor uses the system to send a Performance Notification Memo (PNM) with a copy to the line manager's supervisor and HR Business Partner, along with the performance development plan and the actions taken during the performance coaching and feedback, if the employee's work performance is "below expectations" or "unsatisfactory" for two consecutive quarters following the creation of the PNM. The employee receives counseling and is then dealt with in line with HR protocol if their performance does not improve and persists for six more quarters following the PNM.

Top management is crucial to the effective implementation of employee performance management. Therefore, does the bank offer the training, and are the members of NIB's management team competent enough to execute the performance management process? If so, how and when? The bank organizes a training program for staff members each fiscal year, so the answer was yes.

Lastly, the study included interviews with the manager and the Employee Performance Management Team regarding general performance management concerns. They responded as follows:
Even though the bank started using performance management in 2017, the EPM team wasn't fully

reorganized until 2019. The team has been putting a lot of effort into improving the current procedure during this time, however they are still having difficulties in a few areas:

Only representatives take part in the target development process during that time. There is no way for the employee to examine the created documents once the goal has been established.

- Despite being clearly outlined in the 2017 revision to the HR Procedure, performance management procedures are not being carried out as intended. For instance, the outcome of a performance review is only applicable for promotion.

- The bank has been using a system-based PMS (Oracle) since 2017, thus they encounter difficulties when setting goals and transferring results, such as when a management or employee moves to a different office or branch. This time, errors occur unless the supervisor or employee requests a change.
- Homemade data shadowing is required for some of the targets. These kinds of targets are subject to administrator or hand involvement, but both sides either neglect to track it or do so, and when the outcome is known, it becomes a point of contention.

Some directors are too timid or irresponsible to recognize how PMS affects the future growth of the hand. Consequently, they transfer targets and results recklessly, and they don't even track created targets. They also place a higher priority on other tasks, thus they aren't very concerned with providing feedback on employees' daily performance. As a result, performance growth and continuous progress monitoring through formative, negative, and positive feedback are minimal.

- The outcomes of the assessment are frequently disputed. Workers are extremely protective, and seniors sometimes find it difficult to completely defend the findings of their assessments, usually because they lack sufficient evidence or are afraid of the system.

- Similarly, the hand submits a grievance to the EPM platoon by stating that the outcome does not reflect their performance; nevertheless, when the investigation is conducted further, more than 90% of the complaints are related to misinterpreting the target nature, not comprehending the operation of the system,
- As mentioned previously, the system runs the NIBs' performance operation application. As a result, the immediate administrator's role during the performance review process is limited to passing the results to the hand. Following the hand review, the system returns the results that were accepted, and the immediate administrator provides the final standing. However, employees feel that they are being measured subjectively, which is incorrect.
- The association's performance operation system is set up to evaluate each hand's performance and

provide feedback so that each hand can keep improving its strengths and sins, which will ultimately improve total commercial performance. When there are formally linked, measurable, and observable criteria that provide less neutrality, it is easy to separate good players from bad bones. However, some departments, particularly those at head office and quarter services, lacked an objective.

In the end, all of the interviewees and the EPM director stated that while NIB's performance operation practice occasionally shows significant improvement, it still requires adaptation, particularly in the area of system customization. This is because the banks' PMS procedure has good ideas and contents, but not all of them are implemented because of system issues, requiring a significant investment of time, effort, technology, and experience.

Correlation Analysis

A statistical method for determining the direction and degree of a relationship between two or more variables is correlation analysis. It is frequently employed to ascertain the degree to which modifications in one variable are linked to modifications in another. This relationship is measured by the correlation coefficient, which is typically represented by the letter r. A number around zero implies no or weak correlation, a negative value shows a negative correlation (both variables move in opposite directions), and a positive value indicates a positive correlation (both variables move in the same direction). The range of values is -1 to +1.

Table 13.Testing doe Formality Analysis

TESTING FOR NORMALITY						
Table 4. 2 Normality Test of Variables						
Descriptive Statistics						
	N	Mean	Skewness		Kurtosis	
	Statistic	Statistic	Statistic	Std. Error	Statistic	Std. Error
prerequisite	366	4.1708	-0.322	0.128	2.96	0.254
performance	366	3.3701	-0.77	0.128	0.311	0.254
Execution	366	3.6175	-0.777	0.128	0.889	0.254
P assesment	366	3.0089	0.333	0.128	-0.29	0.254
Review	366	2.6624	0.005	0.128	-1.289	0.254
Valid N (listwise)	366					

Own Source, SPSS output 2026

Checking the normality of the data graphically and numerically is a must as a prerequisite to the analysis of the data. Statistical test helps to make judgment about the normality of the data. For this reason the normality of the data has been checked by skewness (the measure of asymmetry of distribution of variables) and kurtosis (the measure of peakedness of distribution of variables).

The values of skewness which fall between −3 and +3, and kurtosis from a range of −10 to +10 are acceptable (Brown, 2006). As showed in the table 4.2 above, descriptive statistics skewness and kurtoisis are within the range. The assumption of normal distribution has been met.

PEARSON CORELATION ANALYSIS (PCA)

Table 14. Correlation of Variables

Correlations						
		prerequisite	performance	Execution	Passessment	Review
prerequisite	Pearson Correlation	1	.127*	0.060	0.018	-0.011
	Sig. (2-tailed)		0.015	0.251	0.726	0.833
	N	366	366	366	366	366
performance	Pearson Correlation	.127*	1	0.049	-0.048	-0.046
	Sig. (2-tailed)	0.015		0.345	0.355	0.376
	N	366	366	366	366	366
Execution	Pearson	0.06	0.049	1	.333**	.129*

	Correlation	**0**				
	Sig. (2-tailed)	**0.251**	**0.345**		**0.000**	**0.014**
	N	**366**	**366**	**366**	**366**	**366**
Assessment	**Pearson Correlation**	**0.018**	**-0.048**	**.333****	**1**	**.245****
	Sig. (2-tailed)	**0.726**	**0.355**	**0.000**		**0.000**
	N	**366**	**366**	**366**	**366**	**366**
Review	**Pearson Correlation**	**-0.011**	**-0.046**	**.129***	**.245****	**1**
	Sig. (2-tailed)	**0.833**	**0.376**	**0.014**	**0.000**	
	N	**366**	**366**	**366**	**366**	**366**
The correlation is significant at the two-tailed 0.05 level.						

Own Source, SPSS output 2026

Pearson Correlation Analysis (PCA) measures the direction and degree of a relationship between two or more variables is correlation analysis. It is frequently employed to ascertain the degree to which modifications in one variable are linked to modifications in another.

This relationship is measured by the correlation coefficient, which is typically represented by the letter r. A number around zero implies no or weak correlation, a negative value shows a negative correlation (both variables move in opposite directions), and a positive value indicates a positive correlation (both variables move in the same direction).

The range of values is -1 to +1. Pearson value of -1 to +1 is acceptable and correlations of .01 to .30 are considered low, correlations of .30 to .70 are considered moderate, correlations of .70 to .90 are considered strong, and correlations of .90 to 1.00 are considered perfect (Marczyk, Dematteo and Festinger,2005).

From the table 4.10 above, the employee performance evaluated with the prerequisite, performance, execution, assessment, and review, and the result shows that the independent variables have a strong positive correlation with employee performance with a p value 0.01 and with a Pearson R value of .046**, .0129** and .0245** respectively. prerequisite, performance, execution, assessment, and review are a significant predictor of employee performance.

Table 15. Model Summary

Model Summary							
Model	R	R Square	Adjusted I	Std. Error of the Estimate			
1	1.000a	1	1	0.00126			
a Predictors: (Constant), Review, prerequisite, performance, Excution, P assesment							

Own Source, SPSS output 2026

Table 411 above, summarizes the relationship between independent variables (predictors) and dependent variable (outcome). The high correlation value of (R) which is 1.000 (100%) reveals the high degree of dependence of employee performance on independent variables in the construct all together. In addition to this, the coefficient of determination (R Square); the amount of variance (percentage) that dependent variable is explained by the combination of independent variables. The high value of the coefficient (R Square) that is 1 (100%) implies that employee performance is highly explained by the Performance management system or its constructs in the model.

Table 4.12 ANOVA F test

ANOVAa							
Model		Sum of Sq	df	Mean Squ	F	Sig.	
1	Regressio	28.079	5	5.616	3518312	.000b	
	Residual	0.001	360	0			
	Total	28.08	365				
a Dependent Variable: Empoyee l Performace							
b Predictors: (Constant), Review, prerequisite, performance, Excution, P assesmen							

Own Source, SPSS output 2026

The overall multiple regression model presented by table 4.12 above, as we can see from thetable the (F-value) and (the associated P-value) tells us whether the model is statistically significant or not. Therefore from the result; p=0.000 and we got F-value large, conclude that the model is statistically significant. Further, shows the significant impact of EPMS (independent variables in the model) on employee performance.

LINEAR REGRESSIN ANALYSIS

Assumption

A prerequisite to applying regression analysis is a linearity test, which was conducted to test the normality if the data to the assumptions of regression analysis. To determine whether the relationship between the independent variable PMS (prerequisite, performance, execution, assessment, and review) and the dependent variable employee performance exist, plots of the regression residual had been used.

Multicollinearity Test

Examination of tolerance and VIF (variance inflation factor) had done using regression result to test multicollinearity. According to Pallant, (2010), multicolinearity test is the most important and reliable test. From table 4.13 above, the tolerance level for the independent variables prerequisite, performance, execution, assessment, and review variable tolerance level for is 0.981,0976,0.88,0.845 & 0.936 substantially greater than one. The VIF for all variables ranges from 1.02 to 1.184 which is less than 10. The results of tolerance greater than 0.1 and VIF less than 10 show the absence of multicollinearity in this study. Therefore, the absence of multicollinearity between all independent variables signifies that the estimates of regression coefficients are more accurate of their parameters (Oke; Akinkunmi; Etebefia, 2019).

Table 17. Multicollinearity Test for Independent variables

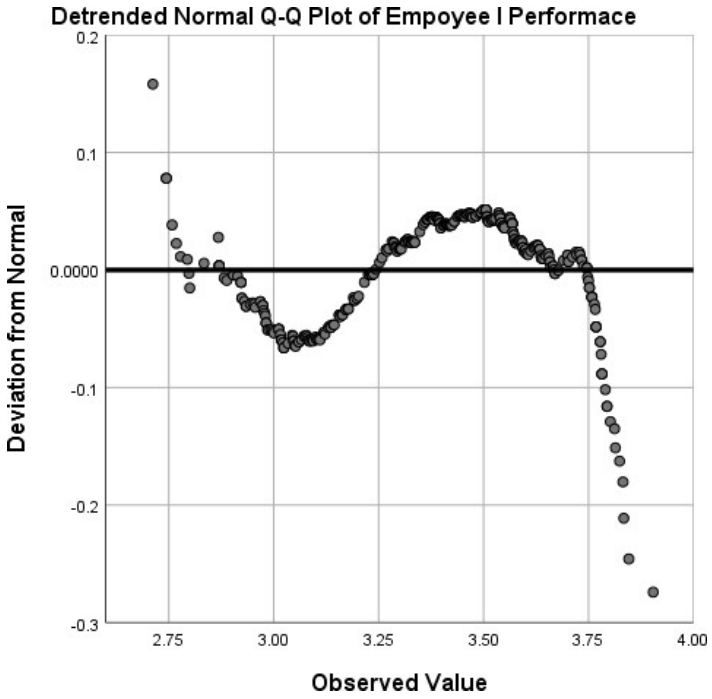
Coefficientsa								
Model		Unstandardized Coe		Standardi	t	Sig.	Collinearity Statistics	
		B	Std. Error	Beta			Tolerance	VIF
1	(Constant	-0.002	0.002		-1.361	0.174		
	prerequis	0.2	0	0.149	620.943	0	0.981	1.02
	performar	0.201	0	0.172	711.588	0	0.976	1.024
	Excution	0.2	0	0.491	1931.483	0	0.88	1.136
	P assesme	0.2	0	0.37	1424.597	0	0.845	1.184
	Review	0.2	0	0.528	2141.376	0	0.936	1.069
a Dependent Variable: Empoyee l Performace								

Own Source, SPSS output 2026

Coefficientsa								
Model		Unstandardized Coe		Standardi	t	Sig.	Collinearity Statistics	
		B	Std. Error	Beta			Tolerance	VIF
1	(Constant	-0.002	0.002		-1.361	0.174		
	prerequis	0.2	0	0.149	620.943	0	0.981	1.02
	performar	0.201	0	0.172	711.588	0	0.976	1.024
	Excution	0.2	0	0.491	1931.483	0	0.88	1.136
	P assesme	0.2	0	0.37	1424.597	0	0.845	1.184
	Review	0.2	0	0.528	2141.376	0	0.936	1.069
a Dependent Variable: Empoyee l Performace								

Own Source, SPSS output 2026

Normal P-P Plot of regression standardized Residual



Own Source, SPSS output 2026

The normal probability plot is used to measure the approximately normal distribution of data set graphically (Chambers et al., 1983). The data are distributed against a theoretical diagonal line and compared with it and the P-P plot looks like or is approximate to the diagonal line. As we can see from figure 3 below, there seems residuals are normally distributed.

MAJOR FINDINGS

This section summarizes core points and major findings obtained from data analysis of surveye questionnaire.

The demographic profile of the respondents' shows that majority of the respondents were male, account for 47.4% of the total sample. While females account for 44.4%. Participants' age distribution reveals the

majority of respondents fall between the age group of 26-30 having largest percentage (40.9%). The second largest age group is 30-45 accounting for 29.8% of the total, and followed by age group 30-45 and >45 scoring 29.8%. The descriptive statistical data result of respondents' educational qualification shows more than 87.9% of the respondents have first and second degree.

In terms of work experience majority of respondents have above from 5 years of service in the bank, which about 42.9% of the total sample group. And the second largest sub group 1 to 3 years of service sharing 30.6 % of the total. This is followed by the two groups 1 to 3 years of service and >5 years of service accounting for 30.6% and 42.9 % of the total sample. Understanding the overall demographic profile is helpful in interpreting results influenced by demographic factors.

The correlation matrix shows the relationship between the performance management system (prerequisite, performance, execution, assessment, and review) and employee performance. The results indicate that all Three independent variables have a significant positive correlation with employee performance, both prerequisite, and Performance Review, and Performance assessment with the highest Pearson R value representing the strongest relationship (r = 0.833), followed by goal setting (r = 0.83), and reward (r = 0.726). Overall, these results provide valuable insights into the relationship between performance management system and employee performance, and highlight the importance of considering PMS in efforts to improve employee performance.

The coefficients table indicates that the three independent variables (prerequisite, performance, execution, assessment, and review) have a significant positive relationship with employee performance. Specifically, Performance Review has the strongest relationship with employee performance (Beta = 0528), followed by Performance Excution (Beta = 0.491), Performance Assesement (Beta = 0.37). Performance prerequisite appears with Beta of 0.149 showing the weakest relationship. These results suggest that organizations should think through embracing components of performance management system (prerequisite, performance, execution, assessment, and review) in order to improve employee performance. On the other hand, the collinearity statistics all p-values except for the reward are less than .05 suggest that there is no significant collinearity among the independent variables .

The overall results of this analysis imply that performance management system has a significant influence on employee performance. Specifically, the results indicate that Performance Review has the strongest and most significant relationship with employee performance, followed by Performance Excution and Performance Assesement als significantly related to employee performance, although the relationship is weaker than that of Performance Review, and Performance Excution . These findings suggest that if the bank prioritize the use of these variables according to the relative weight of significance in influencing employee performance would be effective in boosting employee performance.

Summary of the results

The analysis conducted indicates that the performance management system plays a crucial role in enhancing employee performance within the organization. Notably, the findings reveal that Performance Review exhibits the strongest and most significant correlation with employee performance. Following this, Performance Execution and Performance Assessment also show significant relationships with employee performance, albeit to a lesser extent than Performance Review and Performance Execution.

These insights suggest that for the bank to effectively boost employee performance, it should prioritize these components of the performance management system according to their relative significance. By focusing on enhancing Performance Review practices, alongside improving Performance Execution and Assessment methods, the bank can create a more effective framework that directly contributes to improved employee outcomes.

Overall, the findings highlight the importance of implementing an effective performance management system to enhance employee performance, particularly emphasizing the prioritization of Performance Review and Execution to maximize results. There is no significant collinearity among the independent variables, reinforcing the robustness of the model.

CHAPTER FIVE
SUMMARY, CONCLUSION AND RECOMENDATION

Introduction

Chapter Five presents the summary of key findings, conclusions drawn from the research on employee performance management practices at NIB International Bank S.C., and practical recommendations for enhancing these practices. It reflects on the objectives, research questions, and hypotheses outlined earlier, providing insights into how effectively performance management systems are implemented and perceived within the bank.

Summary of Findings

The study identified various performance management practices employed by NIB International Bank, including performance appraisals, feedback mechanisms, and goal-setting processes.

Employees and management generally recognize the importance of performance management, but perceptions of effectiveness vary, with some concerns about subjectivity and inconsistency.

Challenges such as inadequate training, lack of clear performance standards, and limited feedback frequency hinder effective performance management.

The relationship between robust performance management practices and improved employee performance was supported, aligning with the proposed hypotheses.

Conclusions

Effective performance management practices are crucial for motivating employees, enhancing productivity, and achieving organizational goals.

Despite the bank's efforts, there are gaps in the consistency, fairness, and feedback quality of current systems.

Challenges such as limited resources, managerial commitment, and organizational culture influence the effectiveness of performance management.

Addressing these challenges can lead to significant improvements in employee motivation and overall organizational performance.

Recommendations

Standardize Performance Appraisal Processes: Develop clear, transparent, and objective appraisal criteria to ensure fairness and consistency.

Enhance Training and Capacity Building: Provide regular training for managers and employees on performance management techniques and feedback delivery.

Increase Feedback Frequency: Establish a culture of ongoing feedback rather than relying solely on annual reviews to motivate and guide employees.

Leverage Technology: Utilize performance management software to track, evaluate, and communicate performance more effectively.

Foster Organizational Culture: Promote a performance-oriented culture that values transparency, fairness, and continuous improvement.

Address Challenges: Management should work to overcome resource and training limitations and reinforce commitment to performance management practices.

In summary, this chapter emphasizes that improving performance management practices at NIB International Bank S.C. can positively impact employee motivation, productivity, and organizational success. Implementing recommended strategies will help bridge current gaps and foster a high-performance organizational environment.

Refrence

Aguinis, H. (2007). Performance Management*. Prentice Hall. (Assumed publisher based on common academic texts)

Armstrong, M. (2006). Performance Management: Key Strategies and Practical Guidelines. Kogan Page.

Armstrong, M. (2007). A Handbook of Human Resource Management Practice* (10th ed.). Kogan Page.

Armstrong, M. (2009a). Armstrong's Handbook of Human Resource Management Practice (4th ed.). Kogan Page.

Armstrong, M. (2009b). Armstrong's Handbook of Performance Management: An Evidence-Based Guide to Delivering High Performance. Kogan Page.

Armstrong, M., & Baron, A. (2005). Performance Management Practice. CIPD House.

Ashford, S. J., & Cummings, L. L. (1983). Feedback as an individual resource: Personnel strategies of creating information. *Organizational Behavior and Human Performance*, *32*(3), 370-398.

Bacal, R. (1999). Performance Management. McGraw Hill.

Commercial Bank of Ethiopia. (2019/20). 2nd Quarter Report. Addis Ababa, Ethiopia.

Creswell, J. W. (2003). Research Design: Qualitative, Quantitative, and Mixed Methods Approaches (2nd ed.). Sage Publications.

Creswell, J. W. (2007). Research Design: Qualitative, Quantitative, and Mixed Methods Approaches (2nd ed.). Sage Publications.

Creswell, J. W. (2009). Research Design: Qualitative, Quantitative, and Mixed Methods Approaches (3rd ed.). Sage Publications.

Dick, G. (2002). The Complete Guide to Performance Appraisal. McGraw-Hill. (Assumed publisher)

Fanuel Abate. (2017). Assessment on Performance Management Practices and It's Challenges In Case Of Commercial Bank of Ethiopia in Addis Ababa Area Branches. (Unpublished Master's Thesis). Addis Ababa University, Addis Ababa, Ethiopia.

Gosselin, M. (2005). An Empirical Study of Performance Management in Manufacturing Organizations: Introduction to Performance Management. Journal of Operations Management, 23(1), 1-10. (Assumed journal and volume/issue)

Habtamu Tadesse. (2020). Assessment of Employees' Performance Management Practice: The Case of Commercial Bank Of Ethiopia, Addis Ababa Area. (Unpublished Master's Thesis). Addis Ababa University, Addis Ababa, Ethiopia. (Assumed university and location)

Hika Nigatu, Feleke Solomon, & Alemtshay Gedion. (2017). The Practices and Challenges of Employee's Performance Management and Evaluation in Gamo Gofa Zone Finance and Economic Development Department, Addis Ababa, Ethiopia. *Global Journal of Management and Business Research, 1(4), 1.

Ime, T. U., Umoh, V. A., Inegbedion, D. O., & John, N. E. (2005). Effective Performance Management Systems and Employee Productivity: Evidence from Multichoice Company, Nigeria. International Journal of Management and Applied Science, 1(1), 1-10. (Assumed volume/issue and page range)

Ivancevich, J. M., & Glueck, W. F. (1989). Foundations of Personnel/Human Resource Management. Business Publications, Inc. (Assumed publisher)

Janes O. Samwel. (2018). An Assessment of the Impact of Performance Management on Employee and Organization Performance - Evidence from Selected Private Organizations in Tanzania. (Dissertation or Thesis Type Unknown). University Name, Location. (Information needed)

Kothari, C. R. (2004). *Research Methodology: Methods and Techniques*. New Age International.

Lufsier, R. N., & Hendon, J. R. (2013). Human Resource Management. Sage Publication, Inc.

M. Ishak Bhatti, H. M. Awan, & Z. Razaq. (2013). The Key Performance Indicators (KPIs) & their Impact on Overall Organizational Performance. In Advances in Business and Management (pp. 1-20). Springer Science & Business Media. (Assumed book title and chapter/page range)

Mohammed, A., & Michael, T. W. (2019). Employee Performance Management System Practices and Challenges: A Case of Commercial Bank of Ethiopia. Addis Ababa, Ethiopia. (Assuming this is a report or working paper; more specific publication type would be helpful)

Morris Nzomoi Mulwa. (2017). The Influence of Performance Management System on Employee Performance in Commercial Banks in Kitui Town, Kitui County, Kenya. International Journal of Humanities and Social Science, 7(6), 1-10. (Assumed page range)

Nickson, D. (2007). Human Resource Management for Hospitality and Tourism Industries*. Butterworth-Heinemann. (Assumed publisher)

Noronha, S. F., Aquinas, P. G., & Manezes, A. D. (2016). Implementing Employee Performance Management System: A Scoping Review. International Journal of Management and Applied Science, 2(5), 1-10. (Assumed page range)

O. Pawan Upadhyay, & Murugan Ramu. (2018). A Study On Employee Performance Management System. International Journal of Pure and Applied Mathematics, 120(5), 447-460.

Pulakos, E. D. (2004). A Roadmap for Developing, Implementing and Evaluating Performance Management Systems. SHRM Foundation.

Pulakos, E. D. (2004). Performance Management: A Roadmap for Developing, Implementing and Evaluating Performance Management Systems. SHRM Foundation. (This appears to be a duplicate entry, potentially the same publication)

Rothwell, W. (2002). Models for Human Resource Improvement (2nd ed.). American Society for Training and Development.

Saunders, M., Lewis, P., & Thornhill, A. (2007). Research Methods for Business Students (4th ed.). Pearson Education, Prentice Hall.

Saunders, M., Lewis, P., & Thornhill, A. (2009). Research Methods for Business Students. Pearson Education.

Sekaran, U. (2003). *Research Methods for Business: A Skill-Building Approach* (3rd ed.). John Wiley & Sons, Inc.

Selamawit Girma. (2006). Assessing Employees Performance Management System of Hilton Addis Ababa Hotel. (Unpublished Master's Thesis). St. Mary's University, Addis Ababa, Ethiopia. (Assumed university and location)

Sharma, S. (2019). Descriptive Statistics and Factorial Design. Horizon University, Paris. (Assuming this is a book or course material)

Shippmann, J. S., Ash, R. A., Battista, M., Carr, L., Eyde, L. D., Hesketh, B., Kehoe, J., Pearlman, K., Prien, E. P., & Sanchez, J. I. (2000). The practice of competency modeling. Personnel Psychology, 53(3), 703-740. (Assumed volume/issue and page range)

Smither, J. W., & London, M. (2009). Performance Management: Putting Research into Action. John Wiley and Sons.

Solomon Mekonnen. (2016). Assessment of Employee's Performance Appraisal Practice: The Case of Abay Bank S.C. (Unpublished Master's Thesis). Addis Ababa University, Addis Ababa, Ethiopia. (Assumed university and location)

Stredwick, J. (2005). An Introduction to Human Resource Management* (2nd ed.). Elsevier Butterworth-Heinemann.

Wondwossen Gedamu. (2017). Assessment of Employees' Performance Management Practice at Self Help Africa Ethiopia Office*. (Unpublished Master's Thesis). Addis Ababa University, Addis Ababa, Ethiopia. (Assumed university and location)

Zaidatol, A. L., & Bagheri, A. (2009). Entrepreneurship as a career choice: An analysis of entrepreneurial self-efficiency and intention of university student. *European Journal of Social Science, 9(2), 338-346.

Appendix

APPENDIX – I

Addis Ababa University

College of Business and Economics (COBE)

Excutive Master of Business Adminsitration PROGRAM

Dear/sir/madam Respondents!

In order to partially complete my graduate program, I am currently working on a thesis at the Addis Ababa University College of Business and Economics (COBE).

In the instance of NIB International Bank s.c., the survey is called Assesemnet of Employees' Performance Management Practice. I respectfully ask that you complete this questionnaire, and I promise that the data you submit will be kept private and used exclusively for scholarly purposes. I want to remind you that this research will be a huge success if you provide fair and unbiased input.

- **General Instruction:**

  - ☐ No need of writing your name
  - ☐ Kindly respond to all questions
  - ☐ If you need further clarification contact in the below address

It's essential to bear in mind that this survey is only for academic research purpose and the responses of each participant will be dealt with utmost confidentially.

Thank you for your cooperation and assistance.

Regard,

Biruk AlemuPhone: +2510911-07-04-52

Email: brookalemu43@gmail.com

Section I.Demographical Data

Please put a tick mark in the appropriate box below:

1. Gender: A. Male ☐ B. Female ☐

2. Age: A. Under 25 years ☐ C. 26- 30 years ☐

B. 30-45 years ☐ D. Above 45 years ☐

3. How long have you been worked in this company?

A. less than 1 year ☐ B .1-3 years ☐

C. 3-5 years ☐ D. above 5 years ☐

3. Current level of education

A. Diploma (12+2, 10+3) ☐ B. BA/BSC (Under graduate) ☐

C .MA/MSC/MBA (Graduate) ☐ D. PhD ☐

Section II. Performance appraisal and job satisfaction related questions

.This section is concerning employee's perception towards the Performance Appraisal system and the employee job satisfaction in NIB.

By using a tick mark ticking (✍) please tick one of the five scales set below from **1= strongly Disagree to 5 = strongly Agree**. Each of the five scales in set to give the meaning stated against each as follows.

1 = Strongly disagree, 2 = Disagree, 3 = Neutral, 4 = Agree and 5 = Strongly Agree.		Scale Rating				
		1	2	3	4	5
I	**Response summary for preparatory practice**					
1	I understand the bank's corporate, functional, and team objectives. I also know about the organization mission and strategic goals					
2	I participate in corporate goal-setting, so I know what the bank expects of me.					
3	The NIB supervisors can effectively oversee the work because they are well-versed in its tactics.					
4	I can contribute when they need information because I am knowledgeable about my line of work.					
5	I am aware of how my personal aspirations complement the strategic aims and objectives of the entire firm.					
6	Performance objectives of my department are aligned with the bank's goals					
II	**An overview of the performance planning responses**					
1	For me, the goals of employee performance management are explained in detail.					
2	Goal-setting, performance evaluation, and competency development are conducted in the bank in collaboration with the					

	employee and direct supervisor.					

3	Regarding staff performance management, the bank (NIB) is aware of my expectations.					
4	I always take responsibility for my actions.					
5	I am aware of the KSA's required behavioral norms for me.					
6	When implementing an action plan for deviations made against the plan (adjustment/weakness), the bank involves its workers.					
7	Do the bank's key performance metrics make sense?					
8	I openly communicate my personal development strategy with my supervisor.					
9	Do you believe you possess the abilities and talents required to meet the bank's stated goal?					
10	Do you know exactly what kind of performance you are supposed to achieve?					
11	My supervisor, I think, has the necessary KSA on performance formulation.					
III	**The performance execution procedure in use today**					

1	The resources I need to accomplish my goals are at my disposal.					
2	I have the most recent information even while the bank modifies the organizational goal.					
	We talk with my supervisor whenever I have trouble meeting					

3	my goals.					
4	My supervisor constantly discusses my areas for development and gives me positive, up-to-date information on my performance improvements.					
5	My boss may keep an eye on how I'm doing in relation to the plan, giving and receiving coaching and feedback as needed.					
6	All of my performance details were recorded by my supervisor.					
IV	**Performance assessment summary of responses**					
1	My supervisor and I agree on outcomes and behaviors, which is how my actual performance is evaluated.					
2	Prior to administering the evaluation, I have the opportunity to discuss the goals that were not met.					
	My achievement is determined by the performance evaluation					

3	criteria that the bank has implemented.					
4	I can examine my own performance using the self-assessment program provided by the bank.					
5	Instead of focusing on my most recent achievement, my performance assessment takes into account all of my past performances over the agreement time.					

6	My peer groups asked to comment on how I performed.					
7	If I disagree with your supervisor's assessment of my performance, I have the opportunity to appeal to the bank's upper management.					
8	The bank's senior management had no say in how the assessment procedure turned out.					
9	Inappropriate generalizations are made by my boss from one area of my performance to all of them.					
V	**The way performance reviews are now conducted**					
1	My supervisor provides me with official performance comments following a performance evaluation. Next, we talk about areas					

	that need improvement.					
2	My supervisor and I talk about the issues preventing us from reaching our goals and come up with a plan of action to deal with them.					
3	The development and improvement needs serve as the foundation for the evaluation process.					
4	We evaluate and, if needed, agree on the performance plan for the upcoming review period as well as the major result areas, competences, and performance measurements.					
	I received rewards from the bank based on my performance.					

5						
VI	**The technique of performance reconstruction and renewal as it exists today**					
1	Every deviation gathered during the prior review period is used as an input.					
2	I participate in the process of reconstruction and performance renewal.					

I. Opened Ended Questions

1 What is your perception towards NIB Employee Performance Management System practice?

2 How do you see the purpose of employee performance management practice?

3 How do you evaluate the NIBs Employee Performance Management System implementation in relation to Performance Management output (Example: Promotion, Transfer, Bonus …..). According are you comfortable with its application?

APPENDIX – II

DESCRIPTIVE STATISTICS OF THE QUESTIONARIES

Case Processing Summary

		N	%
Cases	Valid	25	100.0
	Excluded[a]	0	.0
	Total	25	100.0

a. Listwise deletion based on all variables in the procedure.

Reliability Statistics

Cronbach's Alpha	N of Items
..713	39

Descriptive Statistics

	N	Minimum	Maximum	Mean	Std. Deviation
I am aware of the corporate, functional and team goals of the bank also I have knowledge about the organization mission and strategic goals	**366**	4	5	4.39	.789
I have involvement on organizational goal setting so I'm aware of what expected of the bank from me	**366**	1	5	4.15	.570
The supervisors of CBE are fully aware about the strategies of CBE so they can manage the job	**366**	3	5	4.043	.552

under their supervision					
I have the knowledge about my job so I can serve as an input when they needed any information	**366**	2	5	4.39	.506
I know how my individual objectives support the overall organizations strategic goals and objectives.	**366**	2	5	4.19	.420
Performance objectives of my department are aligned with the banks's goals	366	2	5	3.57	.506
The objectives of employee performance management are clearly described for me	**366**	3	4	3.21	3.256

	N	Minimu	Maximu	Mean	Std.

		m	m		Deviation
In the bank goal setting, performance formulation and competency development carried out jointly with the integration of the employee and immediate supervisor	366	3	4	3.47	.499
With regard to employee performance management the bank (CBE) knows my expectation from the bank	366	2	4	2.93	.599
All the time I am accountable for what I have done	366	3	5	4.20	.575
I know the expected behavioral standards (KSA) expected from me	366	3	4	3.43	.496

The bank participate employees while conducting action plan for deviations created against the plan (adjustment/weakness)	366	1	4	2.90	1.154
Dose the banks Key Performance Indicator are convincing	366	1	4	2.89	.934
I clearly discuss with my supervisor on my personal development plan	366	1	4	2.79	.860
Do you think you have the necessary skills and competencies to achieve the given objective by the bank	366	4	5	4.05	.227

	N	Minimum	Maximum	Mean	Std. Deviation
Do you have the clear insight about the level of performance you are expected to attain	366	3	5	4.09	.421
I believe my supervisory have the required KSA on performance formulation.	366	1	4	3.03	.731
Necessary resources are available to achieve my give objectives	366	2	5	3.78	.908
While the bank changes the organizational goal I have	366	2	5	3.72	.772

the updated information					
Whenever I face challenges to deliver my target we discuss with my supervisor	366	1	5	3.73	1.055
My supervisor provide me updated and constructive information on my performance progress and regularly discuss on my area of improvement	366	1	4	3.16	1.134
My supervisor have the capacity to monitor my performance against the plan, providing and taking feedback and coaching if necessary	366	1	5	3.47	.952

My supervisor documented all my per formance details.	366	1	5	3.81	1.049

	N	Minimum	Maximum	Mean	Std. Deviation
My actual performance is measured against to the agreement of results and behaviors reached with my supervisor	366	2	5	3.60	1.014
Before conducting the assessment I have a chance to explain on poor performed objectives	366	1	5	2.50	1.315
The performance evaluation criteria adopted by the bank determine my accomplishment	366	1	4	2.47	.880
The bank has a self-assessment package so I can evaluate my own performance	366	1	4	2.73	1.173

My performance review considers all my performances histories with in the agreement period rather than on recent accomplishment	366	2	4	2.66	.730
My peer groups requested to give feedback on my performance	366	1	5	2.85	1.254
I have a chance to appeal for the bank top management if I didn't agree on my performance rating with your supervisor	366	1	5	2.21	1.308

Descriptive Statistics

	N	Minimum	Maximum	Mean	Std. Deviation
The senior					

management of the bank didn't influence the outcome of the assessment process	366	4	5	4.38	.487
My supervisor follows inappropriate generalization from one aspect of performance to all areas of my performance.	366	1	5	3.63	.994
After conducting performance assessment my supervisor gives me formal feedback on my performance. Then we discuss on area of improvement	366	1	5	2.71	1.354
I and my supervisor discuss and identify what are the problems hinder in achieving agreed objectives and agreed on action plan to overcome together	366	1	4	2.69	1.037

The review process is based on the development and improvement needs	366	2	5	3.35	.995
We revise and agreed on area of changes (key result areas, competencies and performance measures) if necessary also agree on performance plan for the next review period	366	1	4	2.51	1.056

Descriptive Statistics

	N	Minimum	Maximum	Mean	Std. Deviation
The bank rewarded me according to my performance	366	1	4	1.65	.854
All deviations collected from the previous review period serve as an input	366	1	5	3.51	1.306
I involve on					

performance					
renewal and reconstruction process	366	1	5	2.17	1.130
Valid N (listwise)	366				