

**ADDIS ABABA UNIVERSITY SCHOOL OF COMMERCE**  
**OFFICE OF GRADUATE STUDIES**



**THE EFFECT OF HR BUSINESS PARTNERS ON ORGANIZATIONAL  
PERFORMANCE - THE CASE OF COMMERCIAL BANK OF ETHIOPIA**

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September, 2020

Addis Ababa, Ethiopia

ADDIS ABABA UNIVERSITY SCHOOL OF COMMERCE  
HUMAN RESOURCE MANAGEMENT DEPARTMENT

The Effect of HR Business Partnering on organizational  
performance – The case of Commercial Bank of Ethiopia

A Thesis Submitted to Addis Ababa University, School of Commerce in  
Partial Fulfillment of the Requirement for the Award of Master of Art in  
Human Resource Management

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## **DECLARATION**

I declare that this research work entitled “**The Effects of HR Business Partnering on Organizational performance- case of Commercial Bank of Ethiopia**” submitted for the partial fulfillment of the requirements for the Degree of Master in Human Resource Management at Addis Ababa University School of Commerce is my original work and it hasn't been presented for the award of any other Degree, Diploma, or other similar titles at this or any other university or institution.

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## **CERTIFICATION**

This is to certify that Ms/Mrs. Achamyelesh Borshe has completed her thesis entitled “**The Effect of HR Business Partnering on Organizational performance- The case of Commercial Bank of Ethiopia**”, under my guidance in partial fulfillment for the degree of Master of Human Resource Management. In my view, the work is an original effort of the candidate and all the materials used for the thesis have been duly acknowledged.

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**ADDIS ABABA UNIVERSITY SCHOOL OF COMMERCE  
HUMAN RESOURCE MANAGEMENT DEPARTMENT**

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**BY**

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## **Acronyms**

ANOVA	Analysis of Variance
CBE	Commercial Bank of Ethiopia
HR	Human Resource
HRBP	Human Resource Business Partner
HRD	Human Resource Development
HRM	Human Resource Management
HRP	Human Resource Professional
SPSS	Statistical Package for Social Science
SET	Social exchange theory
SME	Small and Medium Enterprise
SSM	shared Service Model

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## ABSTRACT

*The main purpose of this research is to assess the effect of HR Business Partnering on organizational performance – the case of Commercial Bank of Ethiopia. The study was carried out based on primary data by using questionnaires collected from employees of CBE and secondary data taken from the reports of the bank and other literatures. A total of 143 questionnaires were distributed and fully collected. Data analysis was performed using statistical package for the social sciences 21.0 (SPSS) software. In this study HR business partnering to line managers was treated as an independent variable and organizational performance was considered as dependent variable. HR Business partnering was further expressed using specific variables such as setting SMART goal, performance data tracking, and performance appraisal. Descriptive research design is used to get enough information about the research problem and mixed research approach was used to collect quantitative and qualitative data. Purposive as well as convenience sampling technique was used to select respondents. Regression and ANOVA was applied to show the relationship among variables. The findings of this study showed that HR Business partnering activities affect the overall performance of the organization. Specifically, employee performance data tracking and Setting SMART goals and targets are significant effect on organizational performance while the employee performance appraisal is the least contributing variable to organizational performance. The study also indicated that HRBPs have less participation in the business strategy definition which is the process of Setting SMART goals and targets. In addition HR business partners moderately execute the role champion for employee in employee's performance data tracking. Moreover, Human Resource Business Partners advice and support line managers in employees' performance appraisal process. The study therefore recommended that, HRBPs should participate in business strategy definition that facilitates setting SMART Goals and targets. Concerning employees' performance data tracking, HRBPs should execute their employee champion role. It is also proposed that Human Resource Business Partners significantly support line managers in employee's performance appraisal process so the HRBPs should keep it up.*

**Key words:** HR Business partnering, setting SMART goal and Target, performance data tracking, performance appraisal.

## CHAPTER ONE

### 1. INTRODUCTION

#### 1.1 Background of the Study

The Human Resource Management practices have observed many changes through its history, yet the recent changes are characterized by a great support to the business strategies and objectives. Linking HRM practices to the business through HR Business Partner is one of the most recent practices of HRM in its evolution. As Becker, et.al (2001) stated, the increasing need of the world for creativity, innovation and commitment gives no choice for Human Resource Professionals however to work hardly and find effective ways to link mission, strategy, people, performance, and values to ensure their influence contribution in adding value to their firms. The secret behind the importance of linking human resources practices to the strategies of organization lies behind the fact that it is directly and positively reinforcing the organizational performance and helps in achieving the organizational objectives (Huselid, 1995; Delery and Doyt, 1996).

CBE has been working with a vision to become a world class commercial bank by the year 2025. In line with this vision, the Bank has been undergoing through several human resource initiatives. Starting from 2011, it has designed its HR strategy aligned with its business directions and implementation has been undergoing for the last seven years. Furthermore, CBE, with its major objective to support its enormous growth in the past and the expected future growth, enable and foster the Bank for the achievement of its strategic themes which are Operational Excellence, Business Growth and Digitalization has redesigned its organizational structure. To realize its vision, the bank designed and implemented its HRD strategy (CBE, 2014). This HR strategy involves the design and implementation of the Bank's HR Management and Human Resource Development Overall Strengthening of the HR Development capacity.

The Bank has established a Human Resource Business Partnering (HRBP) team to support the transformation of its talent acquisition, management and development activities. The HRBP Team is responsible for ensuring that HR initiatives and activities that comprise the HR aspects of the transformation are implemented effectively and swiftly throughout the Bank (CBE 2014).

The strategic role of HR department is according to Schuler (1990) description are partnering up with line management, shaping and advocating change, planning, integrating, and implementing strategies, and managing and developing talent. Ulrich also stated the role of HR Business Partners as the HR Business Partner, which is the HR Front Office employee, who acts as the salesperson for internal and external clients of Human Resources. The HRBP deals with HR Back Office and HR Centers of Excellence; the Administration Expert is the widely recognized expert in Human Resources Management and runs effective HR Processes. The Change Agent participates in the companywide projects, which affect employees and change the corporate culture. The Change Agent leads the change management process. The Employee Champion protects rights and interests of employees in discussions with the top management. HR introduces policies and procedures, which build the attractive and fair workplace for everyone.

The role of HR Business Partner is embedded in the HR practice of the organization. In the context of Commercial Bank of Ethiopia, employee performance management is the major HR practice that needs the highest HR Business Partners' role. This idea is also supported by HRBP Role Survey conducted by Becca Brown, (2016) cited in Magazine for HR Business Partners and Strategic HR Professionals under "Today's HRBP", which states HR Business Partners are more confident advising their line managers on performance management– related topics than any other HR topic. The finding of the survey shows that performance management takes a line share of HR Business Partners time and effort than other HR issues. As per this survey, out of the nine top varieties of HR areas, percentage of HR Business Partners refer to Performance Management is 35%, whereas the other topics is less i.e. Conflict Resolution 30%, Managing Underperformance 26%, HR Policy and Compliance 25%, Employee Engagement, Leadership and Succession Management, Change Management, HR Strategic Planning and Transformation, Conducting Terminations are rated 25%, 24%, 24%, 22%, 22% and 19% respectively. Thus, it can be observed from the above magnitude of percentage HR Business Partners are engaged in performance management with lion share of 35% of HR area.

## **1.2 Background of the Organization**

The place where this study will be conducted is the Commercial Bank of Ethiopia (CBE). CBE is the leading and largest bank in Ethiopia, established in 1942. It operates all over the county. It has more

than 37,900 talented and committed employees, more than 1,500 branches and 15 districts that administer branches under their domain. Concerning the location of districts of CBE, four District Offices are in Addis Ababa whereas 11 District Offices are located in out of Addis i.e. Adama, Bahir Dar, Dessie, Dire Dawa, Gonder, Hawassa, Jimma, Nekemt, Mekelle, Shashemene and WolytaSodo Cities. CBE has also subsidiary companies (branches) out of Ethiopia in African Countries, i.e. in Republic of South Sudan and Republic of Djibouti. The CBE has envisioned to becoming a world-class commercial bank by the year 2025. Its mission statement reads “We are committed to realize stakeholders’ values through enhanced financial intermediation using the best professionals and technology” (CBE, 2018/19).

As it can be easily inferred from the mission statement, HR is part of the mission of the Bank. CBE believes that it can realize its stakeholders’ needs and its long-term vision of becoming a world class Commercial bank through highly professional employees.

Commercial Bank of Ethiopia transformed its functional based service provision in to process-based (Business Process Re-engineering) institution since 2008; striving for efficiency and effectiveness. This paradigm shift has radically changed the Bank in general and its human resources management in particular. Consequently, the bank is required to readjust its Human Resource Management system with the business goals of the bank and then formulated and implemented its strategic Human Resource Management as described earlier in 2014.

A human resource development strategy, which has been developed by Frankfurt School of Finance and Management, has also been formulated and implemented. Therefore, the policy is formulated to include the active involvement of line managers of all levels in the execution of HR activities. These line managers are categorized in to three levels- top level (members of Process Council [PC]-the President and CEO, Chief Officers and Vice Presidents), middle level (Directors) and Operative level (Branch Managers, Managers at Head Office Organs and District Offices).

The HR Sector, which is led by a Chief Officer, consists of two Divisions, namely Human Resource Management (HRM) and Human Resource Development (HRD) which is led by Vice President; HRD has six Departments whereas the HRM comprise of four Departments (CBE). Employee performance Management system, Learning and Development, Talent Management, Career and Succession, Center of Excellence are Directors directly reporting to the Vice President HRD.

Recruitment and Selection, HR Transaction HR Business Partnering, Bank Health Care and Bank Security are directly reporting to Chief HR Officer. On top of that, the Human Resource Management in CBE is devolved to the district level. Each district has its own HRM team and each team lead by an HR Business partnering Manager who administratively report to the district Directors and functionally works closely with and report to the HR Business Partnering Director at the center. HR business partners are assigned to each sectors and districts to actively work with line managers and support them to effectively execute its business partnering role.

### **1.3 Problem Statement**

The Commercial Bank of Ethiopia has implemented its HR structure incorporating HR Business Partnering at Department level lead by Director which is middle level Management group in the bank's managerial hierarchy. HR business partnering contains the assignment of a member of the HR function to Leaders and line managers, considering he or she will become sufficiently familiar with the operations of the manager/s to be able to provide advice, find the means to support, improve and facilitate working systems, and above all, add value in a business sense (CIPD 2006).

According to Dalziel S. & Walters, (2006) description of the new HRM role, HRBPs are aimed to involve in the execution of business goals and objectives by adding value through a professional application of strategic and people management tasks. HR business partner allows HR to get closer to the business, to help the organization make the most of its people and to implement its strategy. The aim is to use HR and people management more strategically, making real contributions to organizational success. With this objective, HR Business Partners of CBE are located at corporate and Districts level playing the linking role of HR functions with the business. One of the critical HR function in the organizations specifically in CBE is the employee performance management system.

The performance management system of the bank comprises of, among others, three essential processes namely setting SMART goals and targets for employees at the beginning of every quarter, employee's performance data tracking and employee performance appraisal. HRBPs support line managers in all these activities.

Some studies have empirically examined the effect of HR business partnering and organizational performance. For instance, the study carried out by Francis and Keegan (2006) who express concern over new HR structures causing a nonexistence of commonly recognized meaning of the term

business partnering, which may create a disconnection between operative and strategic HR. The HR Business Partner role, as a result, particularly is demanded to become determined by specific business needs which make difficulties a generic definition and contributes to confusion regarding its tasks.

Ulrich's (1998) investigated the roles and responsibilities of HR Business partner. In his argument pressures from the organizational environment, like expansion from local to global markets and increased competitiveness, necessitates HR to take on new roles and responsibilities to deliver value. To tackle these challenges, many firms are processing to adopt an HR perspective based on market performance, organizational restructuring and change management instead of administrative support.

The study conducted by Brockway (2007) entitled *The Art of Business Partnering: Strategic HR Review* showed that, HR profession to be transformed, they must overcome their standing as a support function and be closely integrated with the business goals through delivering impactful solutions based on both the Human Resource aspect and business oriented perspective.

Additional research conducted by the Chartered Institute of Personnel and Development (CIPD, 2007) indicated that successful execution of this shared service model (SSM) is considered to make delivery of transactional services more efficient, improve quality of specialized services and bring HR closer to the business by partnering with line managers.

Study conducted by Ulrich et al. (2009) on how HR should be organized so as to efficiently contribute to the business suggests that a combination of three different functions: 1) a centralized shared service Centre that performs standardized, transactional HR services; 2) a Centre of expertise operating as a specialized consulting firm within the organization; and 3) HR business partners working closely with senior and line managers in strategic development and change management.

A study conducted by Truss (2008) *Continuity and Change: the role of the HR function on the modern public sector; Public Administration*. HR hybrid role establishes validity of administration while delivering at a strategic level by working in close collaboration with other business functions. But research results suggest that even though this development; there is often unwillingness to change traditional HR roles within organizations. For HR to be effective in fulfilling their potential

as a strategic partner, the organization must therefore ensure that expectations on HR business partnering link with reality.

Hope-Hailey et al., (1997) who express the current changes in HR in their chameleon function? HRM in the '90s states that current changes in the organizational environment and the shift from traditional operational work to an enhanced strategic emphasis has therefore triggered many organizations to review their HR departments. So, alignment of processes and a well-operative relationship with line managers is considered important to link HR to the business.

The study conducted by Veronica Gidstedt (2013) Human Resources as a Business Partner focusing cross-functional exchange in the professional partnership between Human Resources Business Partners and line managers; that aimed to create an understanding for the partnership between HRBPs and line managers. Findings show that HR Business Partners performs mainly on a strategic level, as trusted advisers to the managers based on a profound business acumen and HR expertise. Within the partnerships, cross-functional exchange involves self-interest to develop in the professional role as well as a mutual interest to increase performance which adds value on both an individual and organizational level. Results indicate high levels of trust and absence of claims to authority as determinants for establishing and maintaining successful partnerships, with knowledge sharing as a mediating factor.

A study conducted by Peter Butali and David Njoroge in Kenya entitled Effect of Performance Appraisal on Organizational Performance aiming to find out the impact of appraisal on organizational performance and to find out the moderating effect of organizational performance. The study found that performance appraisal had a significant effect on organizational performance.

NadeemIqbal, et. al. (2013) also conducted a research "Impact of performance appraisal on employee's performance involving the Moderating Role of Motivation" their study focuses on finding out the effect of performance appraisal on employee's performance and also analysis that motivation affects the relationship of performance appraisal and employee's performance. Results presented there is positive relationship between performance appraisal and employee's performance. Motivation as a moderator positively affected the relationship between performance appraisal and employee's performance.

In the Ethiopian context, as far as the HRBP effect is concerned, no research was conducted; even to make comparison in the area the researcher could not find an organization practicing HR Business Partnering. In the researcher's knowledge no study has been made on the effect of HR Business Partners on organizational performance in supporting line managers, also the degree of influence of these factors (setting SMART goals and targets, employee's performance data tracking and employee performance appraisal) on organizational performance which help HRBPs to make emphasis on essential factors and hence this study seeks to fill this gap.

To analyze the effect of HR Business partnering on organizational performance, the following basic research questions are designed.

1. What is the effect of HR Business Partners in supporting line managers in organizational performance?

This study seeks to find answers for the following sub - basic questions:

2. How do setting SMART goals and Targets affect the organizational performance?
3. To what extent employee performance data tracking affect the organizational performance?
4. How does employee performance appraisal affect the organizational performance?

## **1.4 Objectives of the Research**

The main objective of this study is to assess the effect of HR Business Partners in supporting line managers in the area of HR functions to exploit the best from their employees and achieve their strategic goals and enhance the overall organizational performance. Based on this, the specific objectives are as follows:

- To assess the effects of setting SMART goals and targets on the organizational performance.
- To analyze the effects of employee performance data tracking on the organizational performance.
- To evaluate the effects of employee performance appraisal, on the organizational performance.

## **1.5 Hypothesis**

Based on the above HR function, the following hypotheses are formulated to assess the HR practices and its effect toward enhancement of organizational performance. The hypothesis also gives us

tentative answer on the relationship between HR practice of the organization and employees' performance.

H1a: - There is significant positive relationship between HRBP's support to line managers in Setting SMART goals and targets and employee's organizational performance.

H1b: There is no significant positive relationship between HRBP's support to line managers in Setting SMART goals and targets and employee's organizational performance.

H2a: There is significant positive relationship between HRBP's support to line managers in employee performance data tracking and employee's organizational performance.

H2b: There is no significant positive relationship between HRBP's support to line managers in employee performance data tracking and employee's organizational performance.

H3a: There is significant positive relationship between HRBP's support to line managers in employee performance appraisal and employee's organizational performance.

H3b: There is no significant positive relationship between HRBP's support to line managers in employee performance appraisal and employee's organizational performance.

## **1.6 Significance of the Study**

This study is important in bring deeper understanding of the effect of HR Business Partners in supporting line managers in the area of HR functions to make use of the best from their employees and achieve strategic goals which would enhance the overall organizational performance. Furthermore, the result of the study will serve as a role-model for other organization in facilitating HR practices. To the best knowledge of the student researcher, the area of HR Business Partnering is a new practice in CBE (most probably in Ethiopia) and is not studied before; so this study provides initial information for further researchers' who will make a research on this area.

## **1.7 Scope of the Study**

This study is delimited conceptually, timely and methodologically. As discussed earlier the HR Business Partner mainly involved in employee performance management system of the bank, thus the study conceptually delimited to assess the effect of HR Business Partnering in supporting line managers in employees' performance Management system of the organization under study. The designing and implementation of HRBP program has been almost seven years, (since 2014 E.C), and thus the research is limited to assess the practice within this time limit. Methodologically the research focused more on quantitative approach which depends on questionnaire to collect data.

Regarding geographical representation of the study, the student researcher delimited the study population by taking a purposefully selected representative sample from each Sectors' directors and managers assigned at headquarter, located in Addis Ababa, and District Offices in Addis Ababa as well as outlying Districts of CBE namely Adama, Bahir Dar, Dire Dewa, Dessie, Gonder, Jimma, Hawassa, Nekemt, Mekelle, Shashmene, Wolayta Sodo. Due to their peculiar nature from the banking service, Directors and Managers under Construction project Management, Bank Health Care Service and Information services Departments are not included in the survey.

## **1.8 Organization of the Study**

This study consists of five chapters. Chapter one deal with the introduction parts of the study, which includes: background of the study, background of the organization, problem statement, objectives of the study, significance of the study, scope of the study and definition of terms. The second chapter deals with review of related literature concerning the study. The third chapter deals with the research design and methodology. The fourth chapter deals with data presentation and analysis. The fifth chapter present summary of findings, conclusion, recommendation, Limitation of the study and future research direction.

## **1.9 Definition of Terms**

**HRBP** - HR professionals working closely with line managers, embedded in the business unit, influencing and steering strategy and implementation. Ulrich also define HR Business Partner as the HR Front Office employee, who acts as the salesperson for internal and external clients of Human

Resources. The HRBP deals with HR Back Office and HR Centers of Excellence (Dave Ulrich & Wayne Brockbank))

**SHRM-** is a process that involves the use of overarching approaches to the development of HR strategies, which are integrated vertically with the business strategy and horizontally with one another. These strategies define intentions and plans related to overall organizational considerations, such as organizational effectiveness, and to more specific aspects of people management, such as resourcing, learning and development, reward and employee relations (Armstrong, (2006). Wang and Shyu (2007) has also described strategic human resources management (SHRM) as “the pattern of planned human resource deployment and activities intended to enable an organization to achieve its goals”.

**Line Managers-** are those who directly supervise employees engaged in the operations of the firm, are actively involved in HRM and almost always accountable for the performance of their team (Boxall and Purcell, 2007).

**Shared Services-** is a single unit that handles all the routine ‘transactional’ services and provides advice on simpler employee relations issues Ulrich (1995).

## **CHAPTER TWO**

### **Theoretical and Conceptual Literature Review**

This chapter provides a pertinent literature review related to the three specific research objectives stated in chapter one. The purpose of the literature review is to build a theoretical background for the problem under study. It also provides the needed theories and data from various sources aimed at supporting the data collected. This part includes theoretical literatures from different sources according to the effect of Business partner on organizational performance.

#### **2.1 Theoretical Concept**

The theoretical concept of this research will be used for interpretation and analysis of empirical data. The essential thought and concept will be drawn to provide an understanding for the importance of this theoretical approach regarding the specific purpose and implications for empirical findings.

##### **2.1.1 Goal Setting Theory**

Goal-setting theory refers to the effects of setting goals on subsequent performance. Researcher Edwin Locke found that individuals who set specific, difficult goals performed better than those who set general, easy goals (<https://gostrengths.com/what-is-goal-setting-theory/>). Goals need to be specific enough to answer the “who, what, when, where, why, and how” of any expectations of the goal. Employees perform better when given specific goals than they do when given vague or abstract goals. The specificity of the goal acts as an internal stimulus, and the employee has a specific objective to accomplish. One common approach is SMART goals. SMART stands for specific, measurable, achievable, realistic, and time bound. Goals are more strongly related to performance when subjects utilize suitable task strategies than when they do not. Based on Chesney and Locke (1991), Challenging goals increase the likelihood that known strategies will be used.

Goal setting theory is based on the simplest of introspective observations, namely, that conscious human behavior is focused. It is regulated by the individual’s goals. Goal directedness, however, characterizes the actions of all living organisms (Locke & Latham, 1984, 1990).

Goals are at the same time the aim of action and a standard by which people evaluate their performance; goals are valued or desired outcomes. Thus, one would expect that the greater or more

frequent the degree of success experienced, the greater the degree of satisfaction with performance (Locke and Latham (1990). Goal setting facilitates self-regulation in that the goal defines for the person what constitutes an acceptable level of performance. Actions that fall short of a described goal level result in a negative performance evaluation.

Performance management practices are systematic ways of communicating to employees on what performance and productivity parameters are expected of them (Marsor, 2011) and thus, employee performance, as defined by Williams and Anderson (1991), is a work-related outcome or activity that demonstrates how well these activities are accomplished by the individual.

The other term popularly used in the performance management system is target. Targets are objectives that define the quantifiable results to be attained as measured in such terms as output, throughput, income, sales, service delivery levels, cost reduction and reduction of reject rates. Thus, a customer service target could be to respond to 90 per cent of queries within two working days (Armstrong, 2006).

### **2.1.2 Employee Performance Data Tracking/Monitoring**

The Periodic tracking (for example, daily, weekly, monthly, quarterly, and annually) of any activity's progress by systematically gathering and analyzing data and information is called Monitoring. The job role/job holder must be defined along with what are doing, and whether the activities are being implemented as planned or not. Monitoring of a target or intervention involves the collection of routine data that measures progress toward achieving objectives. It is used to track changes in performance over time. It provides regular feedback and early indications of progress (or lack of progress). Its purpose is to permit the line managers to make corrective action in time. HRBPs remind and support line managers to monitor employee's performance as per the target tracking schedule. Keeping on top of each employee's performance enables the organization to monitor, manage and improve their business strategy and the results they achieve (<http://www.mnestudies.com/monitoring>).

Analyzing the performances of staff can also make it easy to identify employees who are readily engaged with their work, while also pinpointing those who aren't. As a result of this, organizations

will be able to see where they need to spend their time and resources, to either get specific staff members back to working at their full potential or reduce the likelihood of burning themselves out.

Monitoring is a continuous function that uses the systematic collection of data on specified indicators to provide management and the main stakeholders of an on-going development intervention with indications of the extent of progress and achievement of objectives and progress in the use of allocated funds OECD (2002p. 27).

Maintaining records of performance will be essential in this regard. Thus, line managers must be sure to maintain a record of performance for both themselves and the employee through feedback reports. As the year goes on, make notes about contributions or problems that they see so that they can acknowledge or address the problems at the next feedback session. Annual reports can be used to show growth over time and to identify any trends of needed improvement that can tell them (line managers) where they might need to concentrate their coaching efforts soon.

Managers should encourage their employees to keep their own records of their contributions and achievements. They may receive accolades from customers or other colleagues that don't reach the line managers directly. This gives them a chance to show their manager areas where they have had success. Plus, knowing that the manager will value that information will encourage them to behave in a way that they will continue to receive more appreciation.

There is another reason to maintain good records of performance. If the unfortunate situation should arise when the line manager feel that manager need to take remedial action on an employee, manager's written history of his/her efforts to correct any performance issues will be vital. The line manager will be able to show: A trend of performance issues, the fact that he/she addressed each of these issues with employees over a period of time, any efforts the manager made to help the employee improve (additional training, coaching sessions, etc), and the proof that the performance issues continued despite his/her best efforts (BookBoon.com.P22-23).

### **2.1.3 Performance Appraisal**

Social exchange theory describes the collaborative exchanges among individuals (Cropanzano & Mitchell, 2005) and proposes that people are encouraged to show positive attitudes toward those who value them and their contributions. In this way, strong exchange relationships will be established

when one agent assists a second agent. Social exchange theory has been utilized widely as a theoretical foundation for connecting organizational behavior and employee outcomes (Chen, Eberly, et.al. 2014). Performance appraisal has become a strategic tool for improving organizational effectiveness. Performance appraisal is often used interchangeably with performance assessment, evaluations, and performance review or employee appraisal. The significant role of performance appraisal in any establishment of organizations has become indispensable when talking of organizational success. The success of any organization is dependent on how well the performance of every employee is effectively appraised and managed. The performance appraisal is a unique and important aspect of career development which entails a regular review of the performance of employees in the organization (Caruth and Humphreys, 2008). Performance appraisal as a continuous process of assessing and measuring the inputs of every employee with a view to knowing their strengths and weaknesses (Brown and Benson, 2003) and communicating the results back to the employees (Cook and Crossman, 2004). Abu Doleh and Weir, (2007) posited that Performance appraisal is an activity which includes the assessment of individual or other level of performance to measure and improve performance that will help in attaining corporate objectives. Performance appraisal is a process that contributes to the effective management of individuals (Caruth and Humphreys, 2008) and teams to achieve high levels of organizational performance (Armstrong and Baron, 2005). To get the best out of every employee, it becomes imperative for organizations to have a continuous activities or programs that will help in reviewing their performance and competence and thereby communications among work groups (Moulder, 2001). Marsor (2011) also acclaimed that Performance management is a systematic way of communicating to employees on what they are expected to do and what the performance parameters are. Managers can only satisfy employees on a job if they give employees what they deserve for their performance so far without making an attempt to exploit employees and pay them lower than expected (Roberson and Stewart, 2006). Performance appraisal through a good feedback mechanism as to a larger extent help employees to know how they are progressing within the organization in carrying out their duties, tasks and responsibilities this feedback can be made available on a daily, weekly or monthly basis (Lee, 2005)

### **2.1.4 Organizational Performance**

Social exchange theory (SET) assumes that encouragement activities undertaken between an organization and its employees generate the organizational commitment (Aldhuwaihi, 2013).

Grounded on the assumption of SET, the employees with the expectation that organization provides the better working environment and culture, he/she join an organization and utilize their skills and knowledge to achieve their goals. Hence, favorable exchange relationship between employees and an organization are resulted in increased organizational commitment. Based on the SET, a causal model is formulated which postulates the exchange relationship between strategic orientation, organizational culture, and organizational commitment which ultimately affects the organizational performance. The SET deals with three principles (i) rationality (ii) reciprocity and (iii) specificity principle to explain the relationships between employee and employer (Foa and Foa, 2012).

The first rationality principle reasons that employees will have association with that organization which can provide desirable rewards and satisfy its employee's needs and wants. The second reciprocity principle theorizes that social relationship is always reciprocal between employee and employer. The third specificity principle postulates that only reciprocity type can endure an exchange relationship between the employees and an organization (Cheung, 2000). For the employees, strategic orientation and good organizational culture would be strategic focus organizational fair activities which increase employee's commitment towards their employer. The relationship between the strategic orientation, organizational culture, organizational commitment, and organizational performance are inter-linked and portrays resources exchange relationships (Foa and Foa, 2012). The reciprocity of these organizational constructs is likely to satisfy both employees and organizational needs. In gist, the three principles of SET underpinned the reciprocal relationships between strategic orientation, organizational culture, organizational commitment, and organizational performance.

The business partner model is intended to ensure that HR professionals are integrated into the business processes; thus, aligning their activities and day to day work with business objectives and outcomes (Ulrich and Brockbank, 2009, p.5). This involves a shift of focus towards deliverables and business results rather than strictly HR related activities (Ulrich and Brockbank, 2009). HR being a business partner means that a balance must be struck in pursuing the goals of the organization whereby all aspects must be considered. It proposes that for HR to only focus their attention on the people side of things, as may be associated with the traditional view of the HR function, while staying separate from or disregarding the business side of things leads to sub-optimization of HR's influence on performance (Ulrich, Brockbank and Johnson, 2009, p.25). Emphasizing the people side to the exclusion of the business side of things may result in HR being well-liked and popular among

employees as they build strong social relationships within the organization. However, it may result in their focus not furthering business results; thus, they may fail as contributors to the business in terms of business deliverables (Ulrich, Brockbank and Johnson, 2009). On the flip side where the business side of things is the sole focus HR will more than likely be unable to sustain that success in the long term despite the likelihood of it prospering in the short term (Ulrich, Brockbank and Johnson, 2009)

The strategic value of HR lies in the potential of the function to provide a “meaning structure” which allows managers from diverse disciplines and disparate levels of strategic decision making “to develop a common language of change” (Francis, 2006). Strategic HR management links the people with the organization; HR’s strategy is anchored in the overall strategy of the business (Ramona and Anca, 2013).

## **2.2. CBE’s Employee Performance Management Practice**

Performance management can be defined as a systematic process for improving organizational performance by developing the performance of individuals and teams (Armstrong, 2006). Furthermore, CBE’s Diamond Jubilee Magazine states that ‘Employee Performance Management System’ program, the system aims at aligning CBE’s strategic objectives with performance goals and targets of employees. This program also aims at collecting periodic performance appraisal information and contractual agreements to improve employee performance.

This idea is also supported by Smither W. James as performance Management is a continuous process of identifying, measuring, and developing the performance of individuals and teams and aligning performance with the strategic goals of the organization (Smither W. James, 2009). The performance management process of CBE, as stated in the bank’s HR procedure are Ensuring Employee Readiness, Employee performance planning, Data tracking, provision of employee Performance Feedback, Employee Performance Appraisal and Managing Employee performance appraisal Grievance.

**Employee Readiness** cycle states that: at the beginning of Quarter four of every fiscal year, prior to the start of the Performance Planning activity for the coming fiscal year, the line managers are responsible to ensure that employees under their supervision are equipped with the basic material resource that is critical to accomplishing job targets, employees have gone through the requisite development activities (formal training) critical to ensuring achievement of job objectives, and

employees are aware of their current competency gaps and actions required to close the gaps(CBE 2018).

**Employee performance planning:** decide what to do and how to do it. The most important part of the performance management process is the establishment of realistic, challenging, yet attainable, performance expectations and standards.

**Performance Data tracking:** next to cascading of goals and targets to employees or performance planning, line managers are expected to establish the tracking system and use timetable to determine progress. Pre-determined, periodic checks give both the line manager and employees a chance to talk about the specific task at hand. This agrees with the idea of Armstrong, 2006 that stated as carry out continuous checks on what is being done and measure outcomes to assess progress in implementing the plan.

**Feedback:** should be provided on actual results or observed behavior. It should be backed up by evidence and data tracked on business targets or behaviors demonstrated by an employee. It should not be based on supposition about the reason for the behavior (CBE 2018).Armstrong, 2006 stated that on the provision of feedback, line managers should consider what has been achieved, in light of this, establish what more needs to be done and any corrective action required if performance is not in line with the plan. Ongoing feedback by managers is strongly related to performance management effectiveness. As stated by the researchers: ‘The results strongly suggest that organizations should build ongoing feedback into their systems (Armstrong, 2006 P. 162).

**Performance Appraisal:** CBE conduct employee performance appraisal on quarterly basis for all eligible employees for their business targets whereas behavioral (leadership and organizational value competencies) aspects are assessed on annual basis. All line managers are expected to review the extent to which the employee is progressing towards achievement of performance targets and demonstration of leadership and organizational value competencies within the specified appraisal period (CBE 2018). Armstrong also stated in his performance Management Book that, performance appraisal is the formal evaluation of employees’ achievements, progress and problems that takes place over the period covered. Performance appraisal, as per Rao (2004) explanation, is a method of evaluating the behavior of employees in the work spot, normally including both quantitative and qualitative aspects of job-performance (Rao, 2004).

Desseler G. in the book entitled Human Resource Management, thirteenth edition, also revealed that performance appraisal means evaluating an employee current and or past performance relative to his or her performance standards (Desseler, 2013)

**Employee performance appraisal Grievance:** If an employee disagrees with a quarterly or annual appraisal rating and the difference in opinion affects the final quarterly or annual appraisal score significantly, the appraisal review meeting is adjourned within three working days to enable more data/ facts to be ascertained. The Line manager with the employee shall resolve the difference in quarter or annual appraisal score with data or facts ascertained within three working days. If the case is not resolved, employee grievance handling committee which is established at Head Office and District levels will handles grievances of non-managerial employees per the Collective Agreement of the Commercial Bank of Ethiopia with Employees of Commercial Bank of Ethiopia. HR Business Partnering Managers are member of the grievance handling committee at Head Office as well as District level.

### **2.2.1 The Role of HR Business Partner in Commercial Bank of Ethiopia**

Commercial Bank of Ethiopia adopts HR Business Partnering to improve operational efficiencies, improved capabilities in HR, improved alignment with business/organization goals. HR Business partners play role of providing Strategic Business Partnering and Change management Services to the district and Branches; ensuring all corporate HR initiatives are implemented at the district/branch level; providing HR consulting services; integrating corporate HR with district and Branch; implementing Strategic Business Partnering Change Management Services to the District and Branches; Providing the Corporate HR Function feedback from District and Branches (CBE 2014).

The role of HR Business Partners, as stated in chapter one, is essential to accomplish the previously stated performance management system of the Bank. HR Business Partners provide HR advisory support for Senior Management, Division Heads, and Department and District Directors on people-related activities in accordance with the human resource procedure.

When comes to the specific role of the HR Business Partners' practice of CBE in connection to employee performance management system, HR Business Partners advise and support line managers in all cycle of employee performance management system (CBE 2018).

### 2.3. Empirical Review

It is important for this research work to examine some of the empirical studies that have been carried out in this field of study. The empirical evidence is summarized and presented below.

Francis and Keegan (2006) who express concern over new HR structures causing a nonexistence of commonly recognized meaning of the term business partnering, which may create a disconnection between operative and strategic HR. The HR Business Partner role, as a result, particularly is demanded to become determined by specific business needs which make difficulties a generic definition and contributes to confusion regarding its tasks.

Ulrich's (1998) investigated the roles and responsibilities of HR Business partner. In his argument pressures from the organizational environment, like expansion from local to global markets and increased competitiveness, necessitates HR to take on new roles and responsibilities to deliver value. To tackle these challenges, many firms are processing to adopt an HR perspective based on market performance, organizational restructuring and change management instead of administrative support.

The study conducted by Brockway (2007) entitled *The Art of Business Partnering: Strategic HR Review* showed that, HR profession to be transformed, they must overcome their standing as a support function and be closely integrated with the business goals through delivering impactful solutions based on both the Human Resource aspect and business oriented perspective.

Additional research conducted by the Chartered Institute of Personnel and Development (CIPD, 2007) indicate that successful execution of shared service model (SSM) is considered to make delivery of transactional services more efficient, improve quality of specialized services and bring HR closer to the business by partnering with line managers.

Study conducted by Ulrich et al. (2009) on how HR should be organized so as to efficiently contribute to the business suggests that a combination of three different functions: 1) a centralized shared service Centre that performs standardized, transactional HR services; 2) a Centre of expertise operating as a specialized consulting firm within the organization; and 3) HR business partners working closely with senior and line managers in strategic development and change management.

A study conducted by Truss (2008) *Continuity and Change: the role of the HR function on the modern public sector; Public Administration*. HR hybrid role establishes validity of administration

while delivering at a strategic level by working in close collaboration with other business functions. But research results suggest that even though this development; there is often unwillingness to change traditional HR roles within organizations. For HR to be effective in fulfilling their potential as a strategic partner, the organization must therefore ensure that expectations on HR business partnering link with reality.

Hope-Hailey et al., (1997) who express the current changes in HR in their chameleon function? HRM in the '90s states that current changes in the organizational environment and the shift from traditional operational work to an enhanced strategic emphasis has therefore triggered many organizations to review their HR departments. So, alignment of processes and a well-operative relationship with line managers is considered important to link HR to the business.

The study conducted by Veronica Gidstedt (2013) Human Resources as a Business Partner focusing cross-functional exchange in the professional partnership between Human Resources Business Partners and line managers; that aimed to create an understanding for the partnership between HRBPs and line managers. Findings show that HR Business Partners performs mainly on a strategic level, as trusted advisers to the managers based on a profound business acumen and HR expertise. Within the partnerships, cross-functional exchange involves self-interest to develop in the professional role as well as a mutual interest to increase performance which adds value on both an individual and organizational level. Results indicate high levels of trust and absence of claims to authority as determinants for establishing and maintaining successful partnerships, with knowledge sharing as a mediating factor.

A study conducted by Peter Butali and David Njoroge in Kenya entitled Effect of Performance Appraisal on Organizational Performance aiming to find out the impact of appraisal on organizational performance and to find out the moderating effect of organizational performance. The study found that performance appraisal had a significant effect on organizational performance.

Nadeem Iqbal, et. al. (2013) also conducted a research "Impact of performance appraisal on employee's performance involving the Moderating Role of Motivation" their study focuses on finding out the impact of performance appraisal on employee's performance and also analyses that motivation affects the relationship of performance appraisal and employee's performance. Results presented there is positive relationship between performance appraisal and employee's performance.

Motivation as a moderator positively affected the relationship between performance appraisal and employee's performance. In the Ethiopian context, as far as the HRBP role is concerned, no research was conducted; even to make comparison in the area the researched could not find an organization practicing HR Business Partnering. Moreover, in the Commercial Bank of Ethiopia no study was conducted on the effect of HR Business Partners on organizational performance.

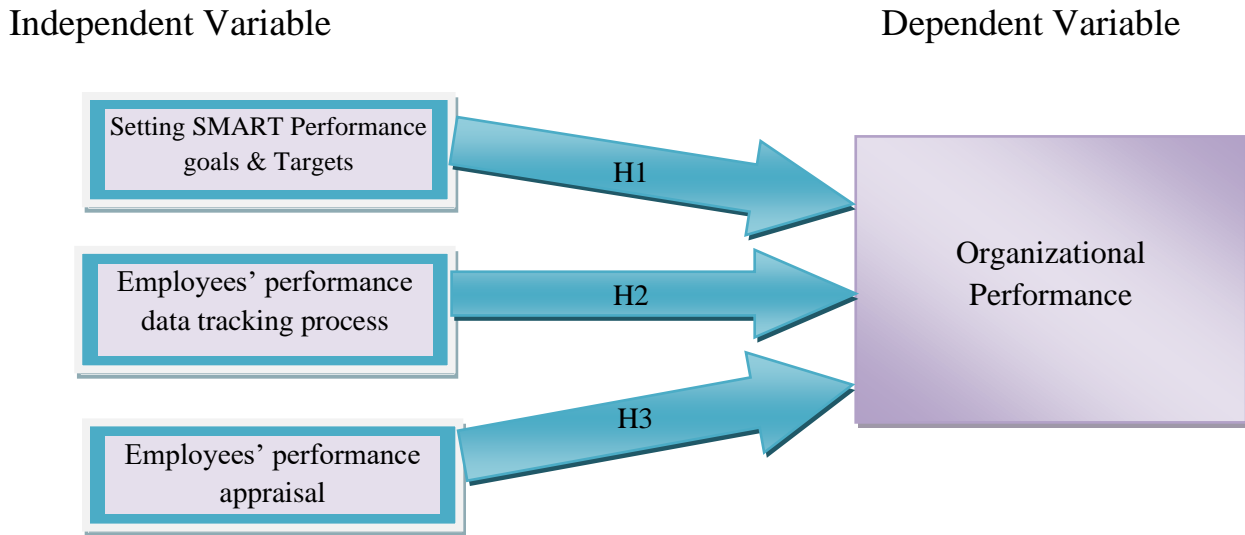
## **2.4. Literature Gap**

The review of the above studies indicated that the effect of HR Business partnering on organizational performance has received little research attention. Locally, the concept of HR Business partnering is not well developed in Ethiopia there was little research conducted. To fill the gap the researcher wants to assess the effect of HR Business partnering on organizational performance in case of Commercial Bank of Ethiopia.

## **2.5. Conceptual Framework**

In previous time organizations handled Human Resource Management in haphazard way and it was considered as support service provider for core business. With changes in the business environment it operates, HRM has changed itself and evolved with a new development called Strategic Human Resource Management which links HR practices with the strategic management process of the firm. While looking at the role of HR Business Partner particularly in the case of Commercial Bank of Ethiopia, they link the HR practices with the business of the organization. HR Business Partners support line managers in every HR issue like, employee performance management system that help line managers achieve their goals; in the accomplishment of the organizational performance one activity depends on the other for its success.

**Figure 2. 1:** conceptual framework of the study



Source: adopted from Qura-Tul-AainKhair (2011)

**1.Setting SMART Performance goals and Targets**

- Role profiles.
- Objective setting.
- Performance measures and assessment.
- Performance planning.
- Development planning.
- The performance agreement

**2. Employees performance data tracking**

- Tracking performance
- Documenting accomplishments against goals
- Solicit and receive performance feedback
- coach for improvement in some areas

**3.Employees performance appraisal**

- Planning
- Motivation
- Learning and development
- Communication

According to employees guide to performance management of CBE each variable is described as follows.

**Setting SMART performance goals and targets**—According to goal setting theory goals need to be specific enough to answer the “who, what, when, where, why, and how” of any expectations of the

goal. Employees perform better when given specific goals than they do when given vague or abstract goals. All performance Expectations should be SMART; **Specific:** Stating the objective as specifically as possible, employee and line manager will have a clearer understanding of what is expected during the rating period, **Measurable:** Common types of measures are cost, time, quantity, quality, and percentage of change, **Attainable:** Goals should be realistic, but not so easy that they are automatic, **Relevant:** Relevance is achieved by linking performance goals to the mission and goals of the organization and **Time bounded:** Goals should be time bounded. Objectives describe something that must be accomplished. Objectives or goals (the terms are interchangeable) define what organizations, functions, departments, and individuals are expected to achieve over a period. Goal setting that result in an agreement on what the employee or role holder has to achieve is an important part of the performance management processes of defining and managing expectations and forms the point of reference for performance reviews (Armstrong, (2006).

**Employees' Performance data tracking** is a periodic- daily, weekly, monthly, quarterly, and/or annually- tracking of any activity's progress by systematically gathering and analyzing data and information. During the performance period line managers have many opportunities to celebrate successes, observe behaviors, solicit, and receive performance feedback from others and coach for improvement in some areas. Employees, too, track their own performance, by documenting their accomplishments against goals on their performance screen. Tracking performance, like the other performance development activities, is an ongoing process and not a once-a-year event (Armstrong, 2006).

**Employees' performance appraisal** is a regular review of an employee's job performance and overall contribution to a company. Also known as an annual review, performance review or evaluation, or employee appraisal, a performance appraisal evaluates an employee's skills, achievements, and growth--or lack thereof ([www.investopedia.com](http://www.investopedia.com)). Performance appraisal provides a focal point for the consideration of key performance, motivational and development issues. It gives line managers with their employees the opportunity to pause after the hurly-burly of everyday life and reflect on the key issues of personal development and performance improvement. It is a means of ensuring that two-way communication on issues concerning work can take place, and it provides the basis for future work and development plan. Performance appraisal is the formal process normally conducted by means of completing an instrument that identifies and documents a job holder's

contributions and workplace behaviors (Henderson, 2006). In addition, Ahmed et.al, 2011 stated that Performance appraisal provides employees with useful feedback which they can apply to improve their performance (Ahmed, 2011). The feedback includes suggestions to change and encouragement.

## **CHAPTER THREE**

### **Research Design and Methodology**

The purpose of this research is to assess the effect of HR Business Partners in supporting line managers in the area of HR functions particularly in employee performance management to exploit the best from their employees and achieve their strategic goals; thereby enhance the overall organizational performance. To achieve this objective and answer the research questions mentioned in chapter one, the following research design and methodology has been used.

#### **3.1 Research Design**

The research design constitutes the blueprint for collection, measurement, and analysis of data. It aids the researcher in the allocation of his/her limited resources by posing crucial choices: Is the blueprint to include experiments, interview, observations and the analysis of records, simulations, or some combinations of these...? It is the plan structure of investigation so conceived as to obtain answers to research questions (Cooper and Emory, 1995).

In this study, descriptive survey method of research was used. This method is chosen for its suitability to reveal the effect of HR Business Partnering on organizational performance and providing the necessary response on timely basis. Since the objective of a descriptive survey study is to learn the: who, what, when, where and how of the topic, it is believed that it is suitable for the research topic under study.

Mixed research approaches have been used for better understanding of the research problem: quantitative and qualitative. Quantitative approach is used for quantitative information obtained through Likert scale type questionnaire and qualitative approach is used to analyze qualitative information obtained through open ended questionnaire.

#### **3.2 Population of the Study**

A population can be defined as all people or items (units of analysis) with statistics that one wishes to study. The target population in this research is consists of **all** Directors and Managers at Head Office and District Offices, all HR Business Partner Managers discharging their duty at District Offices.

### 3.3 Sampling Technique

The study used purposive sampling. According to Louis Cohen et al. (2007), purposive sampling is used in order to access knowledgeable people, i.e. those who have in-depth knowledge about particular issues, may be by virtue of their professional role, power, and access to networks, expertise or experience.

### 3.4 Sample Size

Sample size refers to the number of items to be selected from universe to constitute a sample. Determining sample size is an important issue because samples are too large may waste a lot of time, resource, and money, while samples that are too small may lead to in accurate results (Kothari, 2004). Thus, sample size is determined using Taro Yamane formula. (Sited at <https://www.quora.com> and <https://Uniprojectmaterial.com>)

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

Where n=the sample size

N=the population

e= the acceptable sampling error

Using the above formula, the total sample size is calculated and found to be 143. Then the proportional sample size of each department is calculated as shown in table below.

**Table 3.1:** Sample Size Proportion in each Sector of the Bank (Sample distribution plan)

S/no	Sector	Directors	Managers	Total	Sample Size/Distributed Questioner	Responded/Returned Questioner	Response rate
1	Legal Service	4	5	9	5	5	100
2	Credit Management	10	17	27	15	14	93.3
3	Finance	6	13	19	10	10	100
4	Internal Audit	6	26	32	17	17	100
5	International Banking	3	7	10	5	5	100
6	Risk Mgt.	3	3	6	3	3	100
7	HR	11	21	32	17	17	100
8	Facility Management	7	23	30	16	16	100
9	Strategy & Innovation	4	11	15	8	9	125.5
10	Internal Control	2	4	6	3	3	100
11	Banking Business	23	14	37	20	20	100
12	District HRBP		45	45	24	24	100
	Grand Total	79	144	268	143	143	100

*\* CBE branches were represented in the study taking 7 branch managers from Addis and 7 branch managers from outlying Districts since the practice and activities of branches considered similar across all CBE branches so these fourteen branches will be representatives.*

### **3.5 Type and Source of data**

The study used both primary and secondary data. The major / primary sources of data for this study were from Directors, Line Managers and HR Business Partners. Data was gathered through structured questionnaire. Secondary data were collected from the Bank's policies, procedures, office documents, audit and other reports, and other printed materials.

The primary data has been collected through questionnaire that constructed using the Likerts' five scale close ended questions to gather information regarding the role of HR Business Partners.

### **3.6 Validity and Reliability of the data Collection Instrument**

#### **3.6.1 Validity**

Validity refers to the degree to which the measurement measures that is supposed to measure. (Kothari, 2004). Validity is "the strength of our conclusions, Inferences of propositions. It involves the degree to which you are measuring what you are supposed to, more simply, the accuracy of your measurement'. The content validity was verified by the advisor of this research, who investigates the appropriateness of questions and the scales of measurement. The appropriateness of questions was also checked by a voluntary instructor of the University. Moreover, the questionnaire was adoption of standard survey question of Dave Ulrich and Jill Conner.

#### **3.6.2. Reliability**

Reliability refers to the degree to which the instrument measure the same way wherever it is used in the same conditions with the same subject matter(Adams et al,2007). It is concerned with the degree of consistence of the instrument. In other words, if the measurement of something many times and the result are the same then the outcome is reproducible, and the measurement instrument is reliable. According to Marczyk (2005) if the measurement is reliable then there is a lesser probability that the result is randomly and measurement error. To ensure reliability, the Chronbach's alpha is expected to

be greater than or equal to 0.70 and the Chronbach's alpha of the instrument was rated 0.763 Miller M. (2011).

### **3.7 Data Distribution and Collection Method**

In the study both primary and secondary data was used. Primary data was collected through questionnaire which is an adaption of Ulrich and Conner of 'Human Resource Role-Assessment Survey (1996)'. The questionnaire included many close ended questions that subjectively measure the role HR Business Partners in supporting line managers with a five point Likert scale. Questionnaire was sent to respondents and received from them via email. Secondary data was also collected from office documents and reports.

The questionnaires were developed and distributed for two groups of respondents, the line managers comprising of Directors and Managers, and HR Business Partnering Managers in order to get the full picture of the role of HRBP in supporting line managers in executing employee performance management system.

### **3.8 Data Analysis Methods**

All data collected for the study especially the primary data collected through questionnaire were screened to check the adequacy level of response has been obtained. Questionnaires that display defect, incompleteness and other problems are disqualified.

The data was analyzed using both descriptive and inferential statistics. The data collected from questionnaires were systematically organized in a manner to facilitate the analysis. The data was analyzed using Statistical Package for Social Sciences (SPSS) version 21.0 and summarized and relate the variables that are collected from questionnaires. In addition, the data was classified, tabulated, and summarized using descriptive measures such as mean, standard deviation, percentages and frequency distribution tables and presents in tabulations, cross tabulations, and graphs. In this study, pierson correlation and regression analysis were applied to analyze the relationship as well as causality between the constructs of the study.

### **3.9. Ethical Considerations**

The goal of ethics in research is to ensure that no one is harmed or suffers adverse consequences from research activities. Thus, respondents' confidentiality will be maintained to ensure this, respondents were explained their rights and protection, and benefit of the study. On the part of the researcher, results were presented as it is without violating or misrepresenting.

## **CHAPTER FOUR**

### **DATA ANALYSIS AND INTERPRETATION**

#### **Introduction**

This chapter presents the data analysis and interpretation of the research findings according to the research methodology discussed in chapter three. Both descriptive and inferential statistics were used in analyzing the data collected. Questionnaires were distributed for two groups of respondents, one for Directors and Managers of CBE and another for Human Resource Business Partnering Manager of Commercial Bank of Ethiopia. 119 questionnaires were prepared and distributed to Directors and Managers and 24 questionnaires for Human Resource Business Partnering Managers of CBE. In total 143 questionnaires were distributed and fully collected from the respondents.

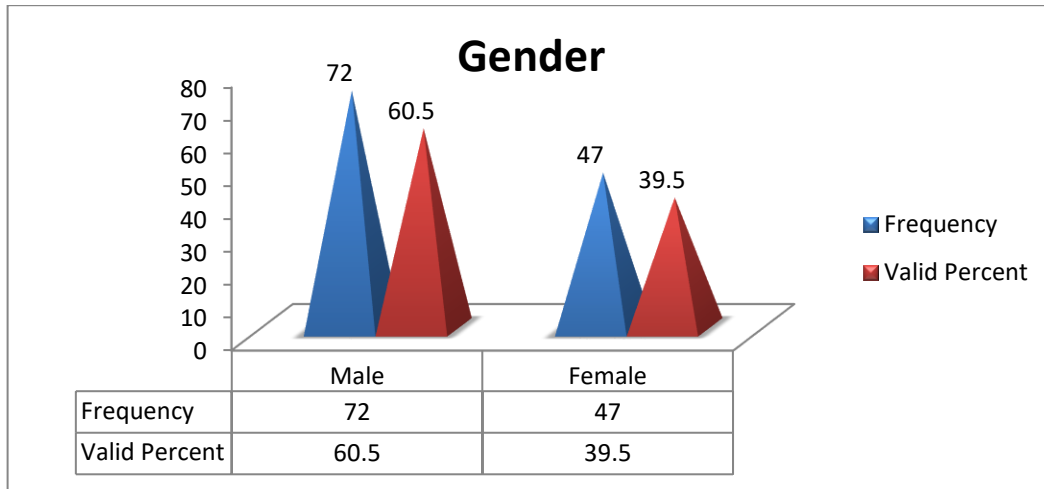
Contextually questionnaires were similar, and the researcher intended to compare the viewpoint of Directors and Managers on HR business Partners in supporting line managers with the assessment of HR Business Partnering Manager. The respondents were asked to rate their viewpoint using a five-point Likert scale. The data that were collected through questioners which is closed ended were analyzed quantitatively and one caption of open-ended question was analyzed qualitatively. The result of the survey is summarized and presented using means, standard deviation, graphs, figures, and tables.

#### **4.1 Respondents Profile**

##### **4.1.1 Demographic Information of the Respondents (Directors and Managers)**

The first section of the survey questionnaire provided the demographic profile of the respondents as structuring a frame for the interpretation of the results. The respondents' profile is prepared in terms of gender, age, Qualification or educational level, and position of the respondents. The profile respondents that were participated in the survey are analyzed and presented below.

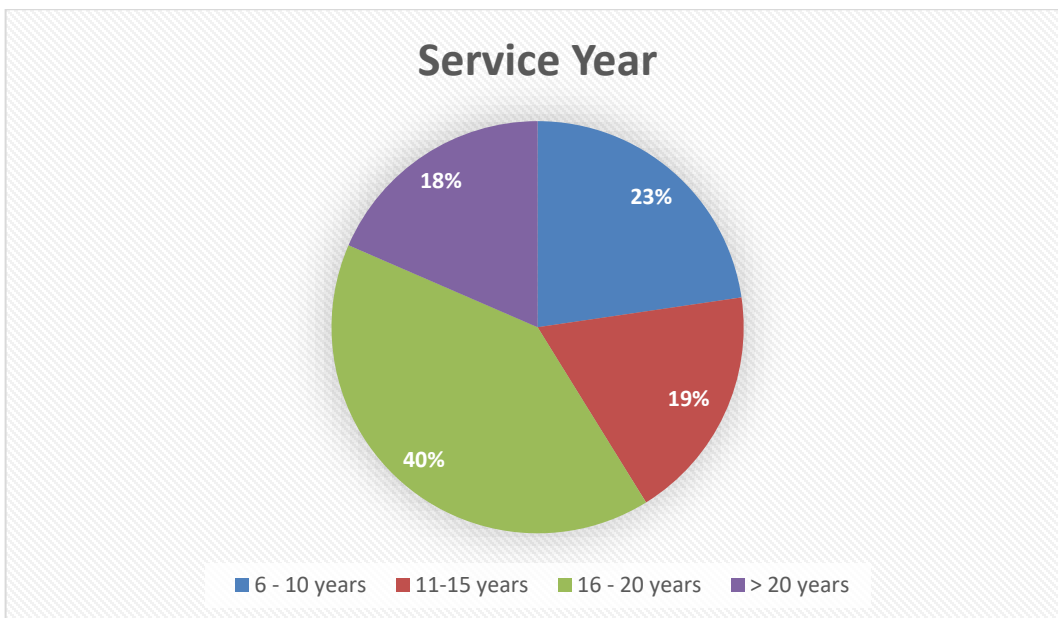
**Figure 4.1: Respondents' by Gender (DIRECTORS AND MANAGERS)**



Source: Survey questionnaire 2020

The survey result in terms of gender mix shows that 60.5% of the Director and Managers participated in the survey were male and the rest (39.5%) were female. This implied male Director and Managers are relatively high.

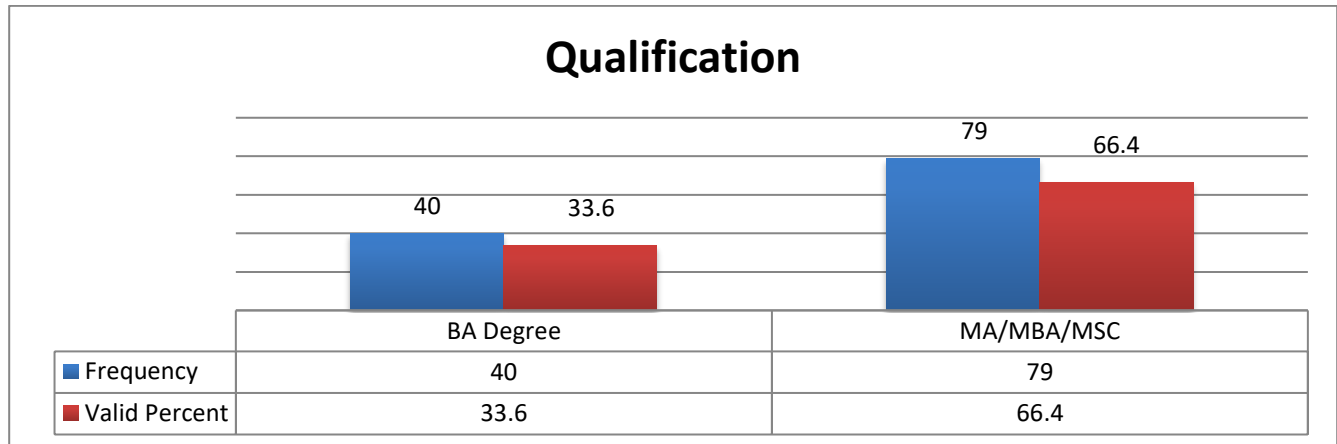
**Figure 4.2: Respondents' by Service Year (Directors and Managers)**



Source: Own Survey 2020

The respondents were also asked to indicate their service year categories. Consequently, majority of respondents, 40%, were responded that they served the bank in the range of 16-20 years, whereas 23% were under the range of 6-10 years, 19% of participants were in the range of 11-15 years while 18% were above 20 years of service. This implies that the directors and managers are senior employees of the bank and have ample experience of the banking service.

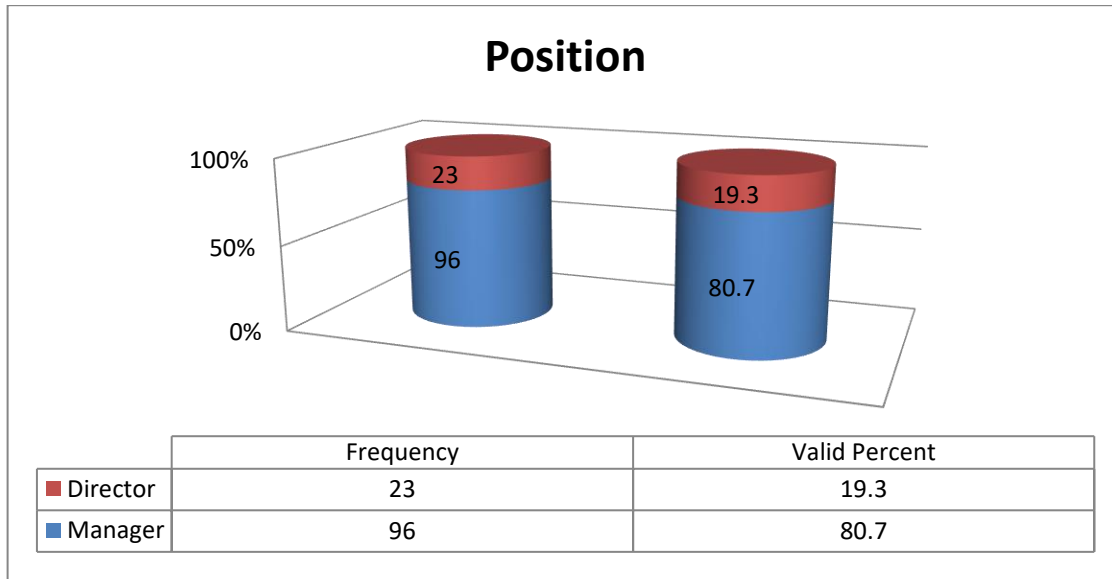
**Figure 4.3:** Respondents' by Qualification (directors and managers)



Source: Own Survey 2020

The composition of respondents across education qualification shows that the highest percentage of respondents (66.4%) was master holders while 33.6% were first degree holders. This indicates that supervisors/leaders of CBE are higher level staffs in academic background.

**Figure 4.4:** Respondents' by Job Position

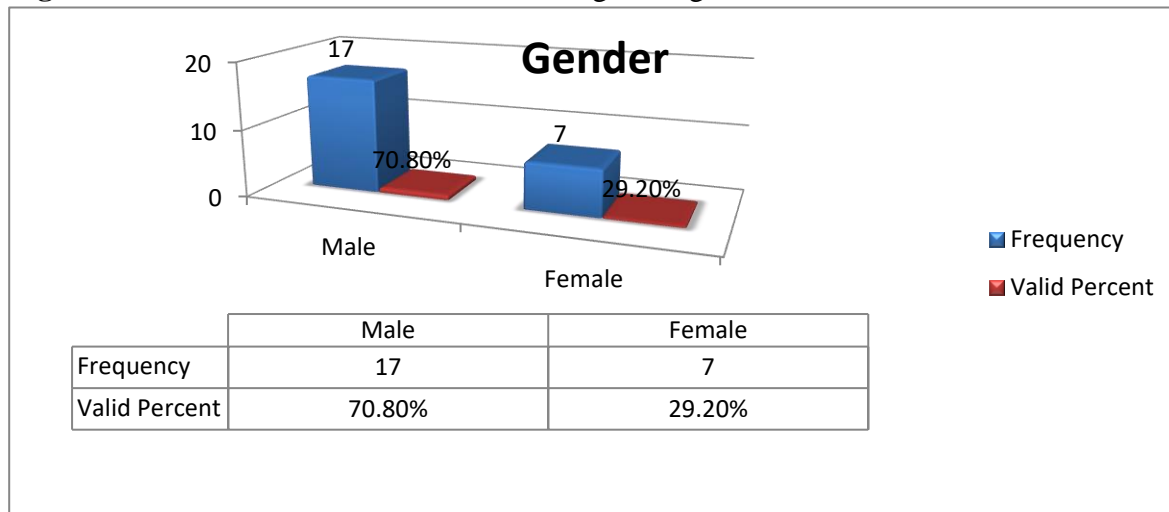


Source: Own Survey 2020

The share of respondents in terms of job group specifies that, 80.7% of the respondents were Managers whereas the rest 19.3% were Directors. This implies that the share of managers in the bank is more than that of the Directors.

#### 4.1.2 Demographic Information of HR Business Partners

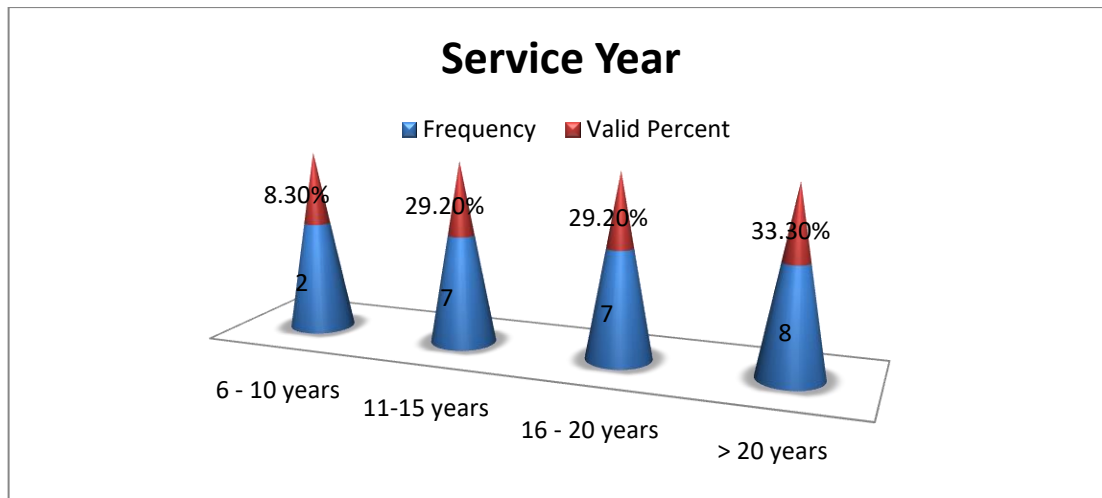
**Figure 4.5:** Gender of HR Business Partnering Managers



Source: Survey questionnaire 2020

The survey result in terms of gender mix of HR Business Partners shows that 17(70.8%) of the respondents were male whereas 7(29.2%) were female. This shows that majority of the HR Business Partnering Managers are Male.

**Figure 4.6:** Service Year of HR Business Partnering Managers



Source: Survey questionnaire 2020

According to the survey’s result the respondents’ service year in the bank shows that, 8(33.3%) have above twenty years of experience in the CBE, 7(29.2%) were in the range of 11-15 and 16-20 years of service whereas only 2(8.3%) were banking service experience of 6-10 years in CBE. According to these figures, experienced HR Business Partnering Managers are relatively high.

Concerning position of survey participants, all of them were HR Business Partnering Managers. Because, the researcher targeted this group as they are interacting with line managers and have more expertise than their subordinates.

#### **4.2. Descriptive Analysis of effects of Human Resource Business Partnering on Organizational Performance.**

The mean scores of each performance management process were calculated as well as the mean scores of each item under these dimensions. The respondents were then asked to rate their perception, knowledge, and feelings of these practices on a five-point Likert scale ranging from one (strongly disagree) to five (strongly agree).

Table 4.1: Descriptive Analysis

Descriptive Statistics					
	N	Minimum	Maximum	Mean	Std. Deviation
Setting Smart Performance Goals and targets	119	2.75	4.75	3.7353	.45250
Performance Data Tracking	119	2.00	5.00	3.5672	.61038
Performance Appraisal	119	2.67	5.00	3.8796	.53279
Organizational performance	119	2.38	5.00	3.7468	.40438
Valid N (list wise)	119				

Source: own survey 2020

As indicated in table above, the mean score values of human resource business Partnering for Commercial Bank of Ethiopia ranges between 3.879 (mean score value of performance appraisal) with standard deviation 0.53279 and 3.5672 (mean score value of performance data tracking) with standard deviation of 0.61038. Regarding the above result the overall effects of human resource business Partnering on organizational performance is well above average.

#### 4.2.1 Setting Smart Performance Goals and targets

Goals need to be specific enough to answer the “who, what, when, where, why, and how” of any expectations of the goal. Employees perform better when given specific goals than they do when given vague or abstract goals. Goals are more strongly related to performance when subjects utilize suitable task strategies than when they do not. According to Chesney and Locke (1991) challenging goals increase the likelihood that known strategies will be used. Additionally, Locke and Latham (1990) described that goal setting facilitates self-regulation in that the goal defines for the person what constitutes an acceptable level of performance. Regarding setting SMART goals and targets the following four theoretically acclaimed questions were applied to evaluate the effect of HRBP in supporting line managers in setting SMART goals and targets in Commercial Bank of Ethiopia.

Table 4.2: Descriptive statistics of setting performance goals and targets

<b>Descriptive Statistics</b>			
	N	Mean	Std. Deviation
Human Resource Business Partners participate in the process of defining business strategies	119	2.63	.919
HR Business Partners are operating as a business partner	119	3.94	.628
Human Resource Business Partners are active participant in employees' SMART goals and target setting	119	4.37	.687
Human Resource Business Partners in CBE are equipped with the business knowledge	119	3.59	.741
Valid N (list wise)	119		

Source: won survey 2020

#### **4.2.1.1 Participation in Business Strategy Definition**

HR strategies set out what the organization intends to do about the different aspects of its human resource management policies and practices. They will be integrated with the business strategy and each other. HR strategies are described by Dyer and Reeves (1995) as ‘internally consistent bundles of human resource practices. Richardson and Thompson (1999) suggest that: A strategy, whether it is an HR strategy or any other kind of management strategy must have two key elements: there must be strategic objectives i.e. things the strategy is supposed to achieve), and there must be a plan of action i.e. the means by which it is proposed that the objectives will be met. Also, Latham, et.al (1991) has suggested that the key benefit of participation in strategy development is goal commitment. Their study found that participation in developing effective strategies had substantial effects on performance through the mediating effects and the quality of the strategies which the subjects developed and used. Accordingly, respondents were asked to identify whether HR Business Partners participate in the process of defining business strategies. Most of the respondents (mean= 2.63) were disagreed on the HR Business partners participation in strategy definition. This implies that HRBP’s are participation in the defining business strategies is less.

#### **4.2.1. 2 Business Partner Role**

Strategic partner, HR must make sure that its practices, processes, and policies complement the overall organizational strategy. It must also develop the capacity to execute that strategy in the minimum amount of time (Ulrich, D. 1997). In playing this role, the HR professional works to be a

strategic partner, helping to ensure the success of business strategies. According to Ulrich by fulfilling this role, HR Business partners increase the capacity of a business to execute its strategies. Robinson & Robinson (2005) further state that “strategic business partners perform transactional work and tactical solutions in support of strategic initiatives”. However, it is believed that the majority of HR business partnering work is strategic in nature. In this regard respondents were asked whether the Human Resource Business Partners are executing this (Strategic business partner) role. The survey data indicated that (mean score = 3.94) Human Resource Business Partners are exercising this role.

#### **4.2.1.3. Employees’ SMART goals and target setting**

Commercial Bank of Ethiopia cascade departmental goals and targets to individual level every quarter. The cascading or setting SMART goals and targets to employees is one of the essential practices of its employee performance management process CBE (2018). Unless organizations take specific steps to cascade goals throughout the organization and align these with employee goals, the best laid plans will come to nothing. To drive true purpose and effectiveness in the everyday lives of employees, the company strategy needs to be filtered down to each level of staff. If people understand that what they are doing fits into the bigger picture, and help the company accelerate in the execution of their strategy, then they start to feel a certain kind of recognition and pride (Top-employers.com). Concerning this, respondents were asked if HRBPs participate in employees’ SMART goals and target setting. Accordingly, almost all respondents (mean score = 4.37) agreed that HR Business partners were well participating in employees’ SMART goals and targets. This indicated that HRBPs were highly involving the process of goal and target setting.

#### **4.2.1.4. Business knowledge of HR Business Partners**

The objective of the HRBP role is to collaborate with line managers within different business units and provide support by clarifying strategies, represent employee interests, identify requirements for reaching business goals and implement appropriate HR practices (Ulrich et al., 2009). Perhaps, authority of the HRBP role depends on acceptance by line managers which in turn requires a profound knowledge of the business, ability to influence decisions as well as strong communicative and interpersonal skills (Wright, 2008). So, question was designed to know the perception of

respondents if HR Business Partners in CBE are equipped with the business knowledge. The survey data indicated that HR Business Partners have business knowledge (mean score= 3.59).

## 4.2.2 Employees’ Performance Data Tracking

Keeping on top of each employee’s performance enables organizations to monitor, manage and improve their business strategy and the results they achieve. In doing so, this helps managers shape their success. Analyzing the performances of staff can also make it easy to identify employees who are readily engaged with their work, while also pinpointing those who are not. As a result of this, line managers will be able to see where they need to spend their time and resources, to either get specific staff members back to working at their full potential or reduce the likelihood of burning themselves out. (<https://www.breathehr.com/hr-software/employee-performance-tracking>). In this survey, the following two theoretically acclaimed questions were used to evaluate employee performance data tracking practice of CBE.

Table 4.3: Employee performance data tracking

<b>Descriptive Statistics</b>			
	N	Mean	Std. Deviation
Human Resource Business Partners advice and support line managers to track employees’ performance data timely	119	4.23	.559
Human Resource Business Partners are operating as a champion for employee	119	2.91	.991
Valid N (list wise)	119		

Source: own survey 2020

### 4.2.2.1 Employee performance data tracking

Organizations that track their performance are able to improve their employees’ efficiency and enhance the effectiveness of their operations. Tracking performance, like the other performance development activities, is an ongoing process and not a once-a-year event (Armstrong, (2006). According to HR procedure of CBE, line managers are expected to track performance data of their employees daily, weekly, monthly, and quarterly depending on the targets. To ascertain whether HR Business Partners support line managers to track employees’ performance data or not, sampled respondents were asked to put their opinion. The survey result indicates that HRBPs were highly

engaged in employee data tracking (mean score= 4.23). This implies that line managers were supported to monitor their employees' accomplishment, identify staff those who lack their performance and make remedial action on time.

#### **4.2.2 Employee Champion Role.**

As per Ulrich description, as employee champion, requires the HR function to know the concerns of employees and spend time talking to them and listening to their concerns rather than processes. The HR function should promote all possible methods of communication, including employee surveys, suggestion programs, team meetings and any other means of sharing information and views. Ulrich also noted that, "The (employee champion) role for HR professionals encompasses their involvement in the day-to-day problems, concerns, and needs of employees (Ulrich 2009).

To determine this, respondents were asked if Human Resource Business Partners are operating as a champion for employee. The result indicated that HR business partners minimally execute the role champion for employee (Mean score = 2.91). This indicates that HR Business Partners focused more on supporting line managers rather than employees.

#### **4.2.3 Employee performance appraisal**

Performance appraisal, as per Rao, (2004) explanation, is a method of evaluating the behavior of employees in the work spot, normally including both quantitative and qualitative aspects of job-performance (Rao, 2004). As Desseler stated performance appraisal means evaluating an employee current and or past performance relative to his or her performance standards (Desseler, 2013). Armstrong also stated that, performance appraisal is the formal evaluation of employees' achievements, progress and problems that take place over the period covered. In this regard, three theoretically acclaimed questions were applied to evaluate Employee performance appraisal practice of CBE.

**Table 4.4:** Employee performance Appraisal

Descriptive Statistics			
	N	Mean	Std. Deviation
HRBPs advice line managers to provide feedback to employees' based on their performance timely.	119	3.92	.743
Human Resource Business Partners advice and support line managers in employees performance appraisal process	119	4.18	.663
Human Resource Business Partners is an active participant in employees' grievance handling process	119	3.54	.937
Valid N (listwise)	119		

Source: own survey 2020

### 4.2.3.1 Employee Performance Feedback

Performance feedback is a communications process. It should be ongoing meaning as adjustments are made based on the information exchanged between manager and team member. There should be regular follow up dialogue to determine success. Feedback is designed to note where things are going right and where they are going wrong. This means that leaders may need to be patient as new habits get developed and the learning curves for new skills are overcome. Performance feedback is critical to helping employees understand expectations, adjust and get the coaching necessary to improve and succeed. On the other side of the equation is feedback managers may receive in the process as well that helps them more effectively leading the organization (small business website).

Concerning feedback Armstrong, 2006 also stated that, line managers should consider what has been achieved, in light of this, establish what more needs to be done and any corrective action required if performance is not in line with the plan. Accordingly, respondents were asked to indicate their viewpoint on HRBPs advice line managers to provide feedback to employees based on their performance timely. Ample number of respondents agrees (mean score 3.92) that HRBPs were supporting line managers to provide performance feedback to their employees on timely bases. This indicates that CBE employees receive performance feedback which helps them evaluate their accomplishment and make corrective action if they are lagging and keeping up and go for betterment if they are leading.

#### **4.2.3.2 Employee Performance Appraisal**

Commercial Bank of Ethiopia conduct employee performance appraisal on quarterly basis for all eligible employees for their business targets while behavioral (leadership and organizational value competencies) parts are assessed on annual basis. To assess the role of HRBPs in supporting line managers in this regard, respondents were asked whether Human Resource Business Partners advice and support line managers in employees' performance appraisal process. Almost all respondents (mean score = 4.18) agreed that HRBPs were supporting line managers in employee performance appraisal process.

#### **4.2.3.3 Employee Performance Appraisal Grievance**

Employee grievance refers to the dissatisfaction of an employee with what he/she expects from the company and its management. However, employee grievance is caused when there is a gap between what the employee expects and what he/she receives from the employer. Employee grievances may or may not be justified. However, they need to be tackled adequately by the leadership team because they not only lower the motivation and performance of the employee but also affects the work environment. If left unchecked, it can lead to large disputes within the company. It can also drop the motivation levels of other employees. Any company must have a proper channel for employee grievance redressed. It should be handled in a proper and well-defined manner (business concepts website).

CBE also has employee grievance handling procedure. In order to know to what extent HRBPs are involving in the employee grievance process, respondents were asked whether Human Resource Business Partners are active participants in employees' grievance handling process. The result indicated that HRBP participate in the grievance handling process of employees (Mean Score= 3.54).

#### **4.2.4 Organizational Performance**

Organizational performance comprises the actual output or results of an organization as measured against its intended outputs (or goals and objectives). It is a broad construct which captures what organizations do, produce, and accomplish for the various district with which they interact. Specialists in many fields are concerned with organizational performance including strategic planners, operations, finance, legal, and organizational development (J. Baum, 2002). Concerning

Commercial Bank of Ethiopia, its actual output comprise of financial and non-financial result from mainly branches rendering services to customers and leading departments at head quarter. Based on the above reason the following questions were asked to investigate the role of HRBPs on the performance of the organization under study.

**Table 4.5: Organizational performance**

<b>Descriptive Statistics</b>			
	N	Mean	Std. Dev.
The bank communicates policies and procedures to employees timely	119	3.69	.821
HRBPs help the organization in accomplishing business goals	119	4.00	.521
HRBPs help the organization in improving operating efficiency	119	4.00	.567
HR Business Partners help the organization in adapting to change	119	3.98	.759
HRBPs participate in improving employee’s capability	119	3.70	.754
HR Business Partners are operating as an administrative expert	119	3.76	.721
Human Resource Business Partners are operating as a change agent	119	2.58	.996
HRBP role is an added value to the organization	119	4.00	.624
HR Business Partners benefited to the business in CBE	119	4.08	.645
Valid N (list wise)	119		

Source: own survey 2020

#### **4.2.4.1 Communicate Policies and Procedures**

Policies and procedures are an essential part of any organization. Jointly, policies and procedures provide a roadmap for day-to-day operations. They ensure compliance with laws and regulations, give guidance for decision-making, and streamline internal processes.

Workplace policies provide workers with knowledge about what is expected of them, e.g. behavior and performance standards, rules and guidelines for decision-making in routine situations, a consistent and clear response across the company in dealing with situations, an accepted method of dealing with complaints and misunderstandings to help avoid claims of bias and favoritism, a clear framework for the delegation of decision-making a means of communicating information to new workers (health and safety handbook.com).

The HR policies and procedures of CBE communicated to the end users via HRBPs as they play the linking role. Accordingly, respondents were requested to indicate their perception how fast the HR

policy and procedures are communicated to the implementers. Most respondents are with mean Score = 3.69 agreed that HR policy and procedures are communicated to policies and procedure promptly. This shows that employees and line managers are executing their duties in consistent manner in entire the bank.

#### **4.2.4.2 Accomplish Business Goal**

Establishing, monitoring, and updating goals are an important talent management process, but tying employee performance to the achievement of goals is a crucial step in measuring accomplishments. The performance components that can be measured include both individual and team goals. Employees must evaluate each goal against specific performance measures. Measures are the yardsticks used to determine how successful the accomplishment was that the employee produced. Companies use lots of useful measures including quality, quantity, timeliness, productivity, financial, and cost effectiveness, to name a handful (<https://talentguard.com/performance-management>). In this regard, survey participants were asked if HRBPs help the organization in accomplishing business goals. The survey result indicated that majority of the respondents acknowledge support of HRBP in accomplishment of organizational goals. This implies that, in one or another way, HR Business Partners struggle for success of the organization.

#### **4.2.4.3 Improve Operating Efficiency**

Identifying and implementing workforce strategies in a challenging global economy is a high-priority issue for top executives. To be successful, human resource professionals and business leaders together must grapple with the many variables that affect the organization's ability to attain its strategic objectives. They must develop quantitative and qualitative approaches to attract, engage and retain human capital efficiently and effectively. To be effective, business leaders must focus on the five key areas which are: Workforce planning, organizational capability assessment, organizational development and structure and Diversity and Inclusion (<https://www.linkedin.com>).

Other implications to improve HR performance are successful organizations have a focus on the performance of their employees. Here employees are rewarded based purely on their performance on set criteria. Their performance goals and targets are clearly defined and communicated to them in a formal way. Employees feel motivated and accountable for their performance and strive to achieve/exceed the

targets set for them. The only thing that pleases the managers and leadership is higher achievements and performance delivery. Human Resource Management is the effective and efficient use of people to achieve both the organization and individual goals (<https://smallbusiness.chron.com/hr-fulfill-organizational>). In this regard sampled respondents were asked if Human Resource Business Partners help the organization in improving operating efficiency. Consequently, the result (mean score= 4.00) indicated that the HRBPS are supporting the organization to improve its operating efficiency.

#### **4.2.4.4 HR Business Partners help the Organization in Adapting to Change**

The key to profitable performance is largely dependent on the extent to which four business elements are aligned: these are the leadership, the organization (the structure, processes and operations by which the strategy is deployed), the jobs and the people. An understanding of the interdependencies of these business elements and the ability to adapt quickly and strategically to change are essential for success in the high-performance organization. When these four elements are synchronized the likelihood for outstanding performance is increased ([www.shrm.org](http://www.shrm.org)).

In order to assess the practice of this activity respondents were asked to indicate their standing regarding the support of HRBPs in adapting to change when the bank implements certain changes. The result of the survey indicated that (3.98) the HRBPs are familiarizing the employees of the bank when there is an operating change in the organization. This indicates that whenever the bank introduces new operating systems, employees could execute the change without difficulty or with less effort since they are guided by HRBPs.

#### **4.2.4.5 HRBP's participate in Improving Employee's Capability**

Human Resource Planning and Development is the framework for helping employees to plan and develop their personal and organizational skills, knowledge, and abilities. Human Resource Development includes such opportunities as employee training, employee career development, performance management and development, coaching, succession planning, and organization development. Objectives of human resource management are influenced by organizational objectives and individual and social goals. (<https://smallbusiness>). In relation to this, respondents were asked whether the HRBPs contribute to improve the capability of employees. The survey result shows that HRBPs are participating in the employees' capability improvement.

#### **4.2.4.6 HRBP's are operating as an Administrative Expert**

According to Ulrich, administrative expert concerns more with process efficiency that involve people and most of the HR function's time is spent on this role. This role "requires that HR professionals design and deliver efficient HR processes for staffing, training, appraising, and rewarding, promoting, and otherwise managing the flow of employees through the organization." HR professionals ensure that these processes are both efficient and optimized as well as continuously track, monitor and improve on these basic processes to give credibility to its own existence (Ulrich 2009). Regarding this, respondents were requested to give their perception in relation to the administrative role of Human Resource Business Partners. The result indicated that most of the respondents (mean score=3.76) agreed that of Human Resource Business Partners were operating as administrative expert.

#### **4.2.4.7 HRBP's are Operating as a Change Agent**

Ulrich (1998) indicated that HR has the responsibility to encourage an organization to go forward and change. He argued that HR should become a change maker of continuous transformation, shaping processes and culture that improve an organization's effectiveness.

Gust and Store also stated that change makers were interventionists with a strategic agenda focused on both the hard realities of business performance and the softer HR interventions designed to enhance employee commitment and motivation. It was this new role that perhaps most clearly differentiated HRM from traditional personnel management (Guest, 1997; Storey, 1992). According to Ulrich (2009) the HR role as change agent is that of a facilitator, involving modeling change to other departments, being a positive advocate of change across the entire organization, resolving employee issues arising from change, and embedding change by implementing efficient and flexible processes. HR staff can act as change agent when they "help make change happen they understand critical processes for change; build commitment to those processes and ensure that change occurs as intended". Concerning this, sampled respondents were requested to indicate their viewpoint whether the HRBPs are executing change agent role. The survey result revealed that HRBPs playing change agent role were minimal (mean score= 2.58).

#### **4.2.4.8 HR business partnering role is an added value to the organization**

In today's challenging business environment, it is important for HR to deliver strategic value while also delivering these services in a cost effective and efficient manner. To add value to the organization and its employees, HR must focus less on what it "does" and more on what it "delivers." In order to devote more hours to value-added planning and consulting activities, HR leaders are using a variety of tactics to reduce the time and effort spent on routine tasks and administrative services.

This is being achieved in ways such as new HR service delivery models, new technology, process improvements, a variety of outsourcing approaches, new HR service metrics, developing HR talent with business insight. Many will agree that a value-generating HR function concentrates on outcomes and results that promote organizational effectiveness. By focusing on effectiveness, HR professionals measure how their work enhances strategy execution, business and HR efficiency, commitment and productivity of employees, and organizational capacity for continuous learning and change ([www.yourhrremedy.com](http://www.yourhrremedy.com)).

#### **4.2.4.9 Benefit of HR Business Partnering**

For HR business partnering to truly work in practice, HR needs to shake off its personal lack of self-esteem. HR, done strategically, does add immense value to the organization. This needs to be paired with the confidence to be the square peg in a round hole challenging business strategy to add that value through the scope of human resource. In many ways, this can only be done if the HR function is as an expert in the nature of the unique business it works in, rather than the typical generalist approach. HR business partnership, taken with a broader definition, is the future of HR. It steps away from the confined functions of recruitment, training etc, and instead makes these functions work for the business (<https://www.naturalhr.com/2017/12/14/hr-business-partner/>). Concerning this, respondents were asked to give their viewpoint about the overall benefit of HRBP to the organization. The survey result showed that majority (mean score = 4.08) of the respondents agreed that HRBPs beneficial to the organization. This indicates that HR Business Partnering is contributing for the success of the organization.

**Table 4.6:** Descriptive Analysis of Effects of HR Business Partner on Organizational Performance (HRBPs perception)

Descriptive Statistics					
	N	Minimum	Maximum	Mean	Std. Deviation
Setting SMART goal targets	24	2.50	4.50	3.4062	.50440
Performance data Tracking	24	3.00	4.50	4.0208	.45395
Performance appraisal	24	3.33	5.00	4.0417	.54118
Organizational performance	24	3.14	4.43	3.8036	.31752
Valid N (list wise)	24				

Source: own Survey 2020

The mean score values of human resource business Partnering for Commercial Bank of Ethiopia as per the HR Business Partnering Managers, ranges between 5.00 (mean score value of performance appraisal) with standard deviation 0.54118 and 3.4062 (mean score value of setting SMART goals and targets) with standard deviation of 0.50440. With regard to the above result the overall effects of human resource business Partnering on organizational performance is well above average.

**Table 4.7:** Comparison of Directors and Managers’ response with the response of HRBPs

	Directors and Managers		HR Business Partnering Managers	
	Mean	Std. Deviation	Mean	Std. Deviation
Setting SMART goal targets	3.7353	0.4525	3.4062	0.5044
Performance data Tracking	3.5672	0.61038	4.0208	0.45395
Performance appraisal	3.8796	0.53279	4.0417	0.54118
Organizational performance	3.7468	0.40438	3.8036	0.31752
Valid N (list wise)				

When we look at the responses of each group (Directors and Manager and HR Business Partnering Managers), their perception regarding the effect of HR Business Partner on the organizational performance is comparable.

### 4.3 Inferential Statistics

Inferential statistics are mainly concerned with two major types of problems which are the estimation of population parameters and the other one is testing of statistical hypotheses (Kotheric, 1990). So, this section presents a discussion of the results of inferential statistics. Correlation analysis was used to measure the strength of the relationship between the independent variables i.e. the relationship between Setting SMART Performance goals and Targets, Employees performance data tracking process, Employees performance appraisal and organizational Performance. To measure the relative significance of independent variables on dependent variables, Regression analysis has been established. The summary of the inferential statistics results is presented below.

#### 4.3.1 Reliability Test

The reliability test that measures the consistency of all questions in the questionnaires is measured using Cronbach's alpha which is the most commonly used to measure reliability is stood at 0.763. According to Kline, P. (1994) consistency is maintained if Cronbach's alpha is greater than 0.7, so the instrument/questionnaire is consistent.

**Table 4.8: Reliability Statistics**

Cronbach's Alpha	N of Items
.763	18

**Source:** Own Survey 2020

#### 4.3.2.1 Assumptions Test Results

According to Field (2006), multiple linear regression uses to estimate the effect of more than one independent variables over dependent variable or it estimates the coefficient of determination on the anticipated one explained by the predictors. Multiple linear regressions also use to compare which independent variable has more effect than other independent variables. Moreover, to have valid multiple regressions analysis, the important assumptions should be fulfilled. These are: linearity, homoscedasticity, independent of residuals and multicollinearity. For this study, before discussing the regression model these assumptions were tested. The results of these assumptions are briefly summarized and presented below.

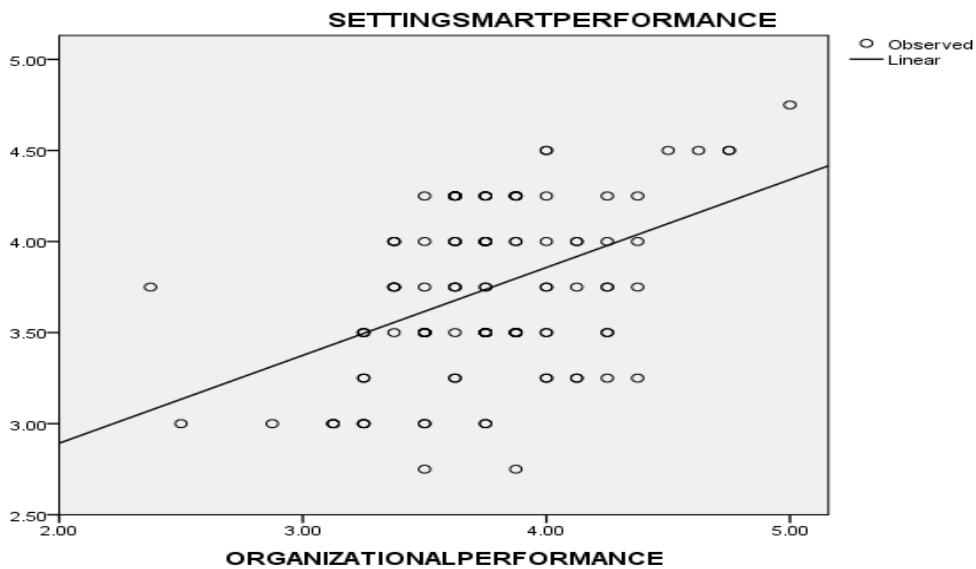
### Assumption 1: Linearity

Multiple regressions assume a linear relationship between the independent and dependent variables. The bivariate plot of the predicted value against residuals can help us infer whether the relationship of the predictors to the result is linear. Hence using visual review of the scatter plot, it can be suggested about the linearity.

Looking at the scatter plot of each independent variable's scatter plot, it appears that the relationship of standardized predicted to residuals is roughly linear around zero. Hence, we can conclude that the relationship between the response variable and predictors is around zero suggesting that the relationships between these variables are linear.

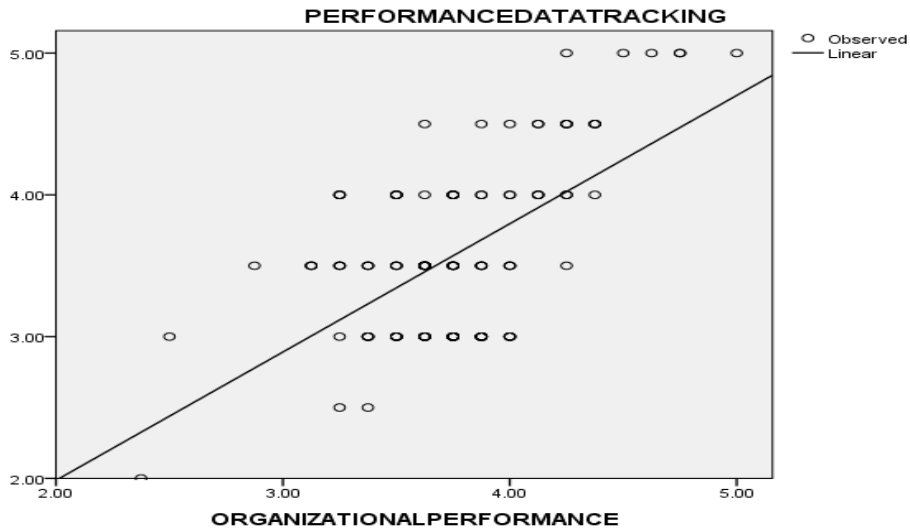
**Figure 4.7: Linearity Test**

**Independent variable: Setting SMART goals and Targets**



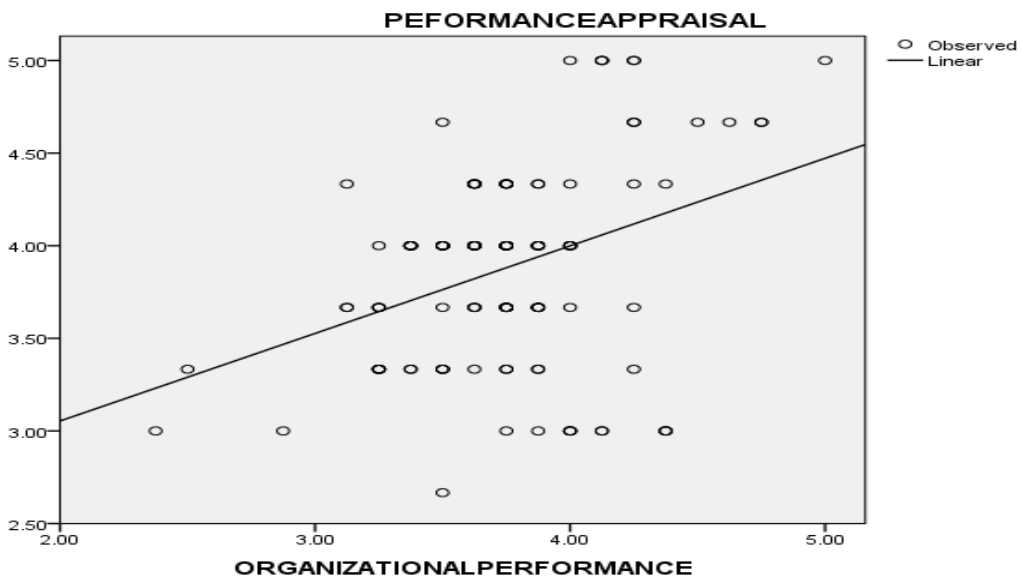
Dependent variable: Organizational Performance

Independent variable: Employee performance data tracking



Dependent variable: Organizational Performance

Independent variable: Performance Appraisal



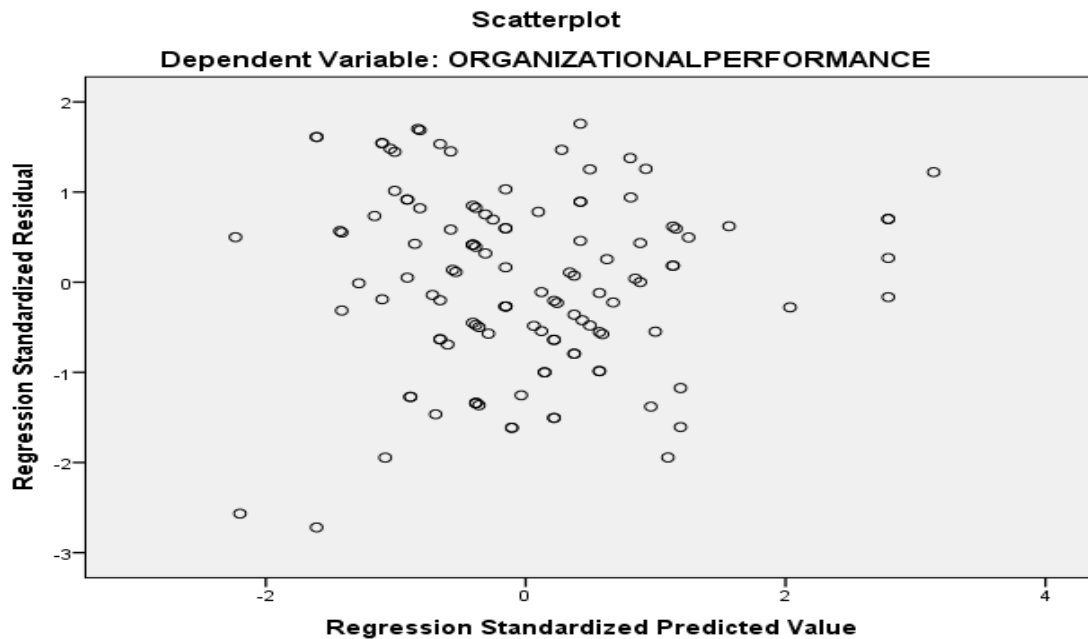
Dependent variable: Organizational Performance

### Assumption 2: Homoscedasticity

Homoscedasticity refers to the assumption that the variation in the residuals (amount of error in the model) is similar at each point across the model. In other words, the spread of the residuals should be

constant at each point of the predictor variables (or across the linear model). Just as for the assessment of linearity, a commonly used graphical method is used.

**Figure 4.8:** Scatter Plot of Homoscedasticity



As it can be observed from the above figure, variation in the residuals or amount of error in the model is roughly similar at each point of the model because as the predicted values increase since as the predicted values increase (along X-axis), the variation in the residuals become roughly similar so this assumption is fulfilled.

**Assumption 3: Independent of Residuals**

This is basically the same as saying that the observations (individual data points) to be independent from one another (uncorrelated). The Durbin-Watson statistic is used to test for independence of residuals. The value of the Durbin-Watson statistic ranges from 0 to 4. As a rule, the residuals are independent (not correlated) if the Durbin-Watson value is approximately closer to 2, and values below 1 and above 3 are causes for concern and may render the analysis invalid.

**Table 4.9:** Independent Residual Assumption

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate	Durbin-Watson
1	.710 <sup>a</sup>	.504	.491	.288	<b>2.049</b>

Source: Own Survey, 2020

The Durbin-Watson statistics showed that this assumption had been met, as the obtained value was more than 2(Durbin-Watson = 2.049). Hence, the researcher assumed independence of residuals assumption is satisfied (Table 4.9).

**Assumption 4: Multicollinearity**

Multicollinearity is a statistical phenomenon in which two or more independent variables in a multiple regression model are highly correlated. There are basically two ways to detect multicollinearity. One method is to measure multicollinearity by examining correlations among the independent variables. If a correlation matrix exhibits correlations of more than 0.8 among the independent variables, there may be a problem with multicollinearity. The other method is by computing tolerance values and Variance Inflation Factor (VIF) for each independent variable. Multicollinearity exists when tolerance is below 0.1, and the average variance inflation factor (VIF) is greater than 10.

**Table 4.10:** Multicollinearity test using Tolerance Values and Variance Inflation

Model		Coefficients <sup>a</sup>								
		Un standardized Coefficients		Standardized Coefficients	t	Sig.	95.0% Confidence Interval for B		Collinearity Statistics	
		B	Std. Error	Beta			Lower Bound	Upper Bound	Tolerance	VIF
1	(Constant)	1.063	0.272		3.908	0	0.524	1.602		
	Setting SMART performance	0.289	0.065	0.324	4.45	0	0.161	0.418	0.815	1.227
	Performance data tracking	0.359	0.044	0.541	8.064	0	0.271	0.447	0.958	1.044
	Performance appraisal	0.083	0.056	0.11	1.488	0.14	-0.028	0.194	0.791	1.264

Table 10 shows the multicollinearity test by computing tolerance values and Variance Inflation Factor (VIF) for each independent variable. In this case all the tolerance values are greater than 0.10 and VIF is less than 10. Hence, the researcher assumed Multicollinearity was not a problem.

### Assumption 5: There are no Influential Cases Biasing the Model

Significant outliers and influential data points can place undue influence on the model, making it less representative of the data as a whole. To identify any particular influential data points, the Cook's Distance statistic for each participant would be measured. Any values over 1 are likely to be significant outliers, which may place undue influence on the model.

**Table 4.11:** Cook's Distance

Residuals Statistics <sup>a</sup>					
	Minimum	Maximum	Mean	Std. Deviation	N
Predicted Value	3.1058	4.6477	3.7468	.28695	119
Std. Predicted Value	-2.234	3.139	.000	1.000	119
Standard Error of Predicted Value	.028	.089	.051	.015	119
Adjusted Predicted Value	3.0979	4.6104	3.7454	.28444	119
Residual	-.78511	.50742	.00000	.28492	119
Std. Residual	-2.720	1.758	.000	.987	119
Stud. Residual	-2.771	1.817	.002	1.006	119
Deleted Residual	-.81448	.54209	.00146	.29576	119
Stud. Deleted Residual	-2.856	1.836	.001	1.013	119
Mahal. Distance	.081	10.317	2.975	2.298	119
<b>Cook's Distance</b>	<b>.000</b>	<b>.161</b>	<b>.010</b>	<b>.019</b>	<b>119</b>
Centered Leverage Value	.001	.087	.025	.019	119

a. Dependent Variable: ORGANIZATIONALPERFORMANCE

The survey result indicates that the Cook's Distance is between 0.00 and 0.161, suggesting that there are no influential cases biasing the study model. Therefore, the independent and dependent variables met almost all of the assumptions which indicate that the model the researcher got for a sample can be accurately applied to the population of interest. That means the coefficients and parameters of regression could be said to be unbiased (Field, 2006).

### 4.3.2 Analysis of Variance (ANOVA)

The main objective of ANOVA test is to show whether the model is significantly better at predicting the dependent variable or using the means. Accordingly, Table 4.12 indicates that the ANOVA is significant ( $F=38.881$ ,  $df(\text{regression}) = 3$ ,  $df(\text{residuals}) = 115$ ,  $\text{Sig}<0.05$ ). Hence, it can be concluded

that at least one of the three independent variables can be used to model organizational performance in this study.

**Table 4.12:** Overall Model Fit of the Regression Model

ANOVA <sup>a</sup>						
Model		Sum of Squares	Df	Mean Square	F	Sig.
1	Regression	9.716	3	3.239	38.881	.000 <sup>b</sup>
	Residual	9.579	115	.083		
	Total	19.296	118			

a. Dependent Variable: Organizational Performance

b. Predictors: (Constant), Performance appraisal, Performance data tracking, Setting SMART performance

### 4.3.3. Regression Analysis

The table below shows the linear regression among variables where beta values are the coefficients of regressions, significance level is tested by t value and p value. If t value is  $>+1.96$  and p value  $\leq 0.05$ , it will be considered significant. The purpose of using these methods is to confirm the accuracy and to provide it more credibility of the result.

The model summary shows how HR Business partnering dimensions (setting SMART performance goals and targets, tracking employee performance data and employee performance appraisal) influences organizational performance, in this model R square is the measure of proportion of the variance of dependent variable. The table 4.13 shows R square is 0.504 it means that HR Business partnering dimensions have 50.4% contribution in organizational performance, remaining part can be comprised of other factors which are not part of this study.

This model further explains that performance data tracking has higher contribution in organizational performance as its t value and p value are in its acceptable range where t value is  $> 1.96$  (8.064) and p value is  $\leq 0.5$  (p=0.000) presented in table 4.14. So, we can say performance data tracking has significant positive influence on organizational performance. As per the information indicated in the website, keeping on top of each employee's performance enables companies and organizations to monitor, manage and improve their business strategy and the results they achieve. In doing so, this helps employers shape their success and keep ahead of their competitors ([www.breathehr.com/hr-software/employee-performance-tracking](http://www.breathehr.com/hr-software/employee-performance-tracking))

**Table 4.13:** Result of Multiple Regressions Model for Organizational Performance (Model Summary)

Model Summary <sup>b</sup>					
Model	R	R Square	Adjusted R Square	Std. Error of the Estimate	Durbin-Watson
1	.710 <sup>a</sup>	0.504	0.491	0.28862	2.049
a. Predictors: (Constant), Setting Smart Performance , Performance Data Tracking, Performance appraisal					
b. Dependent Variable: Organizational Performance					

**Table 4.14:** Regression Coefficient of Independent Variables

Coefficients <sup>a</sup>										
Model		Un standardized Coefficients		Standardized Coefficients	t	Sig.	95.0% Confidence Interval for B		Collinearity Statistics	
		B	Std. Error	Beta			Lower Bound	Upper Bound	Tolerance	VIF
1	(Constant)	1.063	0.272		3.908	0	0.524	1.602		
	Setting smart performance	0.289	0.065	0.324	4.45	0	0.161	0.418	0.815	1.227
	Performance data tracking	0.359	0.044	0.541	8.064	0	0.271	0.447	0.958	1.044
	Performance appraisal	0.083	0.056	0.11	1.488	0.14	-0.028	0.194	0.791	1.264
a. Dependent Variable: ORGANIZATIONALPERFORMANCE										

$$OP=1.063+0.324 (SG) +0.541(PD) +0.11 (PA)$$

Where:

OP=Organizational Performance, SG=Setting SMART employee goals and targets, PD=employee Performance Data tracking, PA= employee Performance Appraisal

The above regression results revealed that there is a positive relationship between the dependent variable (Organizational performance) and the independent variables (Setting SMART employee performance goals and targets, employee Performance data tracking and employee Performance appraisal). From the findings, one-unit change in Setting SMART goals and targets, Performance Data tracking and Performance Appraisal result in 0.324, 0.541 and 0.11units increase in organizational performance respectively. Therefore, from the above analysis, it is concluded that all

the independent variables mentioned in the study have a positive and significant effect on the organizational performance. The following figure shows the hypothesized model based on the regression analysis.

**Figure 4.9:** The effects of CBE’s performance Management system on its organizational performance



The overall result indicates that, taking all other independent variables constant, a unit increase in employee performance management system will lead to a 0.504 increase in organizational performance. This infers that employee performance management system of CBE has a positive and significant effect on the organizational performance.

### 4.3.4 Discussion of Results

In this section, the tables and percentages used in the analysis of data collected are presented and used in analyzing the research hypothesis. Among the three independent variables, Performance data tracking ( $\beta=0.541$ ) has positive and significant effect on Organizational performance, followed by Setting SMART performance goals and targets ( $\beta=0.324$ ) and Performance appraisal ( $\beta=0.11$ ). Performance data tracking has higher contribution in organizational performance by 54.1%. Periodical tracking of employee’s performance used to provide regular feedback and early indications of progress (or lack of progress). This practice allows the line managers to make corrective action in time ([www.mnestudies.com/monitoring/what-monitoring](http://www.mnestudies.com/monitoring/what-monitoring)). This will help the organization to accomplish their objective.

Setting SMART performance goals and targets contributes 32.4% ( $\beta=0.324$ ) of the overall organizational performance. Goal setting facilitates self-regulation in that the goal defines for the person what constitutes an acceptable level of performance (Locke and Latham, 1990). These findings are supported by Masor, 2011 as he states that performance management practices are systematic ways of communicating to employees on what performance and productivity parameters are expected of them that help them achieve their objectives thereby contribute to the success of the organization. The result also supported by Williams and Anderson (1991) where they states employee performance is a work-related outcome or activity that demonstrates how well these activities are accomplished by the individual.

Employee performance appraisal contributes 11% to the overall performance of the organization performance. The result is well supported by Chen, Eberly, et.al. 2014, the success of any organization is dependent on how well the performance of every employee is effectively appraised and managed. In agreement with this idea, Armstrong & Baron, 2005 states that performance appraisal is a process that contributes to the effective management of individuals and teams to achieve high levels of organizational performance. Also Peter Butali and David Njoroge in their study entitled Effect of Performance Appraisal on Organizational Performance aiming to find out the impact of appraisal on organizational performance and to find out the moderating effect of organizational performance revealed that performance appraisal had a significant effect on organizational performance.

**Table 4.15:** Summary Result of Regression Analysis

Model		Beta	Statistical Significance
1	Setting Smart Goals And Targets	.324	.000
	Performance Data Tracking	.541	.000
	Performance Appraisal	.11	.014

**Source:** Own Survey, 2020

## **Hypothesis Testing and Interpretation of Results**

**Hypothesis 1:** Setting SMART goals and targets has a positive and significant effects on Organizational performance

Based on the tables and justifications provided in the preceding paragraphs, the first hypothesis which is setting SMART goals and targets have a positive and significant effect on organizational performance ( $\beta = 0.324$ , P-value 0.000). These findings are supported by Masor, 2011 and Williams and Anderson (1991). Hence H1 is accepted.

**Hypothesis 2:** Employee performance data tracking has a positive and significant effect on Organizational performance.

The second hypothesis testing provided that the coefficient of employee performance data tracking was calculated to be 0.541, which indicates that keeping other factors constant, a unit change in employee performance data tracking causes a 54.1% increase in organizational performance of CBE. And the relationship of the independent factor employee performance data tracking (whose t-statistic value was found to be 8.064 at p-value of 0.000) with that of the dependent variable organizational performance is found to be positive and statistically significant, which leads to the acceptance of H2. Also this result is supported by Baruch, 2006 who stated that information gathered (data tracked) on employees performance progress, providing feedback to employee is acknowledge as an important practice that aspires self-development and productivity of employee that are helpful for the victory of the firm.

**Hypothesis 3:** Employee performance appraisal has a positive and significant effect on Organizational Performance.

The third hypothesis testing indicated that Performance appraisal has a positive and significant effects on Organizational performance ( $\beta = 0.11$ , P-value 0.014). The result is well supported by Chen, Eberly, et.al. 2014, and Armstrong & Baron, 2005

In general, the results revealed that all independent variables accounted for 50.4% percent of the variance in organizational Performance ( $R^2 = 0.504$ ). Thus, 50.4% of the variation in organizational performance can be explained by the three attributes of organizations' employee performance management system, which is supported by HR Business Partners through supporting line managers, and the other unexplored variables may explain 49.6%.

#### **4.4. Summary of open-ended question**

At the end of the questionnaire respondents were requested to provide their comments which they feel uncovered in the questionnaire. Accordingly, their reflections are summarized as follows:

##### **4.4.1 Comments from respondents'**

Directors and Managers also additionally suggested that this professionals (HRBPs) must actively participate in the strategy development activities within HR so that they can understand the inherent sense of the HR strategies and it would be easy for them then after, they shall help their respective clients in the development of strategies there in. they also indicated that in their perception, CBE HRBP still not fully immersed in the bank's business activities with all rounded operational knowledge as supposed to be.

They also reflected that one way of transforming the HR function to strategic aspect is through these HRBPs, hence their daily duties shall be performed in a balanced way i.e. strategic and administrative aspect too otherwise if their time is spent on administrative aspects the HR image would remain as it is and it would add no relevant value to the business.

According to the participants' reflection, "the HR BPs role would be effective if the top management is behind them in providing support in tackling challenges related to directions and implementation challenges. The HRBPs should also provide a range of trainings related to the specific business in order to have a good understanding of their role in supporting the business goal. Usually the HRBPs are tried to understand the business activities by asking staff in their respective domain. However, if trainings on business of the respective departments were provided their grasp on the matter would be strong. Furthermore, HRBP practice is more or less new when it was implemented in CBE. I would suggest if best practices were drawn by benchmarking few companies in order to broaden the HRBPs horizon, get natty gritty of the area and prepared well for the task or challenge ahead of time".

Finally they commented that HRBPs are key players in ensuring the HR strategy fits into the overall business strategy; moreover, Business Partners are helpful in executing the CBE's PMS, Training needs assessment & plans, Recruitment plans and implementations (from vacancy announcement to actual recruitment processes). Finally, they noted that HRBPs are key players in ensuring the HR strategy fits into the overall business strategy.

#### **4.4.2 HR Business Partnering Managers' comments**

They pointed out that even if one of the main responsibilities of the HRBP is to ensure HR activities are consistently aligned to business needs, they are tied with the routine activities. Additionally, they indicated that theoretically the HR business partner has huge and important role in supporting line managers; but in practice they are still doing more of administrative role except in that of PMS (Performance Management System).

Moreover they suggested that HR Business Partnering model is introduced which designed to serve at the customer-facing front end (HR front office) whereby HR professionals work closely with business leaders/line managers to achieve shared organizational objectives, in particular designing and implementing HR systems and processes that support strategic business aim. Hence, since it is a new practice for the Bank, it requires creating awareness on the role of HR Business Partner for line managers and employees.

## CHAPTER FIVE

### SUMMERY, CONCLUSION AND RECOMMENDATION

#### **5.1 Summary**

As it was described in this study, the objective of the study was to assess the effect of HR Business Partners on organizational performance. This was accomplished by using three variables developed based on the literature that HR Business Partners affect performance of the bank through supporting line managers. The variables are setting SMART goals and targets, employee performance data tracking and employee performance appraisal.

Both quantitative and qualitative data was used. Descriptive statistics was mainly employed in the analysis and the major findings are summarized here below.

The study found that Human Resource Business Partners participate marginally in the process of defining business strategies with mean of 2.63. The research also indicated that Human Resource Business Partners are mainly supporting line managers in data tracking of employee performance with mean score of 4.23 out of 5. However, they are not well operating as a champion for employee (mean score 2.91). In addition the findings show that Human Resource Business Partners majorly advice and support line managers in employees performance appraisal process.

In the inferential statistics, results indicated that Employee performance data tracking and Setting SMART goals and target have a significant positive effect on organizational performance followed by employee performance appraisal.

According to HR Business Partnering managers, even though their role is critical they are not accomplishing the strategic roles rather they are tied up with routine activities. In addition, they also reflected that some line managers lack knowledge of the role of HRBP.

Line mangers also indicated that HR Business Partners still not fully immersed in the bank's business activities with all rounded operational knowledge as supposed to be. Further, they reflected that one way of transforming the HR function to strategic aspect is through these HR Business Partners; hence their daily duties shall be performed in a balanced way.

## 5.2 Conclusion

The main objective of this study was to assess the effects of HRBP on organizational performance by supporting line managers in Commercial Bank of Ethiopia. Based on the main objective, three specific research questions were developed: (1) how do setting SMART goals and targets affect the organizational performance? (2) To what extent employee performance data tracking affect the organizational performance? And (3) how does employee performance appraisal affect the organizational performance? The study concluded that employee performance appraisal significantly affects organizational performance through periodical evaluation of employees' performance, provision of performance feedback and managing performance grievance. Moreover, SMART goal setting affect organizational performance by defining business strategy, HR professionals operating as business partner and knowing business language. The study also concluded that employee performance data tracking which enable organizations to improve their employees' efficiency and enhance effectiveness of their operations, affect the organizational performance in a less degree.

To reach at appropriate conclusions, Pearson correlation test and regression analysis were conducted to see if there were any significant relationships between the support of HRBP to line managers in executing performance management system and organizational performance. Accordingly, the Pearson correlation test showed that there were strong positive relationships between all independent variables and organizational performance (dependent variable).The test indicated that the relationships between setting SMART goals and targets and organizational performance as well as employee performance data tracking and organizational performance were strong. The relationship between employee performance appraisal and organizational performance, however, were rather weak.

The regression model showed that the causal effect of HR Business Partners, in supporting line manager in the performance management system, on Organizational performance was somewhat strong.

The findings also indicated that, the mean score of the participation of HR Business Partners in the process of strategy definition was minimal. Moreover, the survey also revealed that Human Resource Business Partners were executing the administrative expert role whereas they were not implementing the change agent role as expected. Additionally, the mean score of Human Resource Business

Partners' roles as a champion for employee which contribute to employees' data tracking is somewhat moderate.

Findings from qualitative data (from open ended question) indicated that HR Business Partners are supportive to line managers; HR Business Partners spent more of their effort and time on operational activities than strategic aspects. According to line managers, HR Business Partners are not fully immersed in business activity of the bank as they expected. HR Business Partners indicated that some line managers and employees are not well understood the role of HR Business Partner.

### **5.3 Recommendations**

Based on the findings and conclusion drawn above, the following recommendations are made which are necessary for improvement of the role of HR Business Partners in supporting line managers that affect organizational performance.

Commercial Bank of Ethiopia should conduct a formal research on the effect of HR Business Partner on the success of the organization as the practice is at infant stage.

- HR Business Partners should significantly participate in defining business strategies that facilitates their support provision to line managers in the process of Setting SMART goals and targets.
- The HR Department should enable HRBPs implement their change agent role which involves modeling change to other departments, being a positive advocator of change across the entire organization, resolving employee issues arising from change, and embedding change by implementing efficient and flexible processes.
- Human Resource Business Partners should give attention and carry out the employee champion role that facilitate tracking employee's issues, promote all possible methods of communication on employees and any other means of sharing information and views concern.
- Human Resource Business Partners should know the operation and activities performed in their area of assignment (Sector/Department/Division) of the bank.
- Human Resource Business Partners must let know their distinct role to managers and employees in the bank.

#### **5.4. Limitation of the Study**

- ✓ There was difficulty in collecting questionnaire on time,
- ✓ some respondents were negligent to respond to the questioner openly and timely
- ✓ HR Business Partnering is a new HR practice in the context of Ethiopia and no research was conducted before, so the research lacks local empirical data.

#### **5.5. Future Research Directions**

This research was targeted to assess the role of HR Business Partners in supporting line managers, particularly in the employee performance management system of the bank. The result of findings indicated that HR Business Partners are performing more on administrative role than strategic role. In addition, the result revealed that HR Business Partners are implementing focusing on Performance Management System. Thus, the bank must conduct research regarding the role of HR Business Partners in all HR functions of the bank as well as all roles of HR Business Partners so as to make remedial action.

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# Appendixes

Annex 1

ADDIS ABABA UNIVERSITY  
SCHOOL OF COMMERCE  
MASTERS PROGRAM IN HUMAN RESOURCE MANAGEMENT

Questionnaires to be filled by Directors and Managers

Dear Sir/Madam:

My name is AchamyeleshBorshel am conducting a research in the area of Human Resources Management my research title is ‘The effect of Human Resources Business Partnering enhancing organizational performance in the case of CBE’ as part of my MA study at the Addis Ababa University School of Commerce. Participants in this study will be CBE Directors and Managers; you are selected as a participant accordingly. Given your responsibility in the CBE, I am very kindly asking for your participation in the study.

Participation consists of your completing the attached survey.

If you have any question about the survey, please give me call at 0912149105, I will be happy to answer your question. I am grateful for your participation and would like to extend my sincere thank you to you.

Thank you for your cooperation!

Best Regards,

Part I .General information .Please make a (√) mark on a box applicable to you.

1. Gender: Male  Female
2. Year(s) of service in CBE below 6 year  6-10 ye  11-15   
16-20 years  above 20 years
3. What is your highest qualification?  
B.A Degree  MA/MS  PHD
4. Position in the organization: Manager  Director

## Part II

Please indicate to what extent you agree or disagree with each of the following statements by putting a check mark (√) in the appropriate column within a range between (1) strongly disagree and (5) strongly agree.

S.No	Question	Level of agreement				
		strongly disagree (1)	Disagree (2)	Neutral (3)	Agree (4)	Strongly Agree(5)
	<b>Setting SMRT Performance goals and Targets</b>					
1	Human Resource Business Partners participate in the process of defining business strategies					
2	Human Resource Business Partners are operating as a business partner					
3	Human Resource Business Partners are active participant in employees' SMART goals and target setting					
4	Human Resource Business Partners in CBE are equipped with the business knowledge					
	<b>Employees performance data tracking</b>					
5	Human Resource Business Partners advice and support line managers to track employees' performance data timely.					
6	Human Resource Business Partners are operating as a champion for employee					
	<b>Employees performance appraisal</b>					
7	Human Resource Business Partners advice line managers to provide feedback to employees' based on their performance timely.					
8	Human Resource Business Partners advice and support line managers in employees performance appraisal process					
9	Human Resource Business Partners is an active participant in employees' grievance handling process					
	<b>Organizational Performance</b>					
10	The bank communicates policies and procedures to employees timely					
11	Human Resource Business Partners help the organization in accomplishing business goals					

12	Human Resource Business Partners help the organization in improving operating efficiency					
13	Human Resource Business Partners help the organization in adapting to change					
14	Human Resource Business Partners participate in improving employee's capability					
15	Human Resource Business Partners are operating as an administrative expert					
16	Human Resource Business Partners are operating as a change agent					
17	HR business partnering role is an added value to the organization					
18	Human Resource Business Partners benefited CBE in the business					

What comments/suggestions (any type of reflection) do you have regarding the role of HR Business Partners in supporting line managers in executing HR practices?

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Thank You!



4. Position in the organization: Manager  Director

Part II

Please indicate to what extent you agree or disagree with each of the following statements by putting a check mark (√) in the appropriate column within a range between (1) strongly disagree and (5) strongly agree.

S.No	Question	Level of agreement				
		strongly disagree (1)	Disagree (2)	Neutral (3)	Agree (4)	Strongly Agree(5)
	<i>Setting SMRT Performance goals and Targets</i>					
1	I always participate in the process of defining business strategies.					
2	I spent most of my time working as a business partner.					
3	I am actively participant in employees' SMART goals and target setting.					
4	My organization equipped me with the business knowledge that helps me to execute my duties (support line managers)					
	<i>Employees performance data tracking process</i>					
5	I regularly advice and support line managers to track employees' performance data on timely bases.					
6	I spent most of my time working as a champion for employee.					
	<i>Employees performance appraisal</i>					
7	I regularly advice line managers to provide feedback to employees' based on their performance timely.					
8	I support line managers in employees performance appraisal process					
9	I actively participant in employee's grievance handling process					
	<i>Organizational Performance</i>					
10	I have communicated policies and procedures of the bank timely					
11	I support the organization in accomplishing business goals					

12	I have a great role in improving operating efficiency of the organization.					
13	I help the organization in adapting to change					
14	I always support line managers in improving employee's capability.					
15	I spent most of my time working as an administrative expert.					
16	I spent most of my time working as a change agent.					
17	I feel that my work is value adding to the organization					
18	Line managers see that Human Resource Business Partners benefited CBE in the business					

What comment or suggestion (any type of reflection) do you have regarding the role of HR Business Partners in supporting line managers in executing HR practices?

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Thank You!