



**THE EFFECT OF PERFORMANCE APPRAISAL SYSTEM ON EMPLOYEES'
WORK PERFORMANCE; IN NATIONAL TOBACCO ENTERPRISE
(ETHIOPIA) SHARE COMPANY**

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Declaration

I, the under signed, hereby declare that this masters' thesis entitled "The Effect of Performance Appraisal System on Employees' Work Performance; In National Tobacco Enterprise (Ethiopia) Share Company" is my original work and has not been used by others for any other requirements in any other university and all sources of information in the study have been appropriately acknowledged.

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Letter of Certification

This is to certify that Eyuel Berhanu Hassen has carried out his thesis on the topic entitled: “The Effect of Performance Appraisal System on Employees’ Work Performance; In National Tobacco Enterprise (Ethiopia) Share Company” This work is original in nature and suitable for the award of Masters of Arts (MA) in Human Resource Management.

Assistance Professor Fisseha Afework

June 2017

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List of Abbreviation

CIPD - Chartered Institute of Personnel Development

HPWS-High performance work system

PA - Performance Appraisal

HRM - Human resource management

HR - Human Resource

PAS - Performance Appraisal System

PAP - Performance Appraisal Process

NTE - National Tobacco Enterprise

SPSS - Statistical Package for the Social Sciences

WP - Work performance

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Abstract

This research was about performance appraisal system and their effect on employees' work performance satisfaction. The major purpose of the research was investigated the effect of performance appraisal system on employees' work performance of NTE share company employees and also their reactions towards the overall performance appraisal system depends on the distinctiveness, consistency, and consensus as well as its major factors such as fairness, employee-manager relationship, rewards linked to appraisal, specific & accurate feedback, clearly defined goals, confidentiality and mutually set goals, towards the performance appraisal system. In conducting this study, the required data is obtained through closed ended structured questionnaires. The questionnaire was adopted and adapted from three prior related studies. To determine the sample from the total population of 520 employees, first, the target population was stratified in to four stratum and then to select respondents from each stratum simple random sampling technique was applied; having this, the researcher uses formula based-sample size determination. Basically, a total of 226 questionnaires were distributed to the sampled employee, among these 182 were returned. Thus, 182 returned questionnaires (i.e. representing 80.5%) % of response rate) are analyzed using statistical package for social science (SPSS version 20). In the analysis descriptive statistics, correlation analysis and; linear regression analysis was performed. The descriptive finding of the study shows that in NTE Share Company employees had low level satisfaction existing performance appraisal practice of criteria(factors). Employees of NTE Share Company have low level of work performance.

The analysis of result indicated that there is no performance appraisal satisfaction in the Company and employees' work performance relationship that is weak or low level of the employees' work performance.

The response about the effect of performance appraisal System on level employees' satisfaction with Distinctiveness the respondent to some extent was positive. And also Consistency and Consensus low level of satisfaction .the correlation analysis result also indicates employees' work performance of performance appraisal System had positive and significant (Very strong association) relationship with employees' work performance whereas the finding of linear regression analysis indicates that performance appraisal System had positively and significantly influence work performance. Therefore,. In doing so, human resource department should play a

vital role in the overall process of performance appraisal System influence employees' work performance. Finally, it is forwarded that further research has to be done in more completed and comprehensive way.

Keywords: *Factors affecting of PAS and Effective PA elements, Employees work performance.*

CHAPTER ONE

Introduction

This chapter deals with the background of the study which outlines “The effect of performance appraisal system on employees’ work performance in NTE Company.” and its statement of the problem, research questions, general objectives of the study, specific objectives of the study, significance of the study, scope of the study, limitation of the study, definition terms and organization of the study. In addition an overview of how the paper is organized is also highlighted

1.1 Background of the study

Throughout the current business environment there is rapid change, with globalization comes international, deregulated markets, and competition is high. Businesses need to constantly evolve to maintain a competitive advantage and stay alive. In order to do this, organizations need to both improve and maintain strong levels of performance. Increasingly, an organization’s success depends on their workforce and their abilities. good employees are a major asset to an organization and are also a source of competitive advantage. (Ulrich, 2011).

In this world of competition as organizations effort to remain competitive and sustainable, human resource (HR) professionals and strategic planners should collaborate strongly in designing strategies, which are more productive and useful. Based on many researches, the most winning organizations in the 21st century will be those to focus on integrated HR processes and systems. So the role of human resource becomes more and more vital which includes personnel related areas such as job design resource planning, performance appraisal system, recruitment, selection, compensations and employee relations. Among these functions, one of the most critical ones that bring global success is performance appraisal.). It is vital that such appraisal systems are effective and for that reason the performance appraisal must be viewed as a tool for developing and motivating staff. The usefulness of performance appraisal as a managerial decision tool depends partly on whether or not the performance appraisal system is able to provide accurate data on employee performance (Poon, 2004).

Among the HR practices that have been studied, performance appraisal is arguably one of the most crucial ones in terms of organization performance and appears to be an indispensable part

of any HRM system (Shrivastava and Purang, 2011). The success, survival and competing power of organizations depend on the commitment of their members, and this may, to a large extent, depend on how satisfied the employees are in respect of the organization's appraisal mechanism (Abdulkadir, Isiaka & Adedoyin, 2012).

Performance appraisal is one of the most crucial human resource tool and a vital part of every organization. Nonetheless, the procedure continues to create dissatisfaction among subordinates and can often be seen as ineffective and unfair. Bretz, Milkovich and Read (1992) indicated that perceived fairness of the appraisal system has emerged as the most important issue to be faced by managers. Performance Appraisal can be defined as a system that involves setting employee standards, looking at employees' actual job performance, assessing that performance against the standards, giving feedback to the employee on the performance, how to improve it in the future and setting new goals and expectations for another period (Dessler, 2008). The researcher will look at the performance appraisal system within the organization and how the staffs that are appraised feel about the system and whether they believe it is effective in managing their performance and for the organization. Increasingly, companies are relying on their human assets the knowledge, competence and capabilities of the workforce as a source of competitive advantage (Nolan, 2002).

The assessment of employees' performance is one of the most common practices in almost every organization, and so performance appraisal is an essential procedure for the better performance of employees and the organization itself (Karimi, Malik & Hussain, 2011). Many businesses regularly use performance appraisal scores to determine the distribution of pay, promotions, and other rewards; however, the study conducted by Fakharyan et al., (2012) on the effect of performance appraisal satisfaction on employees outcomes employing on the moderating role of motivation in work place of Tehran, Iran. This work performance to used one of the dependent variable from employees' outcomes to this study.

Vignaswaran (2005) a study conducted in Peninsular Malaysia on the relationship between performance appraisal satisfaction and employee outcomes. This work performance to used one of the dependent variable from employees' outcomes according to this study

Moreover, a number of studies have provided support for the argument that performance appraisal has remained a problem which is vague and perhaps unsolvable in human resource management. Besides the study conducted by Poon (2004), very little is known about the relationship between performance appraisal quality and employee outcomes, especially in identifying the effect of performance appraisal quality towards the job satisfaction. However, in developing countries the research in this field is very limited.

In Ethiopia Most of the research studied on employees' performance appraisal, performance mgt but on employees' Work performance didn't studied directly this topic. Even though this : the study conducted on Amhara National Region State Office of Auditor General (**ANRSOAG**) (The Effect of Employees' Perception of Performance Appraisal on Their Work Outcomes).

The researcher focused performance appraisal system and its consequence work outcomes, in the form of work performance particularly this dependent variable from these studies. because of literature gap on specific areas related to this study. So, the study focused only on indicators of work performance that is quality work, ability and not on its determinants or job satisfaction according to the dependent variable of work performance.

The present study attempts to examine the employees of NTE Company towards the various aspects of the current performance appraisal system and its impact on their Opinions of employees could have important implications in the design and implementation of performance appraisal system and create strategies to improve work performance in NTE Company.

1.2 Background of NTE Company.

The National Tobacco Enterprise (Ethiopia) Share Company (NTE) was established as per the Tobacco Regie Act No.30, 2nd year Negarit Gazetta, No.2/1935 as "Imperial Ethiopian Tobacco Monopoly" at a cost of 50,000 'Mariatereza'. It started its work with a single cigarette machine and one branded product, Nigusu. The production capacity of this machine was 300 pieces per hour.

In 1981 the Enterprise was re-structured by proclamation No.1971/1981 and has become the "National Tobacco and Match Corporation" with the capital outlay of 80 million Ethiopian Birr. Later, the Enterprise has again been re-organized as "National Tobacco Enterprise" in accordance with proclamation No. 37/1992. By this proclamation, it has been given an

exclusive right to produce, process, manufacture, distribute, import and export tobacco and tobacco products in Ethiopia.

In 1999, the Enterprise has once again been re-organized as a share company pursuant to the Privatization Proclamation Act No.146/1998. With the sales of shares to private investors, the ownership structure of the Company was changed and its Memorandum of Association and Articles of Association were accordingly amended and adopted in accordance with the relevant provisions of the Commercial Code of Ethiopia as of January 2001.

Now a day NTE Share Company with share participation of private investors **69%** the total paid shared capital has been maintained are owned by private foreign share holders & while Ethiopian government remaining shared. & The operation years it has expanded & established four tobacco farms. The numbers of total employees included management staffs **226** permanent employees in head office.

1.3 Statement of the problem

To understand the problems related to effect of performance appraisal system on employees' work performance in **NTE** some source of them initial point view of the statement problem.

Fairness and feedback are the most questions in **NTE** Company Currently, most employees of the Company are discussing about the issue informally, but a due attention was not taken to examine employees work performance toward the appraisal process as well as appraisers, and their reactions (positive or negative) to the appraisal; due to this problem employees of the Company will not satisfied and their contribution throughout their employment will be reduced.

Performance appraisal can have a profound effect on levels of employee motivation and satisfaction. Performance appraisal provides employees with recognition for their work efforts. If nothing else, the existence of an appraisal program indicates to an employee that the organization is genuinely interested in their individual performance and development. It is understood that, the evaluation system is highly compromised because of evaluators' failer to objectively evaluate employee performance. This is due to the fact that, evaluator are highly influenced by social interaction with their subordinate and also employee demand higher rate or they will limit their dedication on work unless they are provided with higher performance rating. Moreover, lack of uniformity in the evaluation approach across departments posses challenge to objective evaluation in fear of employee will losses competitiveness in promotion and other

contests. This study is therefore, seeks to investigate the employees work performance toward the existing PA practice. (Based on the exit interview)

This National Tobacco Enterprise Share Company Almost all departments didn't provide sufficient attention to performance appraisal. This means that employee's manager relationship to some extent did not have good communication. Thus, the complaint of employees as a result to reduce their work performance. This means that employees manager relationship to some extent it was not fair their reward linked to appraisal some of the employees complaint to the reward such as ,bonus for many years had been paid two months their salary and more than this but on the 2015g.c only one month salary already had been paid .this is also the complaint of employees, the evaluator could not follow day to day activities. Such as like a diary record on the employee's specific and accurate feedback. Each department Head couldn't be discussion with their performance appraisal. (Based on the exit interview)

The other problem is Confidentiality and mutually set goal, through the annual year in the process of performance appraisal system many employees did not participate to get their mutually set goal .so that, the company focused only on report summary, as a result the employees reduced their Confidentiality.

Some of the complaint have been worked many years for the first existence job title without any promotion. The employees, they seem to be used performance appraisal not as tools because of as their position the most employees have been stable their first job placement .similarly ,they usually assume the performance appraisal assume a waste of time and also the company system is not supportive for employees expected result of reward .(based on NTE S. company human resource information system data to show their career level)

They didn't keep records of major performance/behavioral events for each employee under their supervision in order to make effective evaluation to enhance the employees' work performance positively satisfaction. To evaluate their employee twice a year. But practically some department will provide feedback after receiving several reminders. In Ethiopia the study conducted on Amhara National Region State Office Of Auditor General (ANRSOAG)(The Effect of Employees' Perception of Performance Appraisal on Their Work Outcomes). The Effect of Employees' Perception of Performance Appraisal on Their Work Outcomes) conducted by (Abraham Zewdie, Assegid Demissie & Assefa Tsegay 2014). The descriptive finding of the

study shows that in ANRS office of auditor general employees had low level of satisfaction (well perception) towards the existing performance appraisal practice. Employees of ANRS offices of the auditor general have high level of work performance

This study is therefore, seeks to investigate the employee satisfaction toward the existing PA practice and the resulting work performance by analyzing; What potential consequences will be happened in the area of work performance, as result of employees' different opinion of performance appraisal practice in NTE Share Company.

1.4 Research Question

1. What criteria (factors) are in use by The NTE S.Company to measure their effectiveness from Performance appraisal system.
2. What is the effect of performance appraisal system on level of employees' work performance Satisfaction?
3. What is employees' reaction about the performance appraisal system in distinctiveness, consistency and consensus used by NTE Share Company ?

1.5 Research Objective

General Objective

The general objective of this study is to investigate the effect performance appraisal system of on employees' their work outcomes in the form of work performance NTE Share Company.

The overall aim of this study is to look at the effective performance appraisal system from employees' in the form of employees' work performance point of view.

The general objective of this study will to investigate & Establish effective(best designed) performance appraisal system on employees' work performance will be used by NTE Share Company.

1.5.1 Specific Objectives

The specific objectives of this study are:

Based on the general objective of the study the following specific objectives are developing.

To identify the criteria/factors in use by the company to measure their effectiveness from performance appraisal system.

To find out the effect of performance appraisal system on employee's work performance.

To assess the level of employees' satisfaction overall performance appraisal system in relation to distinctiveness consistency and consensus.

1.6 Significant of the Study

The findings of this study will be very important to those in the academic realm since it will assist them with relevant literature on performance appraisal. It will shed more light on employee work performance from Effectiveness of performance appraisal system.

The study will also assist the NTE share company to get a better understanding effective performance appraisal system on employees' work performance point view. This will enable them to get more information on how to improve the state of performance appraisal System at NTE Share Company.

It is the belief of the researcher that effectively design will be used. And implemented performance appraisals system will bring in myriad of benefits to the employees work performance. And also being able to identify the work performance level among the employees.

1.7 Scope of the Study

The study focused on effect of performance appraisal on employees' work performance at National Tobacco Enterprise (Ethiopia) Share Company the geographical boundary of the research used only head office in Addis Ababa City's.

A census of 226 employees (non-management staff) is used for investigation of this study.

The NTE (National Tobacco Enterprise) Eth S.C these branches are four from this reason due to time, financial and other resource this study is delimited to the Head Office of the NTE (Eth) S.C is located in Addis Ababa.

1.8 limitation of the study

The major limitation of the study is failure to include other employees who are working at these branches are four tobacco farms employees.

1.9 Definition of Terms

Performance Appraisal Performance can be defined as what is expected to be delivered by an individual or a set of individuals within a timeframe. What is expected to be delivered could be stated in terms of results or efforts, tasks and quality, with specification of conditions under which it is to be delivered (Kumari & Malhotra, 2012).

Appraise: Individual being evaluated on job performance.

Appraiser: Individual responsible for evaluating an individual's job performance.

360° Appraisal

360 degree appraisal is an approach to performance appraisal that involves gathering performance information from people on all sides of the manager – above, beside, below and so forth (De Nisi & Griffen, 2008).

Performance Management

The majority of recent literature on Performance Appraisal states that it needs to be carried out as part of a whole Performance Management system and none solely on its own. Performance Management can be defined as a systematic process for improving organizational performance by developing the performance of individuals and teams (Armstrong, 2006).

Effective Performance Appraisal

Effective performance appraisals are commonly associated with clear goals that are attached to specific performance criteria and are well-accepted by both appraiser and appraise (Mustapha & Daud, 2012).

Design a Performance Appraisal System

An organization must design a performance appraisal system so that it works well with the organization's structure. Employees can give input into the design and feel committed to a new system

Appraisal Ineffectiveness

One of the major causes of ineffective performance appraisal is the dislike that both the appraiser and appraisee have towards the process. Performance Appraisal is one of the most emotionally charged procedures in management (Swan, 1991).

CIPD viewpoint

Chartered Institute of Personnel Development (CIPD, 2012) define Performance appraisal as an opportunity for individual employees and those concerned with their performance to engage in a dialogue about each individual's performance and development, as well as the support required from the manager. They also state how important it is to recognize that performance appraisal is not just about assessing the past but also about driving behavior that will sustain performance in the future.

Definitions of Work Performance

Work performance can be described as a function of three variables namely knowledge and skills; motivation and workload; tools and climate (Ivancevich & Matteson, 1996). For this study work quality is an indicator of work performance. Causal variables determine or predict one's level of work performance, whereas indicators are reflections of work performance. For example, job satisfaction is considered a determinant of work performance, whereas work quality is an indicator of work performance.

High Performance Work System

High-performance work systems assume that employees are a primary source of competitive advantage that is difficult for others to imitate and that workers are capable of continuous improvement and will perform at higher levels if they are motivated to do so (Pfeffer, 1998).

1.10 Organization of the Study

The study will be organized into five chapters

The first chapter: The first chapter will deal with the introductory part which consists of background of the study, statement of the problem, research questions, general objectives of the study, specific objectives of the study, significance of the study, scope of the study, limitation of the study, definition terms and organization of the study.

The second chapter: The second chapter will contains literature review, in this section, theoretical and empirical finding of previous studies related to the topic are reviewed. In addition to this, the second chapter covers conceptual frame work of the study.

The third chapter : In chapter three, includes the research design& Methodology, Description of the Study Area, Research Approach, Research Design, Population and Sample, Data Sources and Types , Data Collection Procedures, Ethical Consideration and Data Analysis employed are included under this section.

The fourth chapter: The fourth chapter will deal with finding and analysis, interpretation and discussion of result.

The fifth chapter: The last chapter will treat the summary, conclusion, recommendation, research limitation, and area of research.

CHAPTER TWO LITERATURE REVIEW

2.1. Introduction

Throughout this chapter, the researcher investigates the background of the research area and literature review . It will look at the performance appraisal, where it originated, where it is today and how it has advanced over time into a key talent management tool. It will also look at the most important features of the performance appraisal system and what elements and system are essential in implementing a successful appraisal system.

It will then review the benefits of performance appraisal systems and how they can develop an organization's workforce into a high performing labor force. As this study looks at employees' work performance, the literature review will also look at how effective Performance Appraisal can be influence of the employees work performance how their effect Performance Appraisals occur in order to employees work performance .

2.2. Performance Appraisal

Performance can be defined as what is expected to be delivered by an individual or a set of individuals within a timeframe. What is expected to be delivered could be stated in terms of results or efforts, tasks and quality, with specification of conditions under which it is to be delivered (Kumari & Malhotra, 2012).

Armstrong (2006) defined performance appraisal as the formal assessment and rating of individuals by their managers at, usually, an annual review meeting. While The Chartered Institute of Professional Development (CIPD) have a more comprehensive and in-depth definition which argues that Performance Appraisal is an opportunity for individual employees and those concerned with their performance, typically line managers, to engage in a dialogue about their performance and development, as well as the support required from the manager (CIPD, 2013).

Performance appraisal is not just about rating employees, Meenakshi (2012) identified that organizations carry out Performance Appraisal as a basis for administrative decisions such as promotion, allocation of financial rewards, employee development and identification of training needs. Appraisal is preceded by establishing general objectives or a description for the job,

identifying specific job expectations, providing feedback and, when necessary, coaching (Hillman, Schwandt & Bartz, 1990).

Fletcher (2004) believes that the general aims of Performance Appraisal also include Motivating staff, Succession planning and identifying potential, promoting manager-subordinate dialogue and formal assessment of unsatisfactory performance. However, Khan (2007) states that the fundamental objective of performance appraisal is to facilitate management in carrying out administrative decisions relating to promotions, firings, layoffs and pay increases. From carrying out the performance appraisal, management then has to make choices in relation to retention, future assignments and training and developmental needs (Hillman et al, 1990).

According to Obisi (2011) Organizational performance and its resultant efficiency and effectiveness can only be achieved when individuals are continuously appraised and evaluated. This explains why almost every organization carries out some form of performance appraisal either on its own or as part of their performance management system.

2.3 Performance Appraisal and Performance Management

The majority of recent literature on Performance Appraisal states that it needs to be carried out as part of a whole Performance Management system and none solely on its own. Performance Management can be defined as a systematic process for improving organizational performance by developing the performance of individuals and teams (Armstrong, 2006). (Walter,s 1995) Performance Management as the process of directing and supporting employees to work as effectively and efficiently as possible in line with the needs of the organization. Williams (2002) believes the notion of Performance Management is creating a shared vision of the aims and purpose of the organization, helping each individual employee to understand and recognize their part in contributing to them, and thereby managing and improving the performance of both individuals and the organization.

Performance Appraisal plays a central role in Performance Management Systems; it is normally the vehicle behind which the organizational goals and objectives are translated into an individual's objective. It also remains the primary way of discussing and acting on the development of the individual (Fletcher, 2004). When a part of performance management, appraisal is much more tightly linked with the larger business environment. De Nisi and Griffen (2008) state that Performance management refers to a general set of activities which are carried out by the organization to improve employee performance. Although performance management

is typically reliant on performance appraisals, performance management is a broader and more encompassing process and is the ultimate goal of performance appraisal activities (De Nisi & Griffen, 2008). Performance Management has been seen to be more successful and brings a lot of benefits to an organization. A study carried out by Fletcher and Williams (1996) in 9 UK organizations showed that features of performance management lead to organizational commitment and in particular, job satisfaction.

Performance management systems are effective when they are based on goals that are jointly set and are driven by an organization's business strategy (Lawler, Benson & McDermott, 2012). Performance Appraisal from a social-psychological perspective as opposed to the traditional tool for measurement is becoming more popular, viewing Performance Appraisal as a communication and social process.

2.4 .Performance Appraisal System

Gary (2003) defines performance appraisal as a means of evaluating an employee's current or past performance relative to the person's performance standard. Appraisals involve: setting work standards, assessing the employee's actual performance relative to these standards and providing feedback to the employee with the aim of motivating that person to eliminate deficiencies. Performance appraisal is a method of evaluating employee behavior at the work place. These are: an organization's evaluation of individual's level of performance and a review of how well an employee is carrying out the tasks associated with his job.

Performance appraisal is a feedback system that involves the direct evaluation of individual performance by a supervisor, manager or peers. Most organizations have some kind of evaluation that is used for performance feedback, pay administration and in some cases counseling and developing employees. Thus performance appraisal represents an important link between goal setting and process and reward systems. Managers should do three things well in the process of performance management. These are: to define performance through goal setting, measures and assessment; facilitate performance by identifying obstacles to good performance and providing resources to accomplish objectives; and encourage performance by providing a sufficient number of rewards that people care about and doing so in a timely and fair manner (Cascio, 1998, Cummings & Worley, 2005).

Performance appraisal is therefore a systematic and objective way of judging the relative worth or ability of an employee in performing his tasks. According to School (2004) a well defined

performance framework is imperative for effective work outcomes. A well defined performance framework springs from a proper Performance Appraisal policy. It states that effective management involves a clear vision, collaboratively arrived at by the staff, an open school culture in which professional collaboration is at a premium, conditions of work which encourage active reflection, professional scrutiny of service delivery and possible learning on the job. It also entails an acceptance of professional accountability and strong purposeful leadership, which encourages commitment to quality service provision.

2.5. Effective Performance Appraisal

From reviewing the literature, there appears to be no one single best method of Performance Appraisal, although there are certain common elements throughout all effective methods. Effective performance appraisals are commonly associated with clear goals that are attached to specific performance criteria and are well-accepted by both appraiser and appraisee (Mustapha & Daud, 2012). All effective performance appraisals include elements such as linking appraisal to rewards, the supervisor and employee working together to identify goals, performance goals clearly defined, feedback given to the appraiser on their effectiveness and compliance with legal requirements (Rankin & Kleiner, 1988).

The elements that will be discussed are fairness, employee-manager relationship, rewards linked to appraisal, specific & accurate feedback, clearly defined goals, confidentiality and mutually set goals.

Fairness

Bretz et al (1992) stated that fairness of the appraisal system has emerged as the most essential issues to be faced by companies. Fletcher (2004) also listed fairness as a crucial element of effective appraisal. Overall, fairness of the appraisal is not a major issue for the organization as it seems to be a vital part of their system and is an element of appraisal the company values.

Pettijohn, Pettijohn, Taylor & Keillor (2001) identify participation and perceptions of fairness as integral to employees' perceptions of job satisfaction and organizational commitment. They conclude that Performance Appraisal Systems can be used to actually improve employees' levels of job satisfaction, organizational commitment, and work motivation

Employee-Manager Relationship

Fisher (1995) lists better relationships as a major benefit of performance appraisal for all parties involved. Having meetings with a manager in relation to performance, gives employees the opportunity to discuss past performance and new targets and can often be a chance to speak about employees are getting on in the role.

Rewards Linked To Appraisal

The development of reward management can be seen along the lines suggested by Etzioni (2005) in terms of coercive (work harder or lose your job), remunerative (work harder and receive more money) and normative (work harder to achieve organizational goals). Bannister and Balkin (2010) have reported that those appraised seem to have greater acceptance of the appraisal process, and feel more satisfied with it, when the process is directly linked to rewards. Such findings are a serious challenge to those who feel that appraisal results and reward outcomes must be strictly isolated from each other.

Randell (2014) reports implicitly that when good performance is observed and then rewarded, the chances of it being repeated are increased, while poor performance is discouraged or even punished to decrease the chance of it happening again. Important issues that help ensure a successful reward process are: rewards can be used effectively to enhance interest and performance; rewards do not undermine performance and interest; verbal rewards lead to greater task interest and performance; tangible rewards enhance motivation when they are offered to people for completing work or for attaining or exceeding specified performance standards.

Specific & Accurate Feedback

Fletcher (2004) also noted that ensuring feedback is specific and accurate is one of the most important elements of performance appraisal.

It improves the effectiveness and helps in decision making within the organization. The feedback directs the individual to the organization missions and objectives. In the ideal situation the employee receives information about how they are performing and where they could improve. Schraeder, Becton and Portis (2009) suggest that performance feedback can serve as way of knowing the employees strength and weaknesses. Performance feedback can also serve as a crucial element that enhances the performance of individual employees in the areas of weakness. For the sustenance of the organization performance, it is important for the top management to

frequently provide employees feedback on their efforts and strengthen the progress of their jobs through unbiased feedback. In this regard, performance feedback records needs to be retained for future references (Macey, Schneider, Barbera and Young, 2009).

Clearly Defined Goals

Effective performance appraisals are commonly associated with clear goals that are attached to specific performance criteria and are well-accepted by both appraiser and appraise (Mustapha & Daud 2012).

According to (Flippo, 1984) the following are the characteristics of effective a performance appraisal system. Performance expectations:- the managers should clearly explain performance expectation to employees in advance of the appraisal period. This enables the employees lead their efforts and emphasis towards the expected performance level.

In order to create effective performance appraisal system the first one is clarity of performance expectations, which shows the scope to which employees are familiar with the purpose and role of the performance appraisal. This will involve precision and clearness of the role of performance appraisal that will play in shaping an employee's fate within the organization and the performance appraisal process. (Brown, Haytt, Benson, 2010)

Confidentiality

Piggot-Irvine (2003) named confidentiality as a vital element for effective performance appraisal.

The performance appraisal to be effective the system should be confidential, informative, have clear guidelines and be educative. In order to have effective appraisal, the process must be embedded completely throughout the organization where the values shape part of the fabric of the everyday life of the workplace (Piggot-Irvine, 2003).

Mutually Set Goals.

The importance of employee participation in performance appraisal is colossal for the effectiveness of the procedure. Cawley et al (1998) stated that staff participation in the appraisal procedure has a major consequence on employee satisfaction and their acceptance of the performance appraisal.

Pritchard (2007) argued that organizations need to eliminate performance appraisals that just go through the motions.

2.6 Performance Appraisal and Feedback System

In the processes of formal performance evaluation, feedback refers to the reaction among the members of an organization about how the feedback is created, accepted and used. This is the direct communication between supervisor and employee. The information reflecting past performance and results and given by the manager to the employee is called feedback. It improves the effectiveness and helps in decision making within the organization. The feedback directs the individual to the organization missions and objectives. In the ideal situation the employee receives information about how they are performing and where they could improve. Managers identify the weaknesses of the employees and together they make a plan for the employee's development.

The success of the feedback depends on the acceptance of the process. The source of the feedback must be perceived by the recipient as being trustworthy, credible, reliable, objective and properly motivated. Feedback reactions are usually very different. The satisfaction with the performance appraisal is an indication of the degree to which subordinates are satisfied with the process and the feedback they have received. It serves as a report of the accuracy and fair evaluations of the performance. The outcome is that satisfied individuals after the performance appraisal will improve further working relationships with supervisors and colleagues. The feedback can also bring negative reactions from employees. If perceived unfair, the feedback can cause behavioral changes such as absenteeism, lack of cooperation, lack of focus on priorities, unhealthy competition and even can cause staff turnover.

360° Appraisal

360 degree appraisal is an approach to performance appraisal that involves gathering performance information from people on all sides of the manager – above, beside, below and so forth (De Nisi & Griffen, 2008). This approach allows management to match the strengths and weaknesses from each perspective and gain a more accurate, rounded view of a person's true performance (Conway, 1996).

Rees and Porter (2003) define 360 degree appraisal as a process that involves the key people in a person's network of working relationships making assessments of a person's performance. The subordinate being appraised is then given structured feedback; this may involve feedback from subordinates and any key outside parties, if it is practicable.

Some of the subordinates that may give feedback are the immediate manager, other management in the organization, peers, internal and external customers and suppliers.

360 degree appraisal can be used to reduce the bias of the appraisal process by removing top down ratings by managers. This is done by replacing them with a multisource assessment (Grint, 1993). However, Prowse and Prowse (2009) argued that a manager in 360-degree appraisal collates feedback rather than judges performance and summarizes evaluations and so the validity of upward appraisal means the removal of subjective appraisal ratings.

Using the 360 degree appraisal technique can mean there will be more negative feedback given, and this is known to demotivate staff. It is therefore vital that the managers are using the feedback received from the other raters wisely and ensure it is consistent and unbiased (De Nisi and Griffen, 2007, Prowse and Prowse, 2009).

De Cenzo and Robbins (2007) feel that appraisers should only rate in those areas in where they have substantial job knowledge. They should be as close as possible to the organizational level of the employee being evaluated. If the appraiser is not in position where they can observe the persons work behavior then there is a greater chance of inaccuracies.

The 360-degree feedback method can be utilized by organizations in performance appraisal. This is a method that combines evaluations from various sources into the overall appraisal (Garavan et al, 1997). The evaluations can be from peers, subordinates, superiors and the employee being rated (Tornow, 1993). Evaluations from clients, suppliers, or customers can also be sought. McDowall and Fletcher (2004) argue that the 360-degree feedback is costly but it is the most comprehensive since feedback is sought from everyone who is directly involved with the employee being appraised.

360 Degree Feedback

A performance management tool that gathers feedback on individual performance from a wide variety of sources, including, colleagues, customers and suppliers (CIPD, 2014).. 360 degree feedback has gone on to become one of the most popular performance management tools since its growth in popularity (Lobsenz *et al*, 2004) during the late 20th century and early 21 st century (Fleenor et al, 2008).

Performance Appraisers: Who rates whom? This is the basic question in any organization. Ordinarily the immediate Supervisor is responsible for evaluating the performance of those who are directly subordinate to him or her in the organization. However, performance appraisal can

be done by anyone that is familiar with the performance of employees. According to (Dessler,2003), appraisal of an employee is conducted by:-

1. Immediate supervisor:- Supervisors ratings are the heart of most appraisals because the immediate supervisor is in the best position to observe and evaluate the subordinates performance this is based on the assumption of the immediate supervisor is the person most qualified to evaluate the employees performance and the supervisor is more familiar with the subordinates performance.

2. Peer Appraisals:- this type of appraisal is mostly used in an organization where employees of an organization which have the same level evaluate each other. In organization which use self managing team appraisals. The appraisal of an employee by his or her peers is becoming more popular.

3. Self-rating:- this is an appraisal type that gives an employee an opportunity to evaluate his/her strengths and weakness. However, it has some problems like most employees usually rate themselves higher than they are rated by supervisors or peers.

4. Appraisal by subordinates: - More firms today let subordinates to rate their supervisors performance, a process sometimes called upward feedback the process helps top managers to diagnose management styles identify employees' problems and take corrective action. Subordinates ratings are especially valuable when used for developmental purposes rather than evaluative purposes.

2.7. Why Performance Appraisal Is Needed ?

Appraisal is the analysis of the success and failures of an employee and the assessment of their suitability for training and promotion in the future. According to Maund (2001), appraisal is a key component of performance management of employees. When effective, the appraisal process reinforces the individual's sense of personal worth and assists in developing his/her aspirations. Accurate appraisals are crucial for the evaluation of recruitment, selection and training procedures. It can also increase employee motivation through the feedback process and may provide an evaluation of working conditions and it can improve employee productivity, by encouraging the strong areas and modifying the weak ones. Further, employee evaluation can improve managerial effectiveness by making supervisors more interested in and observant of individual employees. Objectives for performance appraisal policy can thus, best be understood in terms of potential benefits. Mohrman et al (1989) identified the following:

- Increase motivation to perform effectively.
- Increase staff self-esteem.
- Gain new insight into staff and supervisors.
- Distribute rewards on a fair and credible basis.
- Develop valuable communication among appraisal participants.

2.8. Design of Performance Appraisal System

An organization must design a performance appraisal system so that it works well with the organization's structure. Employees can give input into the design and feel committed to a new system. If executed correctly, managers will be able to give appraisals to employees under their supervision. If employees perform high levels of autonomous work or belong to work teams, for example, they will need a performance appraisal system, such as "360-degree feedback," that evaluates their real performance. In this system, members of work teams can evaluate each other. If there is a mismatch between organizational structure and the design of the appraisal system, it will be ineffective.

Managers will provide evaluations that are not appropriate and employees will become disgruntled. The resulting tension will negatively impact the workplace culture (Bianca, 2012).

According to Cawley et al (1998) subordinates reactions to Performance appraisal can be a way of measuring their outlook towards the system. The main reactions that can be assessed are their satisfaction from the appraisal, the utility, whether they felt they were fairly appraised, how motivated they were from the appraisal and the accuracy of the system.

Boachie-Mensah & Seidu (2012) advises that employees are likely to embrace and contribute meaningfully to the Performance Appraisal scheme if they recognize it as an opportunity for personal development, a chance to be visible and demonstrate skills and abilities and an opportunity to network with others, but if employees perceive Performance Appraisal as an unreasonable effort by management to try to closer supervise and gain control over tasks they carry out, they won't welcome the scheme as easily.

Performance appraisal isn't about the forms. The ultimate purpose of performance appraisal is to allow employees and managers to improve continuously and to remove barriers to job success, in other words, to make everyone better. Forms don't make people better, and are simply a way of recording basic information for later reference. If the focus is getting the forms "done", without

thought and effort, the whole process becomes at best a waste of time, and at worst, insulting (Bacal, 1999).

the design of appraisal system Many organizations are taking a fresh look their performance management systems as a means of improving organizational and individual performance leading to growth of organizations. Designing a performance appraisal system is a challenging process. Mohrman et al (1989) offer organizations a framework for developing credible systems of appraisal. Mohrman et al suggested some steps to follow when, designing appraisal system.

Step 1: According to Mohrman et al in the design process, it is important to select the right people to design for the system. This should involve managers, employees and human resource professionals.

Step 2: This step considers a process to guide the design to be chosen. It is important to consider whether to use a consultant, a task force, and or a centrally controlled body.

Step 3: Mohrman et al pointed out that before designing the appraisal system, there is the need to undertake an organizational assessment and determine the appraisal system's intended purpose.

Step 4: The primary objective of the organizational assessment is to pinpoint the impetus for change, and the definition of purpose is to provide guideposts for the people responsible for the designing.

Step 5: Step five introduces the design of the appraisal system. In doing this, the organization should examine its culture and design a system that is in accordance with it or capable of changing it.

Step 6: At this stage the design is implemented by first using it as an experiment.

Step 7: This is the last step and it is important for organizations to follow an evaluation plan with an understanding of how the use of the information it provides will improve the system. "A single performance appraisal system that tries to meet all purposes ends up failing to meet any" Mohrman et al. They therefore suggest that a" single performance appraisal system should focus on a single purpose in order to meet it objectives.

The success of appraisal scheme will, in part, reflect the contingent fit as negotiated by managers and staff between, to use Mohrman et al's terms, appraisal scheme and correct, or necessary,

solution to the design problem, but to the degree of acceptability that a scheme has among all the parties with an interest in it.

2.9 The Essential Criteria for Effective Appraisal

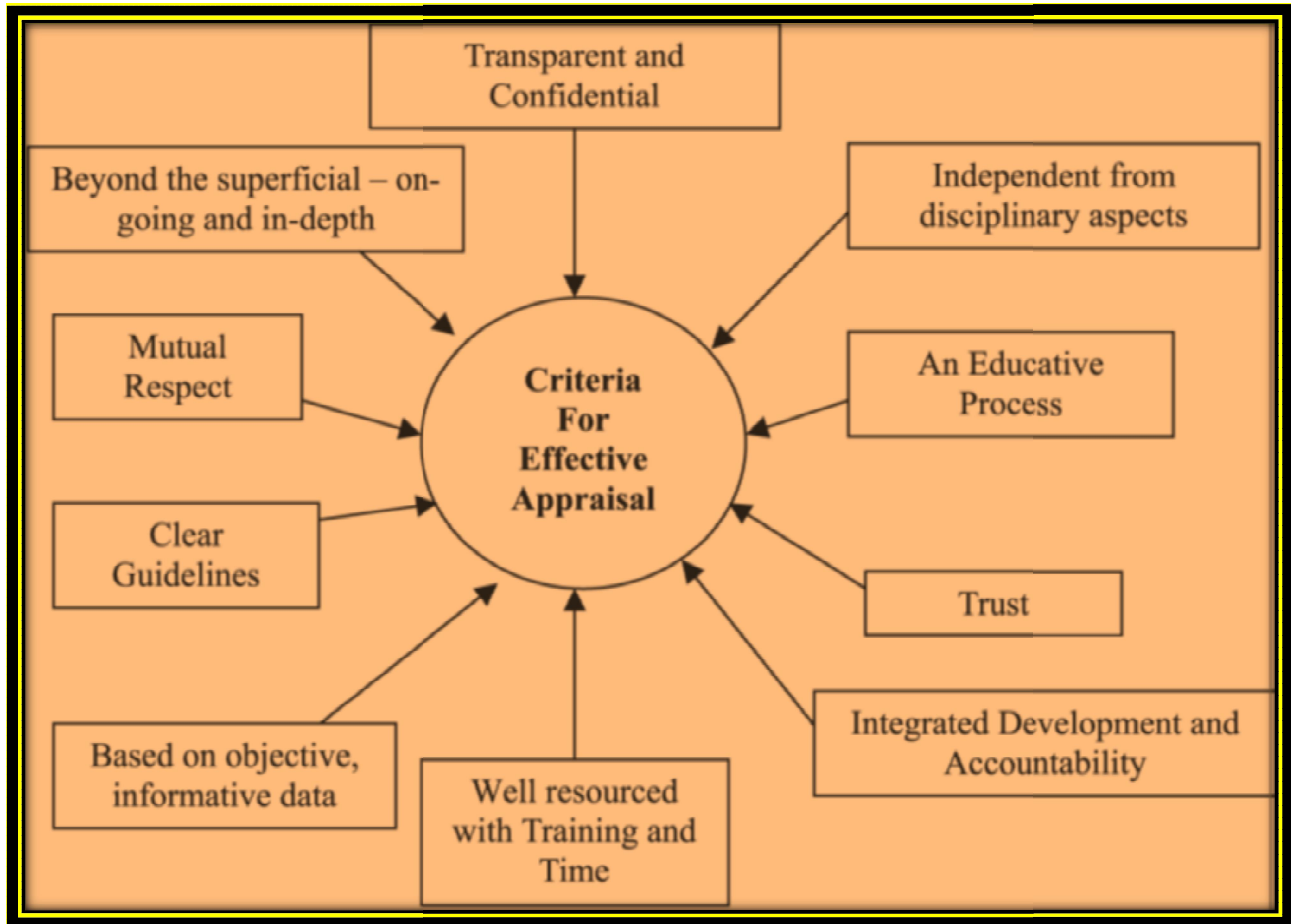


Figure 2.1: Elements of appraisal effectiveness by Piggot-Irvine (2003)

In *Figure 2.1*, we see the essential criteria for effective appraisal according to Piggot-Irvine (2003)

In order to have effective appraisal, the process must be embedded completely throughout the organization where the values shape part of the fabric of the everyday life of the workplace (Piggot-Irvine, 2003). As previously mentioned Rankin & Kleiner (1988) believed that effective performance appraisals have six key factors. These six factors are:

- Performance goals must be specifically and clearly defined.
- Attention must be paid to identifying, in specific and measurable terms, what constitutes the varying levels of performance.

- Performance appraisal programmes should tie personal rewards to organizational performance.
- The supervisor and employee should jointly identify ways to improve the employee's performance, and establish a development plan to help the employee achieve their goals.
- The appraiser should be given feedback regarding his/her effectiveness in the performance appraisal process.
- The performance appraisal system, regardless of the methodology employed, must comply with legal requirements (notably, Equal Employment Opportunities guidelines).

Ensuring that the performance appraisal ties in with organizational goals is pivotal to the effectiveness of the appraisal. If the goals of the performance appraisal process are in contrast with the organizational goals, the resulting performance appraisal system could, in fact, be of harm to effective organizational functioning (Barrett, 1967).

Performance Appraisal is intended to gather crucial information and measurements about the actions of staff and the company's operations which are valuable to management for enhancing the employees' productivity, working conditions, their morale, and inner workings of the organization wholly (Rahman & Shah, 2012). Effective managers recognize performance appraisal systems as a tool for managing, rather than a tool for measuring, subordinates. They may use performance appraisals to motivate, direct and develop subordinates (Wiese & Buckley, 1998).

Having both the manager carrying out the appraisal and the employee setting goals mutually is crucial for the effectiveness of the performance appraisal. This can ensure that the employee will work harder to reach these goals as they participated in setting them initially. The degree of involvement of subordinates in the appraisal has been seen to be of benefit to the success of the system. Cawley et al (1998) proved that subordinate participation in the appraisal procedure is related to employee satisfaction and their acceptance of the performance appraisal system. Employee Participation is a key element of intrinsic motivational strategies that facilitate worker growth and development (Roberts, 2003). Folger (1987), as cited by Roberts (2003) stated that the participation of employees in the appraisal system gives employees a voice and empowers them to rebut ratings or feedback that they are unhappy with. Greater employee participation is known to create an atmosphere of cooperation, which encourages the development of a coaching relationship, reducing tension, defensive behavior and rater – rate conflict which could be caused by the appraisal (Jordan, 1990).

Pettijohn, Pettijohn, Taylor & Keillor (2001) identify participation and perceptions of fairness as integral to employees' perceptions of job satisfaction and organizational commitment. They conclude that Performance Appraisal Systems can be used to actually improve employees' levels of job satisfaction, organizational commitment, and work motivation.

2.10. Factors Affecting Employee perception of Performance Appraisal System

Bowen and Ostroff (2004) assert that an individual's ability to make unambiguous and confident attributions about the cause-effect relationships of performance appraisal system depends on the distinctiveness, consistency, and consensus of the performance appraisal system. Subsequently, Bowen and Ostroff have identified nine process features of performance appraisal systems that should foster systems' perceived distinctiveness, consistency, and consensus. Finally, Bowen and Ostroff further conceptualized the strength of the performance appraisal system in terms of its efficiency in achieving collectively shared interpretations of the performance appraisal system messages.

Collectively shared cause-effect attributions to the performance appraisal system, in turn, were assumed to cultivate organizational climates.

2. 10.1 Distinctiveness

The distinctiveness of performance appraisal system concerns situational characteristics allowing it to stand out in the environment, by attracting attention and arousing interest. They have specified four performance appraisal system features, necessary to foster distinctiveness: visibility, understandability, relevance, and legitimate authority.

Visibility of performance appraisal system represents the extent to which these practices are salient and easily observable. As Kelley and Michela (1980) have claimed, the notion behind salience is that individuals tend to attribute effects to the causes that are most salient in the environment at the time the effect occurs. Applying this notion to the performance appraisal system context, Bowen and Ostroff (2004) argued that salience and visibility are the basic conditions for the employees to make sense of performance appraisal system. In addition, they contended that for the desired effects of practices to occur, they should be visible throughout the considerable part of employees' daily work activities.

2. 10.2 Consistency

Following the principles of causal attribution (Kelley & Michela, 1980), in order for the individuals to make accurate and confident attributions, distinctiveness of the event, which facilitates its perceived importance, should be complemented by the consistency of its effects over time and modalities. Applying this logic to the performance appraisal system context, it can be inferred that for the employees to make sense of the expected behaviors and attitudes, the outcomes of such behaviors should be consistent across the time, practices, and employees. Bowen and Ostroff (2004) have identified three process features that are likely to foster consistency: the instrumentality, validity, and consistency of the performance appraisal system. Validity refers to the extent to which the practices exhibit consistency between their declared purpose and what they actually do. Practices failing to demonstrate their advertised effects send contradictory messages and result in idiosyncratic employees' interpretations.

2. 10.3 Consensus

The final performance appraisal system characteristic that might lead to the creation of strong situation, when integrated with distinctiveness and consistency, is consensus. According to Kelley and Michela (1980), individuals are more likely to make accurate attributions when the perceptions of the stimuli-effect relationship are shared. As has been previously stated, shared perceptions are necessary for the emergence of organizational climate. Bowen and Ostroff (2004) have identified two main process features that cultivate consensus in employees' perceptions of the performance appraisal system: agreement among the principal performance appraisal system decision makers, and the perceived fairness of performance appraisal system. The fairness of the performance appraisal system, concerns the adherence of the system's constituent practices to the principles of procedural, distributive, and interactional justices Bowen, Gilliland, & Folger, (1999)

2.11. Appraisal Ineffectiveness

One of the major causes of ineffective performance appraisal is the dislike that both the appraiser and appraisee have towards the process. Performance Appraisal is one of the most emotionally charged procedures in management (Swan, 1991). Almost every executive has dreaded performance appraisals at some time or other. They hate to give them and they hate to receive them (Sims, Gioia & Longenecker, 1987). Many managers and supervisors are unwilling to make accurate evaluations of subordinates because they do not want them to be hurt. Where the consequence of a low

evaluation is termination, no pay increase, an unpleasant work assignment, or no promotion, managers are reluctant to be precise (Kearney, 1978). Watling (1995) highlights the importance of giving appraisals based on facts, not just feelings and suggests the best way to do this is by measuring performance by surveys, on the job observation, peer group feedback and results against targets. This is important to consider in establishing what an effective performance appraisal is. The appraisal will not be accurate if the manager carrying out the appraisal is having difficulty in giving feedback honestly and truthfully. Because of the emotional variability involved in such processes, accuracy is something which will seldom be achieved. But is this a vital element for management, as it has been shown that executives giving appraisals have ulterior motives and purposes that surpass the mundane concern with rating accuracy (Sims et al, 1987). One manager surveyed by Sims et al (1987) felt that accurately describing an employee's performance is really not as important as generating ratings that keep things going. Some other reasons for managements manipulation of the feedback in an appraisal setting is that they have to work with these people and do not want to create tension or hostility, also the element of there being a physical document from the appraisal recorded permanently on the employees record meant that the appraiser may soften the language used.

Unfair procedures used in performance appraisals create job dissatisfaction. A Performance appraisal system should be fair and must provide accurate and reliable data (Karimi et al, 2011). Therefore it is important that performance management systems are fair to staff so that the organization can reap the benefits.

So many Performance Appraisal systems are solely used as a procedure to determine whether a promotion or raise will be given or as a way of communicating to staff what their role is. But instead of being used as a form of judgment, performance appraisal should be used for the benefit of both the employee and the organization. Continuous assessment could possibly be used as a retention tool and as a system of determining what skills the organization has and what ones it is lacking.

2.12. Benefits of Performance Appraisal

An effective performance appraisal system will bring benefits to the staff member being appraised, the manager completing the appraisal and the organization as a whole.

For the Organization, benefits include (Fisher, 1995):

Improved Performance due to effective communication, increased sense of cohesiveness and better management-staff relationships

Training and Development needs identified more clearly

A culture of kaizen – continuous improvement

Competitive Advantage in the Market place

Employee Satisfaction as a sense that employees are valued is spread

For the staff being appraised, the benefits include (Fisher, 1995; CIPD, 2012):

Enhanced relationships with line managers

Increased job satisfaction

A better understanding of expectations

Greater knowledge of strengths and weaknesses

For the Manager carrying out the appraisal, the benefits include (Fisher, 1995; CIPD, 2012):

Better relationship with employees – trust.

Stronger knowledge of what is going on in the organization

Better knowledge of employees – knowing their individual strengths and weaknesses

Facilitate management in decisions including pay rises, promotions, redundancies etc.

2.13. Definitions of Work Performance

The concept of work performance is however often vaguely defined and poorly understood (Barrick & Ryan, 2003; Murphy, 2002). Work performance is an extremely broad concept that can be easily oversimplified. Work performance can be defined in two ways. The first definition views work performance as a result or consequence of action. In this instance, work performance can be defined as the accomplishment of assigned tasks (Suliman, 2001). Where performance is the deed itself, it may be defined as the actions or behaviours that are relevant to an organization's goals and that can be scaled (or measured) in terms of an individual's proficiency (or level of contribution) (Suliman, 2001).

Work performance should not be confined to individuals only. It should be considered an outcome of both human and organizational activities (De Waal, 2002). Honiball (2008) noted that work performance is the action or behaviour that is relevant to achieving an organization's goals (what is actually done), whereas performance management is the process of linking organizational goals to departmental, team and individual goals (guiding or directing what is done).

Van der Linde (2005) noted that work performance include both process (carrying out the work) and product (the output), and therefore performance is seen as both performing a service, and the service being performed. The author further noted that in a work setting, the output (product

or service) adds value, whereas the process adds cost. “Performance can refer to the performance of an organization (its tasks, duties, goods and services); a department (its tasks, duties, goods and services); a primary process (its tasks and duties in the production of a specific product or service); or a person (the individual's tasks, duties and all goods and services provided)” (Van derLinde, 2005). The opportunity to perform is determined by variables external to the individual (Coetzee, 2003). This is confirmed by a study by Matheson (2005) on work performance, which expounds that evaluation of a person's environment, and current or future work, is required to determine work performance.

Work performance is described as the quality and quantity of human output that is necessary to meet work goals and the standards that are required to do a specific job (Ivancevich & Matteson, 1996). Based on the definition of work performance, it is of value to view the concept of work performance in terms of the systems approach. The system approach is indicated in Figure 2.2. Inputs - personality, knowledge, aptitude, management, the processes in the organization, resources available to do the work, work experience and the environment - will have an effect on work performance (Coetzee, 2003).

Work performance in terms of the systems approach



Source: Coetzee, 2003

Figure 2.2 Work performance in terms of the systems approach

Work performance can be described as a function of three variables namely knowledge and skills; motivation and workload; tools and climate (Ivancevich & Matteson, 1996). This correlates well with a model of Saville and Holdsworth that has been used to describe the determinants of successful job performance (Saville & Holdsworth, 1998). According to the Saville and Holdsworth Model (1998), competencies are clusters of skills and behaviours that are key to successful performance and, in general terms, these competencies are abilities, motivation, behaviour and knowledge, which the individual contributes to his/her job. For the purpose of this research, work performance will be defined as the process through which an individual operates to achieve the goals of the organization.

Work performance is an abstract, latent construct that cannot be pointed to or measured directly. It is made up of multiple components or *dimensions*. These dimensions, in turn, are made up of indicators that can be measured directly. To conceptualize and operationalize individual work performance, we should explicate the construct domain of work performance and identify its dimensions and indicators. Whereas the dimensions may generalize across jobs, the exact indicators can differ between jobs. In the field of psychology, the conceptualization of work performance has received relatively much attention.

A widely endorsed definition of work performance is that of Campbell: “behaviors or actions that are relevant to the goals of the organization.” Three notions accompany this definition:

- (1) work performance should be defined in terms of behavior rather than results,
- (2) work performance includes only those behaviors that are relevant to the organization’s goals, and
- (3) work performance is multidimensional.

As distinguishing between behavior and results can be difficult, others have included results in their definition of work performance. For example, Viswesvaran and Ones defined *work performance* as “scalable actions, behavior and outcomes that employees engage in or bring about that are linked with and contribute to organizational goals.” Work performance should be distinguished from work productivity, two concepts that often seem to be used interchangeably in the literature.

Work productivity is defined as input divided by output. Thus, work productivity is a narrower concept than work performance. It is also important to distinguish between causal variables and indicators of work performance. Causal variables determine or predict one’s level of work performance, whereas indicators are reflections of work performance. For example, job

satisfaction is considered a determinant of work performance, whereas work quality is an indicator of work performance.

2.14. Performance appraisal and work performance

According to Aguinis (2007), performance is about employee's specific behavior. It means something what employees do and not about what employees produce or the outcomes of their work. Performance is determined by a combination of declarative knowledge, procedural knowledge, and motivation. This definition has two important facets, i.e. task and contextual. Task performance or work performance refers to the specific activities required by one's job. Meanwhile the contextual one performance appraisal involves measuring job performance in which mainly captures an essential element of the performance appraisal process without specifying the actual techniques used for measurement (Kavanagh, Benson & Brown, 2007).

According to Shen (2004), the performance appraisal is the process of identifying, observing, measuring, and developing human resources in organizations. In order the appraisal system to be effective, the system needs to be accepted and supported by its employees. At the same time, performance appraisal is a process of judgment and evaluating of the subordinate's performance by the supervisor as well.

From those prior studies, arguably we can define that there are four activities in the performance appraisal cycle in organizations, namely, defining the performance, measuring and evaluating the Performance, giving feedback to the employee, and applying the results in the different organizational system. By using this performance appraisal method, an organization can evaluate the level of performance of an employee and keep the record of their performance achievement as well.

Meanwhile, one important function of performance appraisals is to encourage, guide, and improve employee performance.

To be effective, the performance appraisal must be relevant and the measurement standards must be clear. Relevance refers to the degree to which the performance measurement includes necessary information; that is, information that indicates the level or merit of a person's job performance. To be relevant, the appraisal must include all the pertinent criteria for evaluating performance and exclude criteria that are irrelevant to job performance.

Archer North (1998) argued that an effective performance appraisal can lead to higher job satisfaction and reduced absenteeism and turnover rates. Mohrman, Resnick-West, & Lawler (1989) documented some potential benefits of highly performance appraisal policy, such as increased motivation to perform effectively, gained new insight into staff and supervisors, distributed rewards on a fair and credible basis, and encourage increased self-understanding among staff as well as insight into the kind of development activities that are of value. Richards (2010) found that performance appraisal can provide an indication of areas of training need as well as direction for leadership development, performance improvement, and succession planning.

If performance appraisals are perceived as unfair, therefore, the benefits of performance appraisals can diminish rather than enhance employee's positive attitudes and performance (Thomas & Bretz, 1994). Specifically, the perceptions of procedural unfairness can adversely affect employee's organizational commitment, job satisfaction, trust in management, performance as well as their work-related stress, organization citizenship behavior, theft, and inclination to litigate against their employer. If an appraisal within a company is carried out without any rules, transparency, and prospect of things linked to it, it might cause severe troubles, not only can it damage the climate at workplace and lead to decrease in productivity. It also can end up with ethical and legal problems. Manager should always be aware of what he or she is doing and what consequences might it have when appraising performance.

In general, research indicates (Smither, 1998) that perceptions of fairness arise from consideration of the outcomes received (outcome fairness); the procedures used to determine those outcomes (procedural fairness); and the way in which the decision-making procedures were implemented and explained (interpersonal fairness). This description of the components of fairness draws heavily on the research and literature in the area of organizational justice. Therefore, to handle the issue of managing organization effectively, it is important to any top management to set a performance appraisal system accurately and meet the employees' sense of fairness. It is in line with the findings of Folger, Konovsky, and Cropanzano (1992), indicated that employees react differentially to performance appraisal based on their perceptions of the fairness of the appraisal, in terms of distinctive substantive aspects of organizational justice. In addition, the findings have encouraged considering other independent variables as a moderator of relationship between the appraisal reaction (feeling satisfied with the performance appraisal

system) and contextual antecedents (performance appraisal process). The influence of performance appraisal and work performance becomes taking more attention due to the number of studies, which examined the effects of performance appraisal systems on employee, provides solid empirical findings that employees' opinions regarding the performance appraisal (PA) process are highly critical to the long-term effectiveness and the success of the system as well (e.g. Kuvaas, 2006; Pettijohn, Pettijohn & Taylor, 2000; Pettijohn, Pettijohn, Taylor & Keillor, 2001). These studies have used several surveys and questionnaires to assess individuals' reactions to various aspects of the PA system. Furthermore, the results revealed that basically employees would experience the greatest levels of satisfaction when fully they understand the criteria used for performance appraisal evaluation, agree with the criteria used, feel the results of the evaluation have an impact on their level of compensation, and believe that the appraisal process is fair. In the work of Kuvaas (2006), which surveyed 593 employees from 64 Norwegian banks regarding their opinions and perceptions of the appraisal process on work performance, organizational commitment, and turnover intention, the findings revealed that there was a direct relationship between PA satisfaction and employee outcomes. The results also indicated that the relationship between performance appraisal satisfaction and work performance was both mediated and moderated by employee's intrinsic work motivation.

The contending research's results from them Western countries' context may not be generalized to the emerging countries' one, which have different environment. In addition, there are possibilities that the findings of developed-countries' researchers may bear significance in the Southeast Asian environment, as founded by Vance, McClaine, Boje, and Stage (1992).

They concluded a difference in management style between US and the Pacific Rim countries. In light of the insufficient findings in this area, there are two purposes of the present research: (1) to explore the relationship between performance appraisal satisfaction and work performance, by covering all three components of organizational justice, which in the prior cited-studies covered only one or two component out of the three those justice components. Second, it is to examine performance appraisal satisfaction as mediating variable to test the relationship.

Employee performance appraisal is an effective tool or vehicle for assessment of employee performance and implementation of strategic initiatives for the improvement of employee performance (Lawler and McDermott, 2003). However, a considerable literature stream also

suggests that there exist dissatisfaction in employees regarding performance appraisal system (Mercer, 2002; Roberson and Stewart, 2006; Moullakis, 2005). For instance, Morgan (2006) noticed that performance appraisal in many organizations has not met expectations of employees. In the same vein, prior findings by Smither and London (2009) have elucidated that 80-90% managers reflect that performance appraisal has not been effective in improving employee and organization's performance.

Performance appraisal has been regarded as the most critical human resource function within organizations by which assessors or supervisors analyze and assess performance of their subordinates (Keeping and Levy, 2000). The outcomes of performance appraisal assists managers to select specific pay rates, promotional decisions, development and training needs and motivational factors for employees (Zapata-Phelan et al., 2009). In this regard, performance appraisal system has been widely researched within organizational psychology to assess employee performance. However, despite of resources applied and attention made to this particular topic, prior researchers have found continuing dissatisfaction among employers and employees about outcomes of performance appraisal systems in terms of unfair, inaccurate and political outcomes (Rao, 2004; DeNisi and Pritchard, 2006). Therefore, it is important to study the factors affecting outcomes of performance appraisal system.

2.15. PA Satisfaction with Work Performance

Studies suggest that HR practices affect organizational outcomes by shaping employee behaviours and attitudes (Huselid, 1995). More specifically, these HR practices increase organizational effectiveness by creating conditions where employees become highly involved in the organization and work hard to accomplish organizational goals. HR practices are expected to influence both, organization's and employee's performance via the workforce's ability (e.g. using selective hiring, training), motivation (e.g. pay for performance by using PA), and opportunity to contribute (e.g. using teams and suggestion systems) (Gerhart, 2005). Furthermore, Korsgaard, Roberson and Klein (1991) noted that PA process offer a number of potential benefits, including improved job performance.

Moreover, PA seems to be a vital component of a broader set of human resource practices; it is the mechanism for evaluating the extent to which each employee's day to-day performance is linked to the goals established by the organization (Lowenberg & Conrad, 1998). Studies concluded that PA factors do influence job satisfaction, which, in turn has the potential to lead to

higher levels of performance (Babin & Boles, 1996; Brown & Peterson, 1994). Smither (1998) further noted that one factor that contributes to an effective PA system entails ensuring that the system focuses on performance. Therefore, a relationship between HR practices such as PA and work performance would be very obvious.

One of the first steps in developing an effective PA system would be determining the organization's objectives. These would then be translated into departmental and then individual goals. This allows the employee to know "up front" the standards by which his/her performance will be evaluated. This process involves clarifying the job role, job description and responsibilities – explaining how the role and responsibilities contribute to wider goals, why individual and team performance is important and just what is expected within the current planning period. Objectives developed in this way should be reflective of the organizational goals and provide linkages between employee and organizational performance. Stroul (1987) noted that another critical objective of PA is to provide feedback to foster employee growth and development.

From the literatures, the purpose of goal setting and feedback within PA process is to increase individual performance (Pettijohn et al., 2001). Thus, there could be a positive relation between employee satisfaction with PA and work performance.

Another notable function of PA includes equipping employees with new knowledge and skills. Coyle-Shapiro and Conway (as cited by Kuvaas, 2006) noted that employees' perceived investment in employee development will lead to employee being obligated to repay the organization via high work performance.

2.16. High Performance Work System

Management scholars and practitioners alike have become increasingly interested in learning more about the ability of certain "progressive" or "high performance" human resource management (HRM) practices to enhance organizational effectiveness. "Progressive" HRM practices which included a workplace climate that strongly values employee participation, empowerment and accountability tended to be perceived to generally perform better on a number of valued organizational outcomes.

It is essential before going through literature to determine how to characterize the practices under discussion. There are many terms in the area of human resource management: "high performance

management” (White, Hill, McGovern, Mills, and Smeaton, 2003), “high involvement management” (Lawler, 1986) and “high commitment management” (Wood and deMenezes, 1998). The term High Performance Work Systems (HPWS) will be used on the basis that that is broad enough to encompass the range of practices emphasized by different approaches (Ramsay, Scholaries, and Harley, 2000). According to Pfeffer (1996), high performance work systems embrace employment security and high wages as well as communication and involvement schemes. High Performance Work Systems as an advanced form of HRM composed of employee involvement, empowerment, and responsibility. It is described in terms of high involvement management, high commitment workplaces, high trust workplaces, partnerships at work, total quality management, and strategic HRM.

HPWS theoretical models assumes that performance gains are necessarily attributable to a positive impact on employees, mainly through increased job autonomy, satisfaction, and commitment (Harley, 2002). Harley asserted that improved performance may be driven by factors other than HRM practice and may cause negative outcomes for workers.

Individual responsibilities are expected to be adaptable to changing conditions and teams rather than the individual. The perceptions of employees regarding organizational support, organizational commitment, organizational justice, participative decision making, and workload are related to job satisfaction and intention to quit.

The causal path assumed by proponents of HPWS is that “Systems... are established; they influence workplace practice; employee attitude change, with increased satisfaction or commitment; there is a consequence effect on behavior; and this in turn feeds through to the performance of the work unit and eventually the company...” (Edwards and Wright, 2001).

HPWS aim at reducing turnover, absenteeism and costs through a reduction in the need for control and monitoring (Ramsay, 2000). This implies the need for 38 participation of the decision making of employees. Also HPWS may have a marginally positive effect on employee attitudes to commitment (Ramsay, 2000). The adoption of HPWS has resulted in a dramatically lower turnover rate compared to control systems and increased performance (Arthur, 1994).

Huselid (1995) has stated that HPWS increase performance through a number of revenues, with one of these being employee behavior. This employee behavior affects turnover and labor

productivity within the organizations, thus eliciting employee commitment, which is in indirect contrast to turnover. HPWS also increase the discretion of employees (Harvey, 2002; White et al., 2003) which is the employees' ability to make good choices, be careful, and have the freedom of choice. The effectiveness of HPWS is diminished through the lack of continuance commitment which can be directly related to the increased discretion.

High-performance work systems assume that employees are a primary source of competitive advantage that is difficult for others to imitate and that workers are capable of continuous improvement and will perform at higher levels if they are motivated to do so (Pfeffer, 1998). This is achieved by encouraging practices such as participative decision making, providing high-quality training, and sharing information. By treating workers with respect and as capable and intelligent individuals, organizations will find that workers will be more committed to the organization and more trusting of management, which will result in improved performance (Walton, 1985; Wheatley, 1997). Whetener (2001) proposed a social exchange framework to explain this relationship. Employees view human resource practices and trustworthiness of management as indicative of the organization's commitment to them. In turn, employees reciprocate with appropriate attitudes and behaviors

2.17. Empirical studies

Performance Appraisal still plays a huge part in organizations today. A report carried out by the CIPD in 2009 found that 81.3% of organizations surveyed were carrying out performance appraisal in their organization as part of their performance management.

Instead of eliminating Performance Appraisal, organizations need to work on improving their system and make sure that it is effective. They need to reinvent, update and renew their performance appraisal procedures so that they are more compatible with the organization and its environment.

It is vital that when trying to find ways to improve Performance Appraisal in organizations that they look at making sure the Performance Appraisal system is used as it was intended to be and teaching this to the management involved.

As mentioned previously the CIPD (2012) define Performance appraisal as an opportunity for individual employees and those concerned with their performance to engage in a dialogue about each individual's performance and development, as well as the support required from the

manager. They also state how important it is to recognize that performance appraisal is not just about assessing the past but also about driving behavior that will sustain performance in the future.

The CIPD (2012) believe that Performance appraisal is an operational task, it is short to medium-term and mainly concerned with individual workers and their performance and development. While it is one of the elements of performance management, and the data produced can feed into other components of performance management, appraisal by itself does not constitute performance management.

The researcher focused performance appraisal system and its consequence work outcomes, in the form of work performance particularly this dependent variable from these studies. because of literature gap on specific areas related to this study.

Vignaswaran (2005) a study conducted in Peninsular Malaysia on the relationship between performance appraisal satisfaction and employee outcomes. A total of 900 questionnaires were distributed, of which 311 returned and used for data analysis (representing 33% of response rate). The descriptive finding of the study indicates that the level of employees' satisfaction with the level of work performance is higher with mean= 3.85 and SD= 0.49.

The findings also highlights that employees must experience positive appraisal reactions in order for performance appraisal to positively influence employee attitudes and behavior(Kuvaas, 2006; Murphy & Cleveland, 1995). Klein and Snell (1994) noted that goal setting in performance appraisal process had a greater impact on attitudinal reactions for poor performers, probably because these employees needed goal setting to clarify what was needed in order to improve performance.

2. 18. Experience of other Organization in Ethiopia

Though every public, non-governmental and private company are operating in the country,one study was selected, which are Even though few studies like: the study conducted on Amhara National Region State Office Of Auditor General (ANRSOAG)(The Effect of Employees' Perception of Performance Appraisal on Their Work Outcomes). The Effect of Employees' Perception of Performance Appraisal on Their Work Outcomes) conducted by (Abraham Zewdie, Assegid Demissie & Assefa Tsegay 2014). The descriptive finding of the study shows that in ANRS office of auditor general employees had low level of satisfaction (well perception)

n towards the existing performance appraisal practice. Employees of ANRS offices of the auditor general have high level of work performance.

Thus; from this finding it can be generalized that, the respondents are dissatisfied concerning with the current practice of the organization appraisal system, fairness and un biasness of a system, the seriousness of leaders to review performance appraisal, satisfaction with feedback, the relevant of performance feedback, the alignment of feedback with the actual achievement, the existence of appeal process , the implementation of PA, and the provision of positive feedback for good performers than criticizing the poor ones. Therefore, such remarked areas of dissatisfaction are the good indicators and the root causes for employees' negative perception regarding to the performance appraisal practice of their organization. In turn, it might have its own impact .

2.19 Conceptual Framework of the Study

Before the conceptual frame work stated some point about *conceptual framework*, dependent and independent variables.

The research problem cannot meaningfully be researched in reference to only one theory, or concepts resident within one theory. In such cases, the researcher may have to “synthesize” the existing views in the literature concerning a given situation – both theoretical and from empirical findings. The synthesis may be called a *model* or *conceptual framework*, which essentially represents an ‘integrated’ way of looking at the problem (Liehr and Smith 1999).

Based on the above conceptual framework of the study in the first place The elements that was aligned Performance Appraisal System independent variables are fairness, employee-leader relationship, rewards linked to appraisal, specific & accurate feedback, clearly defined goals, confidentiality and mutually set goals and dependent variable employees work performance. the graphical relationship of the independent variable Performance Appraisal System factors affecting employee satisfaction (well perception) Depends on the Distinctive, Consistency and Consensus and dependent variable employees work performance measure by quality of work ,ability and related content, are represented as the conceptual framework of this study as follows:

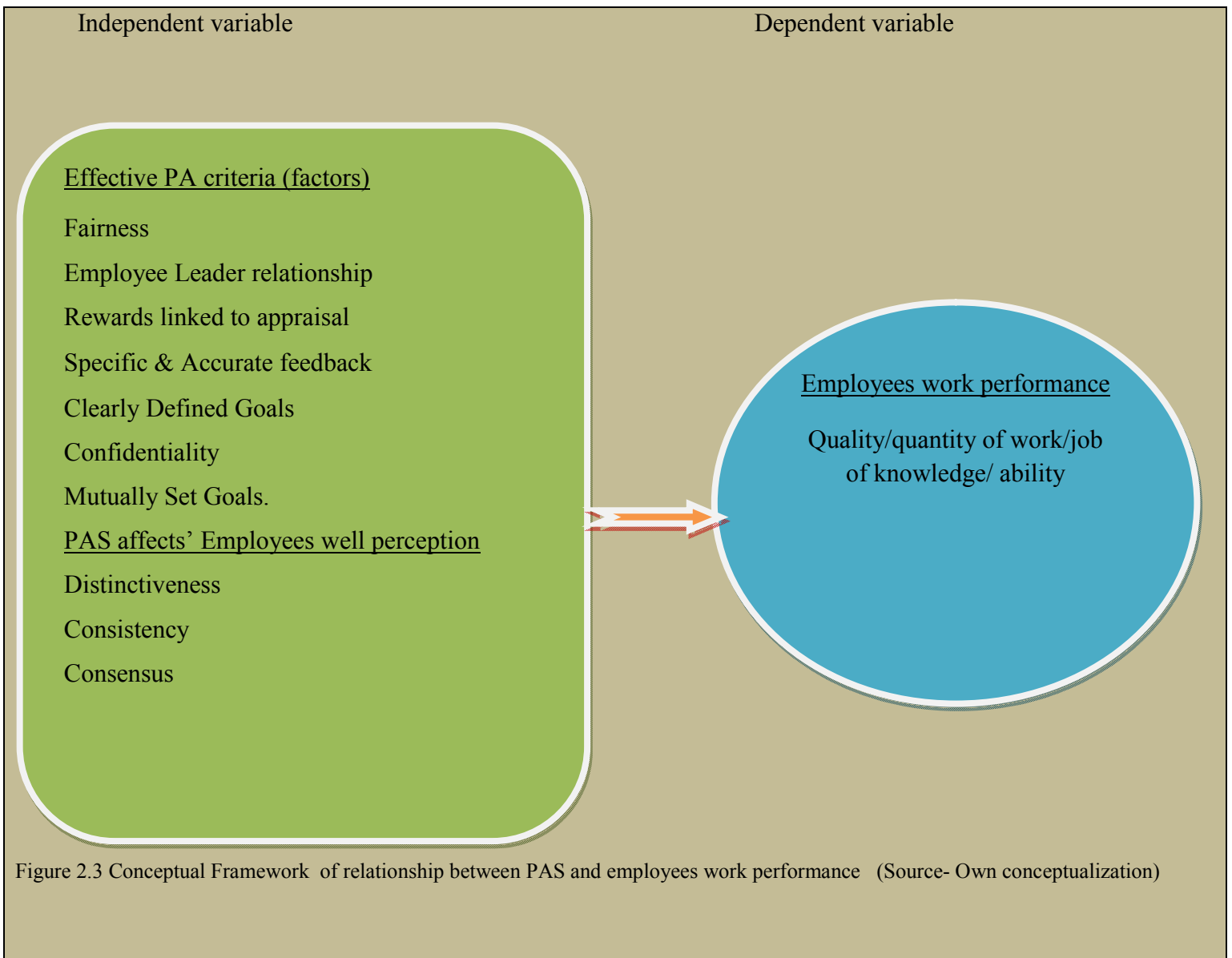


Figure 2.3 Conceptual Framework of relationship between PAS and employees work performance (Source- Own conceptualization)

CHAPTER 3

RESEARCH METHODOLOGY

3.1 Introduction

The Research was employed quantitative approach to examine the effect of Performance Appraisal System on employees work performance of NTE (National Tobacco Enterprise) Eth S.C. This chapter consists of methods that was used in establishing the effective of Performance Appraisal System on employees work performance at NTE (National Tobacco Enterprise) Eth S.C this includes the research design & Methodology, Research Approach, Research Design, Population and Sample, Data Sources and Types, Data Collection Procedures, Ethical Consideration and Data Analysis were employed include under this section.

3.2 Research approach

The research was designed to assess the effect of Performance Appraisal System and its effect on employees work performance in the case of NTE .

This study used a quantitative research approach which is deductive in nature&also which is concentrating on Effect of Performance Appraisal system on Employees work Performance of NTE Company.

3.3 Research Design

Backlund and Suikki (2005) explain that with descriptive research design, the researcher aims to determine the aspects of the problem which are crucial for a thorough analysis. With descriptive research design, the researcher has an opportunity to have a clear view of the problem from other related sources and narrows the research around these important items. In this case, the researcher adopts a technique that leads to exact or almost detailed facts when carrying out the study. Therefore, the study will be adopted a quantitative approach on the effects of performance appraisal system on employees' work performance.

3.4 Population and Sample

3.4 .1 Population

Population is the complete set of units of analysis that is under investigation, while element is the unit from which the necessary data is collected (Davis, 2000).

The population is the universe of units from which the sample is to be selected (Bryman and Bell 2007). The target population for this research used the total work force of NTE (National Tobacco Enterprise) Eth S.C. The researcher carried out the research on employees in the differing departments of the organization namely Administration and Human Resource Department, Research and Quality Assurance, Factory Operations Department, Sales and Marketing, Supply, Finance Department, Legal Service, Planning and Programming Services, IT Services. Therefore, as per the data obtained from human resource department of NTE Company on January 2017, the total target populations of the study are 520 permanent employees (Non-Management Staff) from all departments.

3.4 .2 Sample size

It was impossible to collect data on the whole population, considering the size, as well as the time, available to the researcher. Thus, to avert such constraint the researcher forced to draw sample from the whole population. According to Field (2005), whenever it is possible to access the entire population, it is possible to collect data from sample and use the behavior within the sample to infer things about the behavior of the population. Field also states that the bigger the sample size, the likely it reflect the whole population. Accordingly, in this study to make the sample more representatives, the sample size of the study is determined using the formula adopted from krejcie and Morgan’s (1970). Thus, the formula is used to calculate the sample size is :

$$n = N / (1 + N(e)^2)$$

Where N= is the total population

n= is the sample from the population

e= is the error term, which is 5% (i.e. at 95% confidence interval)

Using the above formula the sample size of the study is determined as

$$n = 520 / (1 + 520(0.05)^2) = 226$$

Therefore, based on the above formula, the sample size taken from each stratum is depicted in Table 3.1 below, which is 127 respondents from Administration And Human Resource Department, 321 respondents from Research and Quality Assurance and Factory Operations Department, 61 respondents from Sales and Marketing, Supply & Finance Department, remaining

11 Audit, Legal Service, Farm Management and Development, Planning and Programming Services, IT Services were taken. Thus, the total sample size of the study is used 226, which is 43% of the total population ($226/520= 0.43$).

Table 3.1 Stratified Random Sampling Design form

No	Types of the Strata	Total Population size	Sample Size (43% of the population)
1	Administration And Human Resource Department.	127	55
2	Research And Quality Assurance & Factory Operations Department	321	139
3	Sales and Marketing, Supply& Finance Department	61	27
4	Audit, Legal Service, Farm Management and Development, Planning and Programming Services, IT Services.	11	5
	TOTAL	520	226

Source: Own computation; based on NTE (National Tobacco Enterprise) Eth S.C Manning (2017)

3.4 .3 Sampling Technique

The sampling method that was employed in this study is used both stratified randomization and simple random sampling. To ensure that as much as possible biasness is removed or is minimized and a fair representation is obtained, the population of the study was stratified in to four major target group based on the existing Departments process structure of the Company.

To select respondents from each stratum simple random sampling design was employed; in doing so, the existing employees list was obtained from human resource department of the Company and then the proportional weight was assigned to each stratum in order to from the sampled data properly represent the population from which the stratified sample of existing employee is drawn.

3.5 Data Sources and Types

In order to achieve the study's objectives both primary and secondary source of data are used. The primary sources of data were through questionnaire from NTE (National Tobacco

Enterprise) Eth S.C employees. The primary data is collected through questionnaire that is made-up of close ended questions based on the problem statement.

The primary data was collected through questionnaire that included close ended questions will be conducted to gather information regarding the performance appraisal system of NTE National Tobacco Enterprise) Eth S.C. To analysis the Pearson correlation coefficient is used.

In first section of the questionnaire focused on demographic information's and in the next part of the questionnaire there was 39 questions which are responded using five alternative of Liker scale to assess employees' satisfaction of existing Performance Appraisal practice in effective criteria's(factors) the NTE, Employees' Level of Work Performance and the last part of the questionnaire was Overall effect of performance appraisal System on level employees satisfaction.

Examination of secondary data for this particular research secondary data was collected from books, effectiveness of the performance appraisal system on employees' Work Performance and related journals, company's publication of performance appraisal manual & manning. And also the secondary data assisted the researcher as specific reference and to explore different construct important to this study.

3.6 Data collection procedures

Every employee who has participated in the appraisal system and who were members of the sample received a questionnaire delivered to their work departments. Measures Satisfaction with existing Performance Appraisal (Independent Variable)

The measure of employees' satisfaction with existing performance appraisal was both adopted and adapted based on prior work by Meyer & Smith (2000). The scale consist of these items concerning the satisfaction with PA activities within an organization and The measure of employees' overall satisfaction level with performance appraisal system was also adopted based on prior work by Scholastica Seem Matunge (2013). Work Performance (Dependent Variable) Work performance was measured by using these items based on prior measures (. Kuvaas, 2006). A total of **226** questionnaires were used in the data analysis and also data was collected through directly related to identify the criteria/factors in use by the company to measure their effectiveness from performance appraisal system. The NTE S. Company to find out the effect of performance appraisal system on employee's work performance.

and the last part of the questionnaire also, to assess the level of employees' work performance in relation to the performance appraisal system affect (factors) in distinctiveness consistency and consensus. as the researcher believed that legally operating translation offices have the experience and proficiency in translation, the questionnaire was transformed into the local language of Amharic. The Amharic version of the questionnaire was intended for those respondents with low command of the English language.

Upon approaching voluntary respondents the researcher asked their language preference and provided them with their choice of questionnaire.

3.7 Ethical considerations

Ethical conduct states that it is the responsibility of the researcher to assess carefully the possibility of harm to research participants, and to the extent that it is possible, the possibility of harm should be minimized (Bryman & Bell, 2007).

Every questionnaire that was sent out be attached to a cover letter which clearly be explained the purpose of the survey. The questionnaire didn't required the names of the respondents; this was protected their identity and remain anonymous. As a result, the employees were aware from the beginning what the researcher was doing, why and where the information was going and why it was being gathered.

3.8 Data Analysis

To analyze the data collected from the questionnaires, the researcher used version 20 SPSS. SPSS is a system for statistical analysis and helps to display findings by creating charts and tables. It is one of the most widely used computer software packages for analysis of quantitative data for social scientists (Bryman & Bell, 2007).

In order to achieve the findings and results for the study, the author used descriptive analysis to summarize the data. These methods will be numerical and/or graphical. Graphical methods are known for recognizing patterns in the data, while the numerical methods of analysis are acknowledged for giving precise measures. In the analysis descriptive statistics, correlation analysis and linear regression analysis was performed.

The analysis will consist of graphs, tables and charts to outline the responses will be received which will be examined and discussed. The reasons for using this procedure are to make it easier for the reader to compare and understand the findings.

3.8.1 Reliability & validity Test of the Instrument

Before dispatching the questionnaire to gather information its validity and reliability was checked. To this close ended questionnaire is given to human resource expert to check the content validity.

To confirm both the adapted and adopted instrument is understood or not by the respondent reliability test were conducted. A total of 226 questionnaires were distributed to the respondents the participant was selected from each departments process based on their easily accessibility to the researcher. Then returned the 182 data instruments were coded and a Cronbach's Coefficient Alpha test was employed by SPSS version 20.00. Thus, the SPSS output is summarized in Table 3.2.

Table 3.2. Cronbach's Alpha Test Resulted from SPSS

No	Variables of the study	No of Respondent	No of items	Overall Cronbach Alpha
1	Effective Performance Appraisal Factors	182	17	.848
2	Work Performance	182	10	.782
3	Factors Affecting Performance Appraisal System	182	12	.917
For all item's			39	.848

As shown in the above table, the reliability of the scale was determined by Cronbach's alpha method. According to Bryman and Bell (2003) the Cronbach's alpha result of **0.7** and above implies acceptable level of internal reliability. Therefore, the result indicated that the questionnaires of the study were internally consistent above **0.7**.

3.8.2 Descriptive analysis: is used to summarize the demographic characteristics of the respondent and to know the level of employee perception of performance appraisal based on the response for each item and analyzed by comparing the “mean” and “standard deviation” score of each variable. According to Zaidaton & Bagheri (2009) the mean score below 3.39 was considered as low, the mean score from 3.40 up to 3.79 was considered as moderate and mean score above 3.8 was considers as high as illustrated below.

Table 3.3 Comparison bases of mean of score of five point Likert scale instrument

Mean Score	Description
<3.39	Low
3.40 -3.79	Moderate
>3.80	High

Source: Zaidatol&Bagheri (2009)

3.8.3 Correlation Analysis: is to show the strength of the association between the variables involved. Inter-correlations coefficients (r) were calculated by using the Pearson's Product Moment. According to Cohen (1998 as cited by Warokkaand Gallato, 2012), the correlation coefficient (r) ranging from 0.10 to 0.29 may be regarded as indicating a low degree of correlation, r ranging from 0.30 to 0.49 may be considered as a moderate degree of correlation, and r ranging from 0.50 to 1.00 may be regarded as a high degree of correlation. Field (2006) also state that the output of correlation matrix can be the correlation coefficient that lies between -1 and +1 within this framework, a correlation coefficient of +1 indicates a perfect positive relationship, and a correlation coefficient of -1 indicates a perfect negative relationship; whereas a coefficient of 0 indicates no liner relationship.

While, for correlations purposes, the descriptors developed by Davis (1971, as cited by Alwadaei, 2010) the interpretation of strength of correlation coefficient is shown in table 3.4

Table 3.4 Interpretation of strength of correlation coefficient

Value of coefficient	Relation between variables
0.70-1.00	Very strong association
0.50-0.69	Substantial association
0.30-0.49	Moderate association
0.10- 0.29	Low association
0.01-0.09	Negligible association

3.8.4 Simple Regression Analysis: Regression is the determination of a statistical relationship between two or more variables. In simple regression, we have only two variables, one variable defined as independent is the cause of the behavior of another one defined as dependent variable. Since the correlation result provides only the direction and significance of relationship between variables, simple regression analysis is done to examine the contribution of

performance appraisal system to employees work performance and to assess the extent of relationship between independent and dependent variable of the study.

CHAPTER FOUR RESULTS OF THE STUDY

FINDING AND ANALYSIS, INTERPRETATION AND DISCUSSION

4.0 Introduction

This chapter presents findings and analysis, interpretation and discussion from the study about the effect of performance appraisal system on employee work performance. The main focus of this research is two variables to analyze the effect of performance appraisal system and employees' work performance.

4.1 Demographic Characteristics of Respondents

Out of 226 distributed to the employees of National Tobacco Enterprise Share Company 182 (80.5%) questionnaires were returned with full information. The demographic variable of the respondents such as gender, age and length of the year they have stayed in the Enterprise was collected and the results presented as follows.

4.1.1 Gender of respondents

Male respondents dominate gender category with 70.3% (n=128) of the respondents were male the remaining 29.7 % (n=54) were female. (Table 4.1)

Table 4.1 Gender of respondents

	Frequency	Percent	Valid Percent	Cumulative Percent
Valid Male	128	70.3	70.3	70.3
Female	54	29.7	29.7	100.0
Total	182	100.0	100.0	

4.1.2 Age of respondents

As it is indicated below in table 4.2 the respondents are found in the age category of under 35years which are 27.5% of the respondents. The second major group of respondents found in the age category of 35-39 years which are 24.2% of the respondents and the third age category found majority of the respondents that in the age group of 40-44 years which is 29.7% of the respondents. Finally the remaining small proportion shows that they were in the age category of 45 and above which is 18.6 %. (Table 4.2)

Table 4.2-Age of respondent

	Frequency	Percent	Valid Percent	Cumulative Percent
Under 35 Age	50	27.5	27.5	27.5
35-39	44	24.2	24.2	51.7
Valid 40-44	54	29.7	29.7	81.4
45 and above	34	18.6	18.6	100.0
Total	182	100.0	100.0	

4.1.3 Years the employees have spent in National Tobacco Enterprise Share Company

Most of the participants here is under table 4.3, 60 respondent (33%) has been working for the company from 5 to 9 years. 43 respondent or 23.6 % of all participants have been employed for 10-19 years. While new employees completed their probation period and permanent employees who have worked up to four years are 40 respondents consisted of 22.0 % of all respondents and employees who have been working for 20 years or longer period are composed of 39 respondent or 21.4 % of the respondents. (Table and Figure 4.3)

Table 4.3 Years the respondents have spent in the Enterprise

	Frequency	Percent	Valid Percent	Cumulative Percent
0-4 years	40	22.0	22.0	22.0
5-9 years	60	33.0	33.0	55.0
Valid 10-19 years	43	23.6	23.6	78.6
20 years or longer	39	21.4	21.4	100.0
Total	182	100.0	100.0	

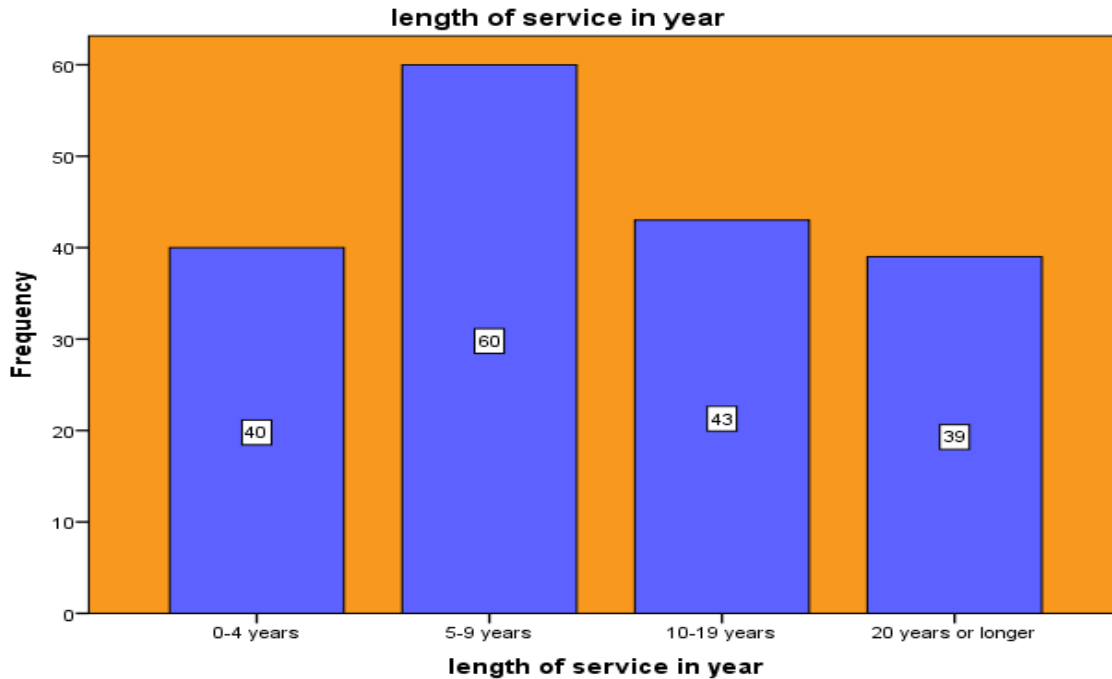


Figure 4.1 Years the respondents have spent in the Enterprise

4.3.0 Employees response about providing fairness

Fairness is one of the criteria's components of performance appraisal to measure the fairness of the performance appraisal system two questions were asked. The first question is: "Appraisers treat me fairly during performance appraisal process." the respondent 11.0% were in agreement, 52.2% were Neither agree nor disagree, 15.4% were in disagreement, 14.3% were strongly agree and 7.1% were strongly disagreed. The second question is "Current performance appraisal is fair and unbiased." Which is the respondent 22.0% were in agreed , 50.5% were Neither agree nor disagree, 12.1% were in disagreement, 11.0% were strongly agree and 4.4% in strong disagreement. The two questions indicated that, it was also established that the respondents were not sure whether the performance appraisal criteria's was fair to all the employees in the organization. This confirms that the respondents have doubts as far as fairness of the criteria's with their evaluators and their current appraisal is biased and not fair concerned. (Table4.4) table summary of response about fairness.

Table 4.4- Summary of response about Fairness

	Appraisers treat me fairly during performance appraisal process.		Current performance appraisal is fair and unbiased.		
	Frequency	Percent	Frequency	Percent	
Valid	Strongly agree	26	14.3	20	11.0
	Agree	20	11.0	40	22.0
	Neither Agree Nor Disagree	95	52.2	92	50.5
	Disagree	28	15.4	22	12.1
	Strongly Disagree	13	7.1	8	4.4
	Total	182	100.0	182	100.0

Table 4.5-Descriptive Statistics of items that measure respondents Summary about fairness

	N	Minimum	Maximum	Mean	Std. Deviation
Appraisers treat me fairly during performance appraisal process.	182	1.000	5.000	2.90	1.057
Current performance appraisal is fair and unbiased.	182	1.00	5.00	2.77	.953
Valid N (list wise)	182				
Total				2.84	1.005

From the above analysis result, this study finding is supported by the studies of *Zaidatol&Bagheri (2009)* described their level of satisfaction with mean score. These two questions are the result below which is <3.39 so that is low level of satisfaction If performance appraisals are perceived as unfair, therefore, the benefits of performance appraisals can diminish rather than enhance employee’s positive attitudes and performance (Thomas & Bretz, 1994).thus, the company applied this criteria’s of performance appraisal in fairness as result low satisfaction.

4.3.1 Employees response Employee- leader Relationship

To measure the Employee- leader Relationship of the performance appraisal system two questions were asked. In the first question participants were asked it improves the relationship with my leader. and the respondent 12.1% were disagreed , the majority respondent 38.1% were

agree, 13.7% were strongly agree and 16.5% were strongly disagree. 19.2% were Neither agree nor disagree.

In the second question they were asked “There is good communication from evaluators to employees in The Company.” the majority 33.5% of respondents were also agreed, 12.6% were disagreed and 20.9% were Neither agree nor disagree, 20.3% were strongly agree and 12.6% strongly disagree. These questions indicate that most respondent agreed their communication with their leader but not enough according to their number of respondents. (Table 4.6 summary response of about Employee- leader Relationship)

Table 4.6- Summary of response about Employee- leader Relationship

	It improves the relationship with my leader.		There is good communication from evaluators to employees in The Company.		
	Frequency	Percent	Frequency	Percent	
Valid	Strongly agree	25	13.7	37	20.3
	Agree	70	38.5	61	33.5
	Neither agree nor disagree	35	19.2	38	20.9
	Disagree	22	12.1	23	12.6
	Strongly Disagree	30	16.5	23	12.6
	Total	182	100.0	182	100.0

Table 4.7-Descriptive Statistics of respondents Summary about Employee- leader Relationship

	N	Minimum	Maximum	Mean	Std. Deviation
It improves the relationship with my manager.	182	1.00	5.00	2.79	1.296
There is good communication from evaluators to employees in The Company.	182	1.00	5.00	2.64	1.288
Valid N (list wise)	182				
Total				2.72	1.292

From the above analysis result, this study finding is supported by the studies of *Zaidatol&Bagheri (2009)* described their level of satisfaction with mean score. these two questions It improves the relationship with my manager mean 2.79 and There is good

communication from evaluators to employees in The Company mean 2.64 .are the result below which is <3.39 so that is low level of satisfaction when the company applied these criteria's of performance appraisal in Employee- leader Relationship even though the result is low but in these questions their agreement is more than 50 % this Means that is not enough according to *Zaidatol & Bagheri (2009)* to described their level of satisfaction with mean score low.

4.3.2 Employees response about Rewards Linked to Appraisal

Among many factors that can determine the criteria's of performance appraisal system is rewards linked to appraisal. Therefore, in order to find their satisfaction towards the rewards linked to appraisal and employees were asked 3 questions first they were asked Promotion is purely based on Performance Appraisal is measured the majority of respondent 35.2 % were Neither agree nor disagree, 17.0% agreed, 18.1% were disagreed, 14.3% strongly disagree and 15.4% were strongly agreed according to their response for this question confirms that the respondents have doubts as far as Promotion is purely based on Performance Appraisal of the criteria's with their evaluators and their current appraisal is biased and not fair concerned. the second question of Employees were also asked My company payment and benefits opportunities based on my performance ratings. Their Response were obtained the majority 25.3% were Agree and 23.1% were disagreed, 18.1% were Neither agree nor disagree, 13.2% strongly disagree and 20.3% strongly agreed.this also similar to the first question ,that is the benefits opportunities not based my performance ratings. The third they were asked Bonuses increase my performance is measured the majority of respondent 37.4% were agree, 9.9% Neither agree nor disagree, 21.4 % were disagreed, 17.0% strongly disagree and 14.3 % strongly agreed, this indicate that most response that bonus increase their performance. (Table 4.8 summary response of about rewards linked to appraisal)

Table 4.8- Summary of response about Rewards Linked to Appraisal

		Promotion is purely based on Performance Appraisal		My company payment and benefits opportunities based on my performance ratings.		Bonuses increase my performance	
		Frequency	Percent	Frequency	Percent	Frequency	Percent
Valid	Strongly agree	28	15.4	37	20.3	26	14.3
	Agree	31	17.0	46	25.3	68	37.4
	Neither agree nor disagree	64	35.2	33	18.1	18	9.9
	Disagree	33	18.1	42	23.1	39	21.4
	Strongly Disagree	26	14.3	24	13.2	31	17.0
	Total	182	100.0	182	100.0	182	100.0

Table 4.9-Descriptive Statistics of respondents Summary about Rewards Linked to Appraisal

	N	Minimum	Maximum	Mean	Std. Deviation
Promotion is purely based on Performance Appraisal.	182	1.00	5.00	2.99	1.244
My company payment and benefits opportunities based on your performance ratings.	182	1.00	5.00	2.84	1.344
Bonuses increase my performance	182	1.00	5.00	2.90	1.356
Valid N (list wise)	182				
Total				2.91	1.315

From the above analysis result, this study finding is supported by the studies of *Zaidatol&Bagheri (2009)* described their level of satisfaction with mean score . these three questions are the result below which is <3.39 so that low level of satisfaction when the company

applied these criteria's of PA even though the result is low but in these questions except question one the others their agreement is more than 50 %. This means that is not enough according to *Zaidatol & Bagheri (2009)* to describe their level of satisfaction with mean score low.

4.3.3 Employees response about providing accurate feedback

Accurate feedback is one of the criteria's component of performance appraisal to measure the Accurate feedback of the performance appraisal system four questions were asked. The first question is I receive specific and accurate feedback from my leader on my past performance in this regard majority of the respondent 32.4 % were in agreement, 23.1% were Neither agree nor disagree, 11.0 % were in disagreement, 22.0% were strongly agree and 11.5% were strongly disagreed. They were asked I clearly understand my leader's comments and opinion during the feedback. and the majority 29.7 % were in agreed 21.4% were Neither agree nor disagree, 24.2% were strongly agree , 14.3 % were strongly disagree and 10.4% in disagreement. Also employees were asked "My leader discusses regularly my job performance with me" in their response 34.6% were agreed, 18.7% were Neither agree nor disagree, 13.7% in disagree, 12.1% were strongly disagree and 20.9% were strongly agree. And the final is I always get adequate feedback on my performance in their response 22.0% were agreed, 20.9 % were Neither agree nor disagree, 20.9 % in disagree, 10.4 % were strongly disagree and 25.8% were strongly agree. This employees feedback even though is not much to enough but it is encouraging their satisfaction of to providing accurate feed back with their evaluator. (Table4.10 summary response of about providing accurate feedback)

Table 4.10- Summary of response about Accurate Feedback

		I receive specific and accurate feedback from my leader on my past performance		I clearly understand my leader 's comments and opinion during the feedback.		My leader discusses regularly my job performance with me.		I always get adequate feedback on my performance.	
		Frequency	Percent	Frequency	Percent	Frequency	Percent	Frequency	Percent
Valid	Strongly agree	40	22.0	44	24.2	38	20.9	47	25.8
	Agree	59	32.4	54	29.7	63	34.6	40	22.0
	Neither agree nor disagree	42	23.1	39	21.4	34	18.7	38	20.9
	Disagree	20	11.0	19	10.4	25	13.7	38	20.9
	Strongly Disagree	21	11.5	26	14.3	22	12.1	19	10.4
	Total	182	100.0	182	100.0	182	100.0	182	100.0

Table 4.11-Descriptive Statistics of respondents Summary about Accurate Feedback

	N	Minimum	Maximum	Mean	Std. Deviation
I receive specific and accurate feedback from my manager on my past performance.	182	1.00	5.00	2.58	1.267
I clearly understand my manager's comments and opinion during the feedback.	182	1.00	5.00	2.61	1.341
My manager discusses regularly my job performance with me.	182	1.00	5.00	2.62	1.290
I always get adequate feedback on my performance.	182	1.00	5.00	2.68	1.337
Valid N (list wise)	182				
Total				2.62	1.309

From the above analysis result, this study finding is supported by the studies of *Zaidatol&Bagheri (2009)* described their level of satisfaction with mean score. these two questions are the result below which is <3.39 so that is low level of satisfaction when the

company applied these criteria's of performance appraisal in Accurate Feedback even though the result is low but in these questions their agreement is more than 50 %t this Means that is not enough according to *Zaidatol & Bagheri (2009)* to described their level of satisfaction with mean score.

4.3.4 Employees response towards Clearly Defined Goals

To measure Clearly Defined Goals of the performance appraisal system as criteria two questions were asked. In the first question participants were asked I clearly understand the purpose of performance appraisal. And the majority 30.2% was agreed, 22.0% were strongly agreed, 13.7 % were strongly disagreed and 16.5% Neither agree nor disagree.

In the second question they were asked “Performance appraisal makes me better understand what I should be doing. ” the majority 28.0% of respondents were also agreed, 20.3% were disagreed and 12.1% were in Neither agree nor disagree, 23.6% were strongly agree and 15.9% strong disagree,. These employees response towards clearly defined goals even though is not much to enough but it is encouraging their satisfaction of to understanding their goals Clearly Defined Goals (table4.12 Summary of response about Clearly Defined Goals)

Table 4.12- Summary of response about Clearly Defined Goals

		I clearly understand the purpose of performance appraisal.		Performance appraisal makes me better understand what I should be doing.	
		Frequency	Percent	Frequency	Percent
Valid	Strongly agree	40	22.0	43	23.6
	Agree	55	30.2	51	28.0
	Neither agree nor disagree	30	16.5	22	12.1
	Disagree	32	17.6	37	20.3
	Strongly Disagree	25	13.7	29	15.9
	Total	182	100.0	182	100.0

Table 4.13-Descriptive Statistics of respondents Summary about Clearly Defined Goals

	N	Minimum	Maximum	Mean	Std. Deviation
I clearly understand the purpose of performance appraisal.	182	1.00	5.00	2.71	1.353
Performance appraisal makes me better understand what I should be doing.	182	1.00	5.00	2.77	1.423
Valid N (list wise)	182				
Total				2.74	1.388

From the above analysis result, this study finding is supported by the studies of *Zaidatol&Bagheri (2009)* described their level of satisfaction with mean score. these two questions are the result below which is <3.39 so that is low level of satisfaction when the company applied these criteria's of performance appraisal even though the result is low but in these two questions their agreement is more than 50 % this also that is not enough according to *Zaidatol & Bagheri (2009)* to described their level of satisfaction with mean score.

4.3.5 Employees Response towards confidentiality&transparency

To measure Confidentiality& Transparency of the performance appraisal system as criteria two questions were asked. In the first question participants were asked “All the information obtained from Performance appraisal is confidential.”. And the majority 24.2% were strongly agreed, 22.0% were agree, 15.4% were strongly disagree and 17.6% Neither agree nor disagree and 20.9 % were disagree.

In the second question they were asked “Performance appraisal is Highly subjective process and lacks transparency. ” the majority 22.0% of respondents were also agreed, 22.0% were in Neither agree nor disagree, 17.0% were disagreed and 19.2% were strongly agree and 19.8% strong disagree, these question indicated that the Employees Response towards confidentiality &transparency confidentiality & transparency is not confidential and transparent due to performance appraisal process when they applied , so that this criteria's could not applied on this company . (Table4.14 summary Employees Response towards confidentiality&transparency)

Table 4.14- Summary of response about Confidentiality& Transparency

		All the information obtained from Performance appraisal is confidential.		Performance appraisal is Highly subjective process and lacks transparency.	
		Frequency	Percent	Frequency	Percent
Valid	Strongly agree	44	24.2	35	19.2
	Agree	40	22.0	40	22.0
	Neither agree nor disagree	32	17.6	40	22.0
	Disagree	38	20.9	31	17.0
	Strongly Disagree	28	15.4	36	19.8
	Total	182	100.0	182	100.0

Table 4.15-Descriptive Statistics of respondents Summary about Confidentiality& Transparency

	N	Minimum	Maximum	Mean	Std. Deviation
All the information obtained from Performance appraisal is confidential.	182	1.00	5.00	2.81	1.410
Performance appraisal is Highly subjective process and lacks transparency.	182	1.00	5.00	2.96	1.400
Valid N (list wise)	182			2.89	1.405
Total					

From the above analysis result, this study finding is supported by the studies of *Zaidatol&Bagheri (2009)* described their level of satisfaction with mean score. these two questions are the result below which is <3.39 so that is low level of satisfaction when the company applied these criteria's of PA also their agreement the result is low .thus, in these questions their agreement is less than 50 % this means that there isn't applied these criteria's in the company with Confidentiality & Transparency form of criteria's especially concerned question one. But in question two we expected disagreement that is because it is a negative

statement so that, it is also their response for this question more biased it is indicated Neither agree nor disagree and also agreed more the result as shown above it is low satisfaction..

4.3.6 Employees Response towards Mutually Set Goals.

To measure Mutually Set Goals of the performance appraisal system as criteria two questions were asked. In the first question participants were asked “Since participating in the Performance Appraisal process, I have developed personally.” And the majority 33.0% were agree, 26.4% were strongly agreed, 6.0% were strongly disagree and 15.9% Neither agree nor disagree and 18.7% were disagree.

In the second question they were asked “I am involved in my company the process of setting objectives and targets of my future performance.. ” the majority 31.9% of respondents were also agreed, 15.4% were in Neither agree nor disagree, 20.9% were disagreed and 22.5% were strongly agree and 9.3% strong disagree,. The most respondent agreed according to their numbers Employees Response towards Mutually Set Goals. This indicated to some extent hey have applied this criteria’s through the PA process with mutually set goals. (Table4.16 summary response of about providing Mutually Set Goals.)

Table 4.16- Summary of response about Mutually Set Goals.

		Since participating in the Performance Appraisal process, I have developed personally.		I am involved in my company the process of setting objectives and targets of my future performance.	
		Frequency	Percent	Frequency	Percent
Valid	Strongly agree	48	26.4	41	22.5
	Agree	60	33.0	58	31.9
	Neither agree nor disagree	29	15.9	28	15.4
	Disagree	34	18.7	38	20.9
	Strongly Disagree	11	6.0	17	9.3
	Total	182	100.0	182	100.0

Table 4.17-Descriptive Statistics of respondents Summary about Mutually Set Goal

	N	Minimum	Maximum	Mean	Std. Deviation
Since participating in the Performance Appraisal process, I have developed personally.	182	1.00	5.00	2.45	1.233
I am involved in my company the process of setting objectives and targets of my future performance.	182	1.00	5.00	2.63	1.293
Valid N (list wise)	182				
Total				2.54	1.263

From the above analysis result, this study finding is supported by the studies of *Zaidatol&Bagheri (2009)* described their level of satisfaction with mean score. these two questions are the result below which is <3.39 so that is low level of satisfaction when the company applied these criteria's of performance appraisal in Mutually Set Goals even though the result is low but in these two questions their agreement is more than 50 % this also indicated that is not enough according to *Zaidatol & Bagheri (2009)* to described their level of satisfaction with mean score.

4.3.7 Employees Response of Level of Work Performance

It is clear from the results tabulated in table 4.18 below this 10 (Ten) questions have involved Thus, from this result, the study finding is at NTE Share Company respondents "I consider my performance is better than the average employee in this company." in this regard majority of the respondent 50.5% were Neither agree nor disagree, 22%were in agreement, 33.0 % were in disagreement,. This is an indication that the Level of Work Performance majority of the respondents who took part in this study they are undecided that is some biased. and also the second one is that "I almost always perform better than what can be characterized as acceptable performance" .This is in line with the response provided by most of the respondents that in this regard majority of the respondent 45.6% were Neither agree nor disagree, 21.9%were in agreement, 32.4 % were in disagreement, and also the other question is "I always reach my performance target" by most of the respondents that that in this regard majority of the respondent

47.3% were Neither agree nor disagree, 20.8% were in agreement, 31.9 % were in disagreement, It was also clear from the study that most of the respondents agreed that their performance target was reached the target. The fourth question is “Overall, I am a very good performance “ that in this regard majority of the respondent 45.1% were Neither agree nor disagree, 22% were in agreement, 33% were in disagreement, The respondents also indicated that the Overall, a very good performance even though it needs a total overhaul. The fifth also “I feel that my performance result is reflective of my abilities “This was supported that in this regard majority of the respondent 51.1% were Neither agree nor disagree, 22% were in agreement, 16.5% were in disagreement, The findings from the study also “My current level of work quality is high, generally considered acceptable”. This was supported that in this regard majority of the respondent 62.1% were Neither agree nor disagree, 30.7% were in agreement, 7.1% were in disagreement, the respondents believe that the current level of work quality is not high this means that they didn't satisfied by their work quality it is based from the company way of work system. “I often expend extra effort in carrying out my job”. That in this regard majority of the respondent 51.6 % were Neither agree nor disagree, 36.3% were in agreement, 12.0% were in disagreement,

The researcher also established that using the work performance level of satisfaction to those who are “I intentionally expend a great deal of effort in carrying my job.” That in this regard majority of the respondent 51.6 % were Neither agree nor disagree, 41.2% were in agreement, 7.1% were in disagreement,

This is a confirmation that most of the respondents indeed an indication that majority of the respondents are average not satisfied according to expected of level of satisfaction to a great deal of effort in carrying my job that the work performance level of satisfaction is abused who are to expend extra effort in carrying out their job. It was also evident that in this regard sequentially 31.3% and 32.4% majority of the respondent 52.7% and 51.6 were Neither agree nor disagree, 41.8% and 41.8 % were in agreement, 5.5% and 6.6% were in disagreement, both questions was obtained I try to work as hard as possible appraisal system and the quality of my work is superior. This is a confirmation that most of the respondents indeed an indication that majority of the respondents are average not satisfied according to expected of level of satisfaction to these questions .as indicated in (table 4.18 below)

Table 4.18 - Summary of response about Employees' Level of Work Performance

		Valid					
		Strongly agree	Agree	Neither agree nor disagree	Disagree	Strongly Disagree	Total
I always reach my performance target	Frequency	15	23	86	28	30	182
	Percent	8.2	12.6	47.3	15.4	16.5	100.0
I consider my performance is better than the average employee in this company.	Frequency	8	22	92	40	20	182
	Percent	4.4	12.1	50.5	22.0	11.0	100.0
Overall, I am a very good performance	Frequency	18	22	82	32	28	182
	Percent	9.9	12.1	45.1	17.6	15.4	100.0
I feel that my performance result is reflective of my abilities	Frequency	29	30	93	20	10	182
	Percent	15.9	16.5	51.1	11.0	5.5	100.0
I often expend extra effort in carrying out my job.	Frequency	28	38	94	15	7	182
	Percent	15.4	20.9	51.6	8.2	3.8	100.0
My current level of work quality is high, generally considered acceptable.	Frequency	21	35	113	7	6	182
	Percent	11.5	19.2	62.1	3.8	3.3	100.0
I try to work as hard as possible	Frequency	32	44	96	6	4	182
	Percent	17.6	24.2	52.7	3.3	2.2	100.0
The quality of my work is superior	Frequency	36	40	94	6	6	182
	Percent	19.8	22.0	51.6	3.3	3.3	100.0
I intentionally expend a great deal of effort in carrying my job.	Frequency	33	42	94	7	6	182
	Percent	18.1	23.1	51.6	3.8	3.3	100.0
I almost always perform better than what can be characterized as acceptable performance	Frequency	15	25	83	25	34	182
	Percent	8.2	13.7	45.6	13.7	18.7	100.0

4.3.8 Descriptive Statistics of Summary about Employees' Level of Work Performance

It is clear from the results tabulated in table 4.19 below this 10 (Ten) questions have involved. Thus, from this result, the study finding is at NTE Share Company respondents "I consider my performance is better than the average employee in this company." had a mean of 3.23. This is an indication that the Level of Work Performance majority of the respondents who took part in this study. And the second one is that "I almost always perform better than what can be characterized as acceptable performance". This is in line with the response provided by most of the respondents that had a mean of 3.21 and also the other question is "I always reach my performance target" by most of the respondents that had a mean of 3.19. It was also clear from the study that most of the respondents agreed that their performance target was reached the target. The fourth question is "Overall, I am a very good performance" had a mean of 3.16. The respondents also indicated that the Overall, a very good performance even though it needs a total overhaul. The fifth also "I feel that my performance result is reflective of my abilities" "This was supported by a mean of 2.74. The findings from the study also "My current level of work quality is high, generally considered acceptable". This was supported by a mean of 2.68 the respondents believe that the current level of work quality is not high this means that they didn't satisfied by their work quality it is based from the company way of work system. "I often expend extra effort in carrying out my job". had a mean of 2.64, an indication that majority of the respondents are average not satisfied according to expected of level of satisfaction to expend extra effort in carrying out their job.

The researcher also established that using the work performance level of satisfaction to reward those who are "I intentionally expend a great deal of effort in carrying my job." had a mean of 2.51. This is a confirmation that most of the respondents indeed an indication that majority of the respondents are average not satisfied according to expected of level of satisfaction to a great deal of effort in carrying my job that the work performance level of satisfaction is abused who are to expend extra effort in carrying out their job. It was also evident that a mean of 2.48 both questions was obtained I try to work as hard as possible appraisal system and the quality of my work is superior. This is a confirmation that most of the respondents indeed an indication that majority of the respondents are average not satisfied according to expected of level of satisfaction to these questions. This was supported by a mean of 2.48. I always reach my

performance target, I consider my performance is better than the average employee in this company, Overall, I am a very good performance and I almost always perform better than what can be characterized as acceptable performance those which was supported their level more than the others questions but the result below which is <3.39 as indicated low satisfaction of work performance mean score is 2.83 . Their level of satisfaction with mean score those all questions are the result below which is <3.39 so that, the company's employees work performance level of satisfaction is low that is because below 3.39 as indicated in (table 4.19 below)

Table 4.19-Descriptive Statistics of respondents Summary about Employees' Level of Work Performance

	N	Minimum	Maximum	Mean	Std. Deviation
I always reach my performance target	182	1.00	5.00	3.19	1.113
I consider my performance is better than the average employee in this company.	182	1.00	5.00	3.23	.953
Overall, I am a very good performance	182	1.00	5.00	3.16	1.135
I feel that my performance result is reflective of my abilities	182	1.00	5.00	2.74	1.034
I often expend extra effort in carrying out my job.	182	1.00	5.00	2.64	.969
My current level of work quality is high, generally considered acceptable.	182	1.00	5.00	2.68	.852
I try to work as hard as possible	182	1.00	5.00	2.48	.896
The quality of my work is superior.	182	1.00	5.00	2.48	.956
I intentionally expend a great deal of effort in carrying my job.	182	1.00	5.00	2.51	.945
I almost always perform better than what can be characterized as acceptable performance	182	1.00	5.00	3.21	1.147
Valid N (list wise)	182				
Total				2.83	1.000

4.3.9 To assess the level of employees' overall performance appraisal system satisfaction in relation to distinctiveness

To measure Distinctiveness of the performance appraisal system affect on level employees' satisfaction five questions were asked. In the first question participants were asked "The system is simple to understand.". And the majority 37.4% were agree, 29.7% were strongly agreed , 9.9% were strongly disagree and 13.7% Neither agree nor disagree and 9.3% were disagree. In the second question they were asked "The system is relevant to the Organization." The majority 28.6% of respondents were also agreed, 30.2% were strongly agree, 16.5% were disagreed and 10.4% were Neither agree nor disagree and 14.3% strong disagree, in the third question "Performance appraisal system is salient and visible." ." The majority 27.5% of respondents were also disagree, 23.6% were strongly disagree, 18.1% were agreed and 15.9% were Neither agree nor disagree and 14.8% strong agree. the fourth question is agree "The system is not well structured and lacks relevant content" The majority 33.0% of respondents were agree, 28.6% were strongly agree, 18.1% were disagreed and 12.6% were Neither agree nor disagree and 7.1% strongly disagree. And the final question is "the performance appraisal system takes legal issues in employment" " The majority 73.1% of respondents were strongly disagree e, 14.3% were disagreed, 2.7% were agreed and 8.2% were neither agree nor disagree and 1.6% strongly agree. This is a confirmation that most of the respondents indeed an indication that majority of the respondents were strongly disagree there is no the performance appraisal system takes legal issues in employment through the company. Thus, the result is highly disagreed that is not the cause through performance appraisal process employee conflict with employer. In other hand it needs something that can cause conflict between the appraiser and appraise, of little value and debilitating to the development of employee performance (Redman and Wilkinson, 2009). (Table 4.20 summary response of about providing Distinctiveness.)

Table 4.20- Summary of response about on level employees satisfaction with Distinctiveness

	The system is simple to understand		The system is relevant to the Organization.		Performance appraisal system is salient and visible.		The system is not well structured and lacks relevant content		The performance appraisal system takes legal issues in employment		
	Frequency	Percent	Frequency	Percent	Frequency	Percent	Frequency	Percent	Frequency	Percent	
Valid	Strongly agree	54	29.7	55	30.2	27	14.8	52	28.6	3	1.6
	Agree	68	37.4	52	28.6	33	18.1	60	33.0	5	2.7
	Neither agree nor disagree	25	13.7	19	10.4	29	15.9	23	12.6	15	8.2
	Disagree	17	9.3	30	16.5	50	27.5	34	18.7	26	14.3
	Strongly Disagree	18	9.9	26	14.3	43	23.6	13	7.1	133	73.1
Total	182	100.0	182	100.0	182	100.0	182	100.0	182	100.0	

Table 4.21-Descriptive Statistics of respondents Summary about on level employees satisfaction with Distinctiveness

	N	Minimum	Maximum	Mean	Std. Deviation
The system is simple to understand.	182	1.00	5.00	2.32	1.266
The system is relevant to the Organization.	182	1.00	5.00	2.56	1.431
Performance appraisal system is salient and visible.	182	1.00	5.00	3.27	1.390
The system is not well structured and lacks relevant content	182	1.00	5.00	2.43	1.276
The performance appraisal system takes legal issues in employment	182	1.00	5.00	4.55	.883
Valid N (list wise)	182			3.78	1.562
Total					

From the above analysis result, this study finding is supported by the studies of *Zaidatol&Bagheri (2009)* described their level of satisfaction with mean score the result >3.80

is High which is 4.55 mean score so that, high level of satisfaction when the company applied this question. The performance appraisal system takes legal issues in employment the respondent result is High this means there is no conflict between the evaluator and employees through performance appraisal result and such things as literature stated it needs something that can cause conflict between the appraiser and appraisee, of little value and debilitating to the development of employee performance (Redman and Wilkinson, 2009). Otherwise the Company's couldn't able their performance based on these authors' and the others questions are not satisfied except Performance appraisal system is salient and visible is majority respondent agree by this question the others low level of satisfaction.

4.3.10 To assess the level of employees' overall performance appraisal system satisfaction in relation to consistency.

To measure Consistency of the performance appraisal system affect on level employees' satisfaction three questions were asked. In the first question participants were asked "The system is objective thus does not allow subjectivity." And the majority 40.7% were Neither agree nor disagree, 23.1% were strongly agreed, 10.4% were strongly disagree and 17.0% agree and 8.8% were disagree.

In the second question they were asked "The system has been consistent over time." The majority 28.0% of respondents were also agreed, 25.3% were strongly agree, 19.8% were disagreed and 13.2% were Neither agree nor disagree and 13.7% strong disagree, in the third question "I feel that the time spent on performance appraisal is well worth while." The majority 33.0% of respondents were also strong agree, 7.7% were strongly disagree, 26.4% were agreed and 19.8% were Neither agree nor disagree and 13.2% disagree This is a confirmation that most of the respondents indeed an indication that majority of the respondents were strongly agree their opinion and response the performance appraisal system the time spent is well worth while. (Table 4.22 summary response of about providing Consistency.)

Table 4.22- Summary of response about on level employees' satisfaction with Consistency

	The system is objective thus does not allow subjectivity.		The system has been consistent over time.		I feel that the time spent on performance appraisal is well worth while.		
	Frequency	Percent	Frequency	Percent	Frequency	Percent	
Valid	Strongly agree	42	23.1	46	25.3	60	33.0
	Agree	31	17.0	51	28.0	48	26.4
	Neither agree nor disagree	74	40.7	24	13.2	36	19.8
	Disagree	16	8.8	36	19.8	24	13.2
	Strongly Disagree	19	10.4	25	13.7	14	7.7
Total		182	100.0	182	100.0	182	100.0

Table 4.23-Descriptive Statistics of respondents Summary about on level employees satisfaction with Consistency

	N	Minimum	Maximum	Mean	Std. Deviation
I feel that the time spent on performance appraisal is well worth while.	182	1.00	5.00	2.36	1.275
The system is objective thus does not allow subjectivity.	182	1.00	5.00	2.66	1.223
The system has been consistent over time.	182	1.00	5.00	2.69	1.397
Valid N (list wise)	182				
Total				2.57	1.298

From the above analysis result, this study finding is supported by the studies of *Zaidatol&Bagheri (2009)* described their level of satisfaction with mean score. these three questions are the result below which is <3.39 so that is low level of satisfaction when the company applied these factors to influence the employees behaviors' that is one of these factor is consistency among this question of Performance appraisal system even though the total result is

low according to *Zaidatol&Bagheri (2009)* but the respondents were strongly agree and agreed their opinion and response the performance appraisal system the time spent is well worth while.

4.3.11 To assess the level of employees' overall performance appraisal system satisfaction in relation to Consensus

To measure Consensus of the performance appraisal system affect on level employees' satisfaction four questions were asked. In the first question participants were asked "The performance appraisal process is fair to all employees". And the majority 61.0% were Neither agree nor disagree, 11.0% were strongly agreed, 4.4% were strongly disagree and 7.1% disagree and 16.5% were agree. . This is a confirmation that most of the respondents indeed an indication that majority of the respondents were neither agree nor disagree this shows that there is low satisfaction of fairness the most of employees through the performance appraisal process.

In the second question they were asked "The entire system needs overhaul." The majority 35.7% of respondents were strongly agreed, 25.8% were agree, 3.3% were disagreed and 34.1% were Neither agree nor disagree and 1.1% strong disagree, . This also confirmed that most of the respondents indeed an indication that majority of the respondents were the PA system needs and maintain the internal system the third question "Performance appraisal system is not based on any realistic ideals." The majority 28.0% of respondents were also strong agree, 17.0% were strongly disagree, 24.2% were agreed and 21.4% were Neither agree nor disagree and 9.3% disagree. the fourth question is agree "The system has no loopholes for subjective evaluation" The majority 31.9% of respondents were disagree, 21.4% were strongly disagree, 15.4% were agreed and 22.5% were Neither agree nor disagree and 8.8% strongly agree. This is a confirmation that most of the respondents indeed an indication that majority of the respondents were strongly disagree there is no the performance appraisal system takes legal issues in employment. (table4. 24 **summary** response of about providing Consensus.

Table 4.24- Summary of response about on level employees satisfaction with Consensus

		The performance appraisal process is fair to all employees		The entire system needs overhaul		Performance appraisal system is not based on any realistic ideals		The system has no loopholes for subjective evaluation	
		Frequency	Percent	Frequency	Percent	Frequency	Percent	Frequency	Percent
Valid	Strongly agree	20	11.0	65	35.7	51	28.0	16	8.8
	Agree	30	16.5	47	25.8	44	24.2	28	15.4
	Neither agree nor disagree	111	61.0	62	34.1	39	21.4	41	22.5
	Disagree	13	7.1	6	3.3	17	9.3	58	31.9
	Strongly Disagree	8	4.4	2	1.1	31	17.0	39	21.4
Total		182	100.0	182	100.0	182	100.0	182	100.0

Table 4.25-Descriptive Statistics of respondents Summary about on level employees satisfaction with Consensus

	N	Minimum	Maximum	Mean	Std. Deviation
The entire system needs overhaul	182	1.00	5.00	2.08	.963
Performance appraisal system is not based on any realistic ideals	182	1.00	5.00	2.63	1.419
The system has no loopholes for subjective evaluation	182	1.00	5.00	3.42	1.231
The performance appraisal process is fair to all employees	182	1.00	5.00	2.77	.897
Valid N (list wise)	182				
Total				2.73	1.127

From the above analysis result, this study finding is supported by the studies of *Zaidatol&Bagheri (2009)* described their level of satisfaction with mean score. these four questions are the result below which is <3.39 so that is low level of satisfaction when the company applied these questions of PAS which is affected by consensus and also the result in

general is low thus, in The system has no loopholes for subjective evaluation the majority respondents Strongly Disagree and Disagreed their level of satisfaction with mean score 3.40 - 3.79 it is Moderate. This is an indication that the opinion of majority of the respondents the system loopholes for subjective evaluation is negative that mean it has subjective evaluation in the Company according to respondent of disagreed .

4.3.12 Summary of Descriptive Results

For analyzing the effect of performance appraisal system on employees work performance in NTE Share Company, the data has been analyzed descriptively. The descriptive results of study have been elaborated as below: **Table 4.26 summary of descriptive results**

VARIABLES	N	MEAN	STD. DEVIATION
Fairness	182	2.84	1.005
Employee- leader Relationship	182	2.72	1.292
Rewards Linked To Appraisal	182	2.91	1.315
Accurate Feedback	182	2.62	1.309
Clearly Defined Goals	182	2.74	1.388
Confidentiality and Transparency	182	2.89	1.405
Mutually Set Goals.	182	2.54	1.263
Distinctiveness	182	3.78	1.562
Consistency	182	2.57	1.298
Consensus	182	2.73	1.127
Group Mean And Std. Deviation(Gross)	182	2.83	1.296
Employees' Level of Work Performance	182	2.83	1.000

From the above all analysis descriptive result, this study summary of finding is supported by the studies of *Zaidatol&Bagheri (2009)* described their level of satisfaction with mean score. these independent variables questions are the result below which is <3.39 so that the majority employees respondent is low level of satisfaction when the company applied these factors except Distinctiveness factors which is with mean score the result >3.80 is High which is 4.55 mean sore so that, high level of satisfaction when the company applied this question The performance appraisal system takes legal issues in employment the respondent result is High this means there is no conflict between the evaluator and employees through performance appraisal result

and such things . But in the literature the critics of performance appraisal and appraisal ineffectiveness, it revealed that many academics viewed performance appraisal as an expensive process, something that can cause conflict between the appraiser and appraisee, of little value and debilitating to the development of employee performance (Redman and Wilkinson, 2009).

And the others questions are not satisfied in Distinctiveness factors except Performance appraisal system is salient and visible is majority respondent agree by this question the others low level of satisfaction.

4.3.13 Correlation Analysis

Table 4.27 Correlation Between Effective Elements (Fairness ,Rewards Linked To Appraisal Specific & Accurate Feedback, Distinctiveness, Consistency And Consensus) On Employee Work Performance.

Variables	Pearson Correlation	1	2	3	4	5	6	7
Current performance appraisal is fair and unbiased	Pearson Correlation	1						
	Sig. (2-tailed)							
	N	182						
My company payment and benefits opportunities based on your performance ratings	Pearson Correlation	.863**	1					
	Sig. (2-tailed)	.000						
	N	182	182					
My manager discusses regularly my job performance with me.	Pearson Correlation	.854**	.951**	1				
	Sig. (2-tailed)	.000	.000					
	N	182	182	182				
Performance appraisal system is salient and visible.	Pearson Correlation Sig. (2-tailed)	.894**	.934**	.902**	1			
		.000	.000	.000				
	N	182	182	182	182			
The system is	Pearson	.915**	.928**	.920**	.912**	1		

objective thus does not allow subjectivity	Correlation							
	Sig. (2-tailed)	.000	.000	.000	.000			
	N	182	182	182	182	182		
The entire system needs overhaul	Pearson Correlation	.852**	.916**	.880**	.891**	.873**	1	
	Sig. (2-tailed)	.000	.000	.000	.000	.000		
	N	182	182	182	182	182	182	
My current level of work quality is high, generally considered acceptable.	Pearson Correlation	.929**	.788**	.762**	.833**	.841**	.800**	
	Sig. (2-tailed)	.000	.000	.000	.000	.000	.000	
	N	182	182	182	182	182	182	182

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

The above **table 4:27** shows that current performance appraisal is fair and unbiased (Fairness) ratings ($r = .929^{**}$, $(p>0.05)$). my company payment and benefits opportunities based on your performance ratings (Rewards Linked To Appraisal) ($r = .788^{**}$, $(p>0.05)$). my manager discusses regularly my job performance with me (Specific & Accurate Feedback). ($r = .762^{**}$, $(p>0.05)$). , performance appraisal system is salient and visible (Distinctiveness) ($r = .833^{**}$, $(p>0.05)$). the system is objective thus does not allow subjectivity (Consistency) ($r = .841^{**}$, $(p>0.05)$).and the entire system needs overhaul (Consensus) ($r = .800^{**}$, $(p>0.05)$). Have Very strong association between the performance appraisal elements (factors)and employees work performance in NTE Share Company. Since there is a significant positive relationship between the performance appraisal system and of Employee Work Performance NTE Share Company.

From the above Correlation result, According to Cohen (1998 as cited by Warokkaand Gallato, 2012), the correlation coefficient (r) ranging from 0.10 to 0.29 may be regarded as indicating a low degree of correlation, r ranging from 0.30 to 0.49 may be considered as a moderate degree of correlation, and r ranging from 0.50 to 1.00 may be regarded as a high degree of correlation

4.3.14 Regression analysis

This is analysis that is almost a continuation of correlation the researcher has been used linear Regression in which (consensus) have each independent variable used to predict one dependent variable. The result of the regression analysis between the independent variables performance appraisal system affect (consensus) which predict the employees work performance presented as follow:-

Table 4.28 Model Summary

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.956 ^a	.914	.912	.25295

a. Predictors: (Constant), The system has no loopholes for subjective evaluation, The entire system needs overhaul, The performance appraisal process is fair to all employees, Performance appraisal system is not based on any realistic ideals

The Regression equation between performance appraisal system (Consensus) and employees work performance had a strong regression.

In the above table the needed measure is the R square (model summary) in which it is the measure of the success of the model. It shows how much variance of dependent variable is capture. In this case the R square =.914 and it can be interpreted as the weighting combination of performance appraisal system (Consensus) explained approximately 91 percent of the variance in employees work performance.

Table 4.29 ANOVA of performance appraisal system (Consensus) and employees work performance

ANOVA^a

Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	120.192	4	30.048	469.631	.000 ^b
	Residual	11.325	177	.064		
	Total	131.516	181			

a. Dependent Variable: My current level of work quality is high, generally considered acceptable.

b. Predictors: (Constant), The system has no loopholes for subjective evaluation, The entire system needs overhaul, The performance appraisal process is fair to all employees, Performance appraisal system is not based on any realistic ideals

The above table revealed the Sig (ANOVA) and it is the significance of the model. .000 means we reached significance.

Coefficient Table 4.30

Coefficients^a

Model	Unstandardized Coefficients		Standardized Coefficients	t	Sig.
	B	Std. Error	Beta		
1 (Constant)	.083	.069		1.202	.231
The entire system needs overhaul	.246	.045	.278	5.456	.000
The performance appraisal process is fair to all employees	.775	.041	.815	18.734	.000
Performance appraisal system is not based on any realistic ideals	-.174	.038	-.290	-4.632	.000
The system has no loopholes for subjective evaluation	.115	.043	.167	2.675	.008

a. Dependent Variable: My current level of work quality is high, generally considered acceptable.

The above coefficient table 4.30 indicates the degree of relationship between each variable that represents the performance appraisal system (Consensus). The constant is .083 while the

variables which are statistically significant for: The entire system needs overhaul (.000), The performance appraisal process is fair to all employees (.000), Performance appraisal system is not based on any realistic ideals negatively influences employees work performance (My current level of work quality is high, generally considered acceptable) (.000), The system has no loopholes for subjective evaluation (.008). The result of regression analysis can be presented as performance appraisal can be significantly Predict employees work performance.

4.4 Interpretation and Discussion of Results

In terms of measuring whether the performance appraisal process in the company's is effective, the researcher will look into whether the process includes fundamental elements of an effective appraisal according to the literature. The elements that will be discussed are fairness, employee-manager relationship, rewards linked to appraisal, accurate feedback, clearly defined goals, confidentiality and mutually set goals.

The First Objective: To identify the criteria/factors in use by the company to measure their effectiveness from performance appraisal system.

Fairness

According to the responses of the survey in the first question, in total of 25.3% of employees agreed that the performance appraisal system is not fair and also the second question also 33% employees agreed that the performance appraisal system is not fairness total. Bretz et al (1992) stated that fairness of the appraisal system has emerged as the most essential issues to be faced by companies. Fletcher (2004) also listed fairness as a crucial element of effective appraisal. Overall, fairness of the appraisal is not a major issue for the organization as it seems to be a vital part of their system and is an element of appraisal the company values.

Pettijohn, Pettijohn, Taylor & Keillor (2001) identify participation and perceptions of fairness as integral to employees' perceptions of job satisfaction and organizational commitment. They conclude that Performance Appraisal Systems can be used to actually improve employees' levels of job satisfaction, organizational commitment, and work motivation. But in practice the company couldn't to apply the fairness. Unfair procedures used in performance appraisals create job dissatisfaction A Performance appraisal system should be fair and must provide accurate and reliable data (Karimi et al, 2011). Therefore it is important that performance management systems are fair to staff so that the organization can reap the benefits. Finally ,If performance

appraisals are perceived as unfair, therefore, the benefits of performance appraisals can diminish rather than enhance employee's positive attitudes and performance (Thomas & Bretz, 1994).

Leader – Appraiser Relationship

A total of two questions sequentially 52.2% and 53.8% of the employees agreed that the system improves their relationship with the manager. Fisher (1995) lists better relationships as a major benefit of performance appraisal for all parties involved. Having meetings with a manager in relation to performance, gives employees the opportunity to discuss past performance and new targets and can often be a chance to speak about employees are getting on in the role. This may not be something many employees get the opportunity to do in this company with their evaluator's relationship and if they do more consequently this can help build relationships and improve communication.

The respondents to some extent seem happy with the relationship their manager as a result of the Performance Appraisal, and so this is not more implemented in National Tobacco Company's effectively to use.

Rewards tied to appraisal

32.4% of the employee's surveyed stated that their Promotion is not based on the performance appraisal .and also 35.2% of employees stated they did not know whether appraisal results were their Promotion based on the performance appraisal. When employees were asked in question My company payment and benefits opportunities based on my performance ratings, 45.6% of the respondents chose that payment and benefits opportunities, it was to determine based on their performance ratings.

As mentioned, various organizations like to keep rewards and pay separate from appraisal as it can distract employees from the developmental elements of appraisal. Nevertheless, tying rewards to performance is commonplace across all industries and is widely recognized as an effective measure. And also , it is important that the company makes participants aware of what they are using the appraisal for From looking at the responses, the organization in question Bonuses increase my performance does appear to use the appraisal as a method for determining Bonuses,51.7% this is necessarily Bonuses increase their performance,. But 38.4% of employees stated they did not agreed appraisal results were linked to bonus. And 9.9% of employees stated they did not know whether appraisal results were linked to bonus ,so that according to Bannister and Balkin (2010) have reported that those appraised seem to have greater acceptance of the

appraisal process, and feel more satisfied with it, when the process is directly linked to rewards. Such findings are a serious challenge to those who feel that appraisal results and reward outcomes must be strictly isolated from each other.

Specific and Accurate feedback

this study finding is supported by the studies of *Zaidatol&Bagheri (2009)* described their level of satisfaction with mean score. These four questions are the result below which is <3.39 the majority of the respondents either agreed or strongly agreed that the feedback received was accurate and specific, it is less than 3.39 mean . Fletcher (2004) also noted that ensuring feedback is specific and accurate is one of the most important elements of performance appraisal. Even though some volume of the respondents agreed feedback was specific, this element seems to be present in some appraisals but not in others. Performance Appraisals need to be parallel across the board for the system to be effective throughout the whole organization. As sated Schraeder, Becton and Portis (2009) suggest that performance feedback can serve as way of knowing the employees strength and weaknesses. And also from the literatures, the purpose of goal setting and feedback within PA process is to increase individual performance (Pettijohn et al., 2001). Thus, there could be a positive relation between employee satisfaction with PA and work performance

Clearly defined goals According to the results of the survey, a total of two questions sequentially 52.2% and 51.6% of the employees agreed that the system clearly defined goals. sequentially 52.2% and 51.6% agreed somewhat with the statement that the goals are clearly defined for them in the appraisal meeting. sequentially 31.3% and 32.4% of the respondents disagreed; they felt the goals were not clearly defined in the appraisal process. But what is evident in these figures is that sequentially 16.5% and 12.1% were Neither agree nor disagree whether the goals were clearly defined or not. This shows a lot of variation in how the appraisal is carried out by managers within the company, with some staff members agreeing strongly with how clear their goals are and some disagreeing. In order to create effective performance appraisal system the first one is clarity of performance expectations, which shows the scope to which employees are familiar with the purpose and role of the performance appraisal. This will involve precision and clearness of the role of performance appraisal that will play in shaping an employee's fate within the organization and the performance appraisal process. (Brown, Haytt, Benson, 2010)..

these two questions are the result below which is <3.39 so that is low level of satisfaction when the company applied these criteria's of performance appraisal even though the result is low but in these two questions their agreement is more than 50 % this also that is not enough according to *Zaidatol & Bagheri (2009)* to described their level of satisfaction with mean score.

Confidentiality and Transparency

As mentioned in the analysis of Question this, Piggot-Irvine (2003) named confidentiality as a vital element for effective performance appraisal. The respondents mean in total questions **2. 89** these two questions are the result below which is <3.39 so that is low level of satisfaction when the company applied these criteria's of performance appraisal. In order to have effective appraisal, the process must be embedded completely throughout the organization where the values shape part of the fabric of the everyday life of the workplace (Piggot-Irvine, 2003).that performance appraisal is not confidential process, shows the company's aim is not doing enough to ensure that the process is confidential at all times. Thus with a number of employees having disagreed.

Mutually Set Goals

The importance of employee participation in performance appraisal is colossal for the effectiveness of the procedure. Cawley et al (1998) stated that staff participation in the appraisal procedure has a major consequence on employee satisfaction and their acceptance of the performance appraisal. Accordingly, including the employees in the process of setting goals is fundamental to the effectiveness of performance appraisal. When the respondents were asked whether they were involved in the process of setting goals in both questions, sequentially 59.4% and 54.4% stated that both they and the manager set the goals collectively they agreed. This is another to some extent strong response in terms of mutual involvement in the goal setting, but the inconsistency in how appraisal seems to be carried out is unmistakable, and needs to be dealt with.

Looking at the company's appraisal in terms of the above elements, it is evident that all of them not exist within the companies aims, but some more than other.

The literature the critics of performance appraisal and appraisal ineffectiveness, it revealed that many academics viewed performance appraisal as an expensive process, something that can cause conflict between the appraiser and appraisee, of little value and debilitating to the development of employee performance (Redman and Wilkinson, 2009).

The organization needs to clearly set out what they want to achieve from the appraisal and what it should encompass. At the moment there is low satisfaction of response in the appraisals and what they aim to do. Pritchard (2007) argued that organizations need to eliminate performance appraisals that just go through the motions. Looking at the company's appraisal in terms of the above elements, it is evident almost all of them not exist within the companies aims. Some author study concluded that PA factors do influence job satisfaction, which, in turn has the potential to lead to higher levels of performance (Babin & Boles, 1996; Brown & Peterson, 1994).

They need to take time to question the current procedure and the way things are done and build a performance appraisal methodology that is fair and effective.

The Second Objective: To find out the effect of performance appraisal system on employee's work performance.

It is clear from the results tabulated in table 4.19 above this 10 (Ten) questions have involved Thus, from this result, the study finding is at NTE Share Company respondents as I stated above Overall, their level of satisfaction with mean score those all questions are the result below which is <3.39 so that, the company's employees work performance level of satisfaction is low that is because below 3.39 as indicated in (table 4. 19)

This is a confirmation that most of the respondents indeed an indication that majority of the respondents are average not satisfied according to expected of level of satisfaction to these questions .as indicated in (table 4. 19) .

Based on this ,Klein and Snell (1994) noted that goal setting in performance appraisal process had a greater impact on attitudinal reactions for poor performers, probably because these employees needed goal setting to clarify what was needed in order to improve performance. This study revealed that there exist a relatively weak relationship between performance appraisal satisfaction and work performance. Thus, whereas the ultimate goal of performance appraisal is to improve the effectiveness of employees (Kuvaas, 2006), the findings from this study suggest that it is more effective of employees for increasing work performance level. This is because employee work performance is relatively strongly influenced by individual abilities and skills

The study done by Kuvaas (2007), indicated that there is a strong belief that as long as employees accept or are satisfied with performance appraisal or when performance appraisal is properly managed, performance appraisal will be positively related to work performance. Kuvaas

(2007) studied different relationships between perceptions of developmental performance appraisal and work performance. If the performance appraisal system is evaluated fairly and without bias then it will satisfy the employee and when the employee is satisfied with the performance appraisal system then the employee will produce better work performance. This is how performance appraisal satisfaction is related to work performance. Smither (1998) further noted that one factor that contributes to an effective PA system entails ensuring that the system focuses on performance. Therefore, a relationship between HR practices such as PA and work performance would be very obvious. As I stated above the criteria mostly haven't been done in this Company so that how it is related more we observed most of the criteria (factors) not to be applied in this Company and also the result of work performance level also low level of satisfaction.

The Third Objective: To assess the level of employees' satisfaction overall performance appraisal system in relation to distinctiveness consistency and consensus

Employees' Level Satisfaction with Distinctiveness

It was also clear from the study that most of the respondents agreed that the performance appraisal system was simple to understand. Simplicity of the system had a mean of 2.32. The respondents also indicated that the system is relevant to the organization even though it needs a total overhaul. This was supported by a mean of 2.56. It was also evident that a mean of 2.43 was obtained against lack of proper structuring and lack of relevant content in the performance appraisal system. This is a confirmation that most of the respondents agreed that the system is not well structured and also lacks relevant content. However, most of the respondents were not certain on some of the satisfaction aspects that were provided to them. For instance the aspect of performance appraisal system taking into account legal issues in employment had a mean of 4.55 an indication that most of the respondents were sure it actually doesn't. This confirms that most of the respondents in performance appraisal system takes legal issues in employment the respondent result are High this means there is no conflict between the evaluator and employees through performance appraisal result and such things. But in the literature the critics of performance appraisal and appraisal ineffectiveness, it revealed that many academics viewed performance appraisal as an expensive process, something that can cause conflict between the appraiser and appraisee, of little value and debilitating to the development of employee performance (Redman and Wilkinson, 2009).

The study further established that the performance appraisal system is not so visible since it is not based on realistic ideals. This is in line with the findings of Bowen and Ostroff (2004) who argued that salience and visibility are the basic conditions for the employees to make sense of performance appraisal system. In other words, the employees will be at a high level of work performance. They also contended that for the desired effects of practices to occur, they should be visible throughout the considerable part of employees' daily work activities. To enhance their work performance.

Employees' Level Satisfaction with Consistency

The findings from the study also reveal that the performance appraisal system has been consistent over time. The respondents mean 2.69 believe that the practices used in the performance appraisal have been consistent over time. According to the findings of Kelley & Michela (1980), in the performance appraisal system context, it can be inferred that for the employees to make sense of the expected behaviors and attitudes, the outcomes of such behaviors should be consistent across the time, practices, and employees.

A Mean of 2.66 was also obtained against performance appraisal system's ability to promote objectivity instead of subjectivity. This confirms that most of the respondents were not certain whether the system promotes objectivity, and also the performance appraisal system the time spent is well worth while the respondents were strongly agree and agreed their opinion and response. The respondents agreed it is important as instrument used. Most of respondents believed.

Employees' Level Satisfaction with Consensus

The respondents mean score 2.77 were also not so sure whether all employees are involved in the preparation of the performance appraisal system. It was also established that the respondents were not sure whether the performance appraisal system was fair to all the employees in the organization. This confirms that the respondents have doubts as far as fairness of the system is concerned.

The respondents mean score 2.63 were that the system is not based on realistic ideals and it may not be beneficial to their career growth objectives. It is clear from the results tabulated in table 4.25 above that the need for the performance Appraisal system at NTE Share Company to be completely overhauled had a mean of 2.08.

This is an indication that the majority of the respondents who took part in this study is that the entire system should actually be overhauled since it does not meet the objective it is supposed to meet. This is in line with the response provided by most of the respondents.

Evident from the study also was the fact that the performance appraisal system at the NTE Share Company needs entire system a total overhaul. The study revealed that there are reasons as to why a total overhaul of the system may be important the reason is that the respondents are not certain whether all the employees of the NTE Share Company are involved in developing the performance appraisal system that is used. And many factors which are the above stated.

The main challenge with the system according to the findings is the fact that it has loopholes the respondents mean score 3.42 were that May lead to subjective evaluation of the employees involved. Despite all the negative respondents that were noted, it was clear that the performance appraisal system used by the NTE Share Company has been consistent over time and that the same standards are normally applicable to all the employees of the Company. Smither (1998) further noted that one factor that contributes to an effective PA system entails ensuring that the system focuses on performance. Therefore, a relationship between HR practices such as PA and work performance would be very obvious . In general the researcher observed the system of this Company couldn't be focused an effective PA system and also didn't entails ensure that the system focuses on performance. Finally, Pearson correlation coefficient showed a significant correlation .827 between the variables the entire system needs overhaul. And Overall, I am a very good performance. The result of regression analysis can be presented as performance appraisal can be significantly Predict employees work performance.

CHAPTER FIVE

SUMMARY, CONCLUSION AND RECOMMENDATION, RESEARCH LIMITATION AND AREAS OF FUTURE RESEARCH

Based on finding of the research the following summary, conclusion, and recommendation research limitation and areas of future research are presented.

5.1 SUMMARY

Supervisors were done nothing to make performance appraisal practices easy for employees and provide assistance when needed.

Employees were not given clear and useful the criteria of the performance appraisal practice being applied in this company.

The performance appraisal practices of NTE Share Company were not creating a participative environment for employees.

The study found that employees were not initiated and satisfied with PA practices of NTE Share Company.

The study indicated that the NTE Share Company does not provide people with the good prospects for promotion and advancement and Employees were not benefited from NTE Share Company PA practices.

Performance Appraisal is not confidential process, shows the company's aim is not doing enough to ensure that the process is confidential at all times. Thus with a number of employees having disagreed. the company's appraisal in terms of the elements, it is evident that all of them not exist within the companies aims, but some more than other. This shows that their existing effective PA factors applied low satisfaction level.

This is Study confirmed that most of the respondents indeed an indication that majority of the respondents are average not satisfied according to expected of level of satisfaction to these work performance level of satisfaction.

The study further established that the performance appraisal system in not such visible since it is not based on realistic ideals. Most of the respondents were no certain whether the system

promotes objectivity, and also the performance appraisal system the time spent is well worth while the respondents were strongly agreed and agreed their opinion and response. The respondents agreed it is important as instrument used Most of respondents believed. The performance appraisal System on level employees' satisfaction with Distinctiveness the majority response was positive so, to some extent satisfied. And also Consistency and Consensus low level of satisfaction in general the level of PAS low level satisfaction thus, indicates with low employees work performance.

5.2 CONCLUSION

The aim of the study is to assess the effect based on its seven basic features of performance appraisal system these criteria applied and the three factors of influence performance appraisal system these are distinctiveness , consistency and consensus their satisfaction towards the employees work performance in NTE Share Company. Performance appraisal system on employees work performance conducting this study, the required data obtained through closed ended questioners.

The First Objective: To identify the criteria/factors in use by the company to measure their effectiveness from performance appraisal system.

Employees are found to be low satisfaction on the criteria (factors) of the effective performance appraisal practice being applied in this company. The criteria (factors) mostly haven't done in this Company so that how is related more we observed most of the criteria (factors) not to be applied in this Company.

The result indicated which is the result dissatisfied from the respondent. Looking at the company's appraisal in terms of the effective elements those are **fairness, employee-manager relationship, rewards linked to appraisal, accurate feedback, clearly defined goals, confidentiality and mutually set goals**. it is evident almost all of them not exist within the companies aims.

The Second Objective: to find out the effect of performance appraisal system on employee's work performance.

The research findings indicated that there is low level work performance in the Company .The analysis of as a result the effect indicated that there is no performance appraisal satisfaction in

the Company and work performance relationship that is weak or low level of the work performance.

The Third Objective: To assess the level of employees' satisfaction overall performance appraisal system in relation to distinctiveness consistency and consensus

The three factors of influence performance appraisal system these are distinctiveness, consistency and consensus their satisfaction towards the employees work performance the question all about the overall system of PAS thus, the response about the effect of performance appraisal System on level employees' satisfaction with Distinctiveness the majority response was positive so, to some extent satisfied . And also Consistency and Consensus low level of satisfaction

In General the analysis indicated that the majority respondent who took part in this study the entire PAS should actually be over hauled since it does not meet the objective, it is supposed to meet. This is in line with the response provided by Most of respondents. PAS that go through motion to build new Performance appraisal system to apply properly and used effectively.

5.3 RECOMMENDATION

The findings have revealed numerous potential weaknesses that are preventing the effectiveness of the PAS system in order to employees work performance. A number of challenges have been identified and need to be manifested if the whole process is to be beneficial and fair to all involved.

The NTE Share Company stands to reason on risk it needs to improve the appraisal and to build a new PAS Design accordingly if it is to be successful in carrying out its objective. Below are these recommendations the researcher has made for the Company to make their appraisal system more effective and to establish a new design PAS in order to enhance employees work performance.

The First Objective To identify the criteria/factors in use by the company to measure their effectiveness from performance appraisal system.

Level Greater Employee Involvement

For the appraisal to reach its potential and be of benefit to all involved there needs to be a higher level of employee involvement in the system than there is at present When employees are involved they take a greater interest as they are given more of a voice.

More Development of employees in the appraisal

With poor results from the research in terms of how the appraisal developed the employees being appraised and how it enhanced performance, the Company needs to ensure the system spends more time helping to develop employees, from identifying training needs, providing coaching and giving more accurate, constructive feedback.

The Company should look to introduce a framework for Performance Appraisal within the company that sets out a number of important objectives such as fairness, employee-leader relationship, rewards linked to appraisal, specific & accurate feedback, clearly defined goals, confidentiality and mutually set goals the Distinctive, Consistency and Consensus and dependent variable employees work performance.

This framework would need to be explained to all involved in the process and training provided so as to ensure managers and employees are aware of how the system works and can stick to the guidelines.

The performance appraisal is important, the fairness and others Criteria (factors) are influential too during the performance appraisal process. Without these, it will create a high level of dissatisfaction with the performance appraisal system. Hence, as the evaluator, the immediate supervisor must be always in a neutral mood, so that there is no bias or unfairly rated performance appraisal.

The company should conduct frequent meeting for employees to discuss on performance appraisal practice and it should be open and transparent so that information can be flow smoothly in all direction in the company

The Second Objective to find out the effect of performance appraisal system on employee's work performance.

This study contributes to this research by providing support to the opinion that performance appraisal satisfaction may enhance employees' work performance.

the management staffs should be set goal and to do more the relation between PAS and employees work performance relation in order to be effective PAS for increasing level of employees work performance.

The Third Objective: To assess the level of employees' satisfaction overall performance appraisal system in relation to distinctiveness consistency and consensus

The study has confirmed that the system has loopholes that may lead to subjective evaluation. It will be important for the NTE Share Company to review the PA system and ensure that the loopholes have been sealed in order to make it objective.

The study has revealed that the system is not based on realistic ideals. It will be important to change the system so that it can focus on realistic ideals that can motivate the employees in the NTE Share Company.

The study has also revealed that most of the respondents want the entire system to be overhauled. It will be important for the NTE Share Company to conduct a survey and establish whether all the employees are of this opinion.

The NTE Share Company must design a performance appraisal system so that it works well with the organization's structure. Employees should conduct can give input into the design and feel committed to a new system. The executed should do correctly; managers should be able to give appraisals to employees under their supervision.

These are the Very important which is for NTE Share Company for their effect of PAS on employees work performance .Accordingly all factors at above Recommendations the Company the PAS that go through motion to build new Performance appraisal system to apply properly and used effectively in order to save from the risk of this Company's failure .

5.4 RESEARCH LIMITATION AND AREAS OF FUTURE RESEARCH

To carry out the research, the researcher used quantitative research methods alone; this was chosen as it suited the aims and objectives of the research. In hindsight, if the researcher was to carry this investigation again, they would look at using both quantitative and qualitative research methods in a combined approach. And also included management staffs.

Combining both types of research methods is known to give a more rounded view and can look at the research aims more comprehensively.

The researcher wouldn't have like to look at the perspective of the managers carrying out performance appraisal also, for future research it may be interesting to look at both the manager and employee perspectives and analyze them in contrast.

Future research, by utilizing quantitative research techniques and a examining a greater population could investigate the effect of performance appraisal system on employees' work performance, in the form of work performance across a larger industry and encompass more than one Company. This would give the research more validity in the findings. This research is accurate in terms of the Company studied, but as the research was limited it cannot be applied to other Companies or industries.

It is the belief of the researcher that if the recommendations revealed above were to be implemented by the NTE Share Company, they would dramatically assist the Company to ensure their appraisal system on employees' work performance is of high quality and is effective for all parties.

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Annex 1 Questionnaire:

**Addis Ababa University
College of Business and Economics
School of Commerce**

A Questionnaire For Non Management Staff of National Tobacco Enterprise Share Company.

Dear respondent,

I thank you very much in advance for your willingness to spend some of your valuable time to respond this survey questionnaire.

This questionnaire is aimed to obtain information on the “The Effect of Performance Appraisal System on Employees’ Work Performance; In National Tobacco Enterprise (Ethiopia) Share Company”.

I am a student of Addis Ababa University School of Commerce and am currently studying a Master of art in Human Resource Management.

I have designed this survey on issues related to this topic. I would really appreciate if you could spend a few minutes of your time filling in this survey.

The research is being conducted for academic purpose, your answers are very important for the proper analysis of the research. Your answers will be treated confidentially and anonymously.

Finally, you are kindly requested to return the questionnaire by answering every possible item at your earliest time.

General Instructions

There is no need of writing your name

For more information you can contact me by phone: +251936543124 or email; eyuelberhanu@yahoo.com

Thank you, for your cooperation and timely response in advance.

Eyuel Berhanu Hassen

PART I-Demographic Information

(Please put \surd to indicate your answer)

1. Sex

Male Female

2. Age

A. Under 35 B. 35—39 C. 40-44 D. 45& above

3. Length of employment in the company:

A. 0-4 year B. 5-9 years C. 10-19 years D. 20 years or longer

PART II: The Effect of Performance Appraisal System on Employees’ Work performance; In National Tobacco Enterprise (Ethiopia) Share Company

Please indicate the extent to which you agree with the following statements concerning your satisfaction on the Effect of Performance Appraisal System on Employees’ Work performance; In National Tobacco Enterprise (Ethiopia) Share Company.

S.N	The effective performance appraisal criteria’s (factors) it is used for measurement of employees level of satisfaction.					
	Fairness	Strongly agree	Agree	Neither agree nor disagree	Disagree	Strongly disagree
1	Appraisers treat me fairly during performance appraisal process.					
2	Current performance appraisal is fair and unbiased .					
	Employee- leader Relationship	Strongly agree	Agree	Neither agree nor disagree	Disagree	Strongly disagree
3	It improves the relationship with my leader.					
4	There is good communication from evaluators to employees in The Company.					

Rewards Linked To Appraisal		Strongly agree	Agree	Neither agree nor disagree	Disagree	Strongly disagree
5	Promotion is purely based on Performance Appraisal.					
6	My company payment and benefits opportunities based on my performance ratings.					
7	Bonuses increase my performance					
Specific & Accurate Feedback		Strongly agree	Agree	Neither agree nor disagree	Disagree	Strongly disagree
8	I receive specific and accurate feedback from my leader on my past performance.					
9	I clearly understand my leader 's comments and opinion during the feedback.					
10	My leader discusses regularly my job performance with me.					
11	I always get adequate feedback on my performance.					
Clearly Defined Goals		Strongly agree	Agree	Neither agree nor disagree	Disagree	Strongly disagree
12	I clearly understand the purpose of performance appraisal.					
13	Performance appraisal makes me better understand what I should be doing.					

Confidentiality and Transparency		Strongly agree	Agree	Neither agree nor disagree	Disagree	Strongly disagree
14	All the information obtained from Performance appraisal is confidential.					
15	Performance appraisal is Highly subjective process and lacks transparency.					
Mutually Set Goals.		Strongly agree	Agree	Neither agree nor disagree	Disagree	Strongly disagree
16	Since participating in the Performance Appraisal process, I have developed personally.					
17	I am involved in my company the process of setting objectives and targets of my future performance.					
Items Used For Measurement of Employees' Level of Work Performance		Strongly agree	Agree	Neither agree nor disagree	Disagree	Strongly disagree
18	I almost always perform better than what can be characterized as acceptable performance					
19	I always reach my performance target					
20	I consider my performance is better than the average employee in this company.					
21	Overall, I am a very good performance					
22	I feel that my performance is reflective of my abilities					
23	I often expend extra effort in carrying out my job.					
24	My current level of work quality is high, generally considered acceptable.					
25	I try to work as hard as possible					
26	The quality of my work is superior.					
27	I intentionally expend a great deal of effort in carrying my job.					

Overall effect of performance appraisal System on level employees satisfaction		Strongly agree	Agree	Neither agree nor disagree	Disagree	Strongly disagree
Distinctiveness						
28	The system is simple to understand.					
29	The system is relevant to the Organization.					
30	Performance appraisal system is salient and visible.					
31	The system is not well structured and lacks relevant content					
32	The performance appraisal system takes legal issues in employment					
Consistency		Strongly agree	Agree	Neither agree nor disagree	Disagree	Strongly disagree
33	The system is objective thus does not allow subjectivity.					
34	The system has been consistent over time.					
35	I feel that the time spent on performance appraisal is well worth while.					
Consensus		Strongly agree	Agree	Neither agree nor disagree	Disagree	Strongly disagree
36	The performance appraisal process is fair to all employees					
37	The entire system needs overhaul					
38	Performance appraisal system is not based on any realistic ideals					
39	The system has no loopholes for subjective evaluation					

Thank you very much for your assistance in completing this questionnaire.

It surely will be of great help to me.

Wish you the very best in your future.

ስዲስ ስበባ ዩኒቨርሲቲ ንግድ ስራ ኮሌጅ

ደህ መጠይቅ የማኔጅመንት ስባል ሳልሆኑ ሠራተኞች ብቻ የሚመለከት የዳሰሳ ጥናት ነው።

የተከበሩት የመጠይቅ መሳሾች ፤

በቀድሞ ያ የከበረ ምስጋናዬን ስድቀረብኩኝ ስመስካም ትብብራችሁ ግዜያችሁን ወስዳችሁ ስዲስ መጠይቅ ምሳሽ በመስጠታችሁ ከስብ የመነጨ ምስጋናዬን ስቀርባለሁኝ።

የዲህ መጠይቅ ዋነኛ ዓላማ የሥራ ስፎዳም ምዘና ዘዴ በድርጅቱ የሠራተኞች የስራ ስፎዳም ስከናወን ዘዴ (በሥራጥራት ስተገባበር ስና ችሎታን በተመሰረተ) ሳደ ያሰውን ተደራሽ የሚያሳድሩ ምክንያቶችን የተመለከተ የዳሰሳ ጥናት ስመረዳት ስስካዳሚ ትምህርት ዓላማ ብቻ የተዘጋጀ ነው ፤ ስላ ዓላማ የሰውም ።

በዲህም መሠረት በቀረበሳችሁ ምርጫዎች ያሳችሁን ስውነተኛ ስላቤ ፣ ግንዛቤ ፣ ስውቀት ፣ ስሜትና ስመስካክት ስንድትገልጸዎኝ በማለት ስጠይቃለሁኝ። በስዲስ ስበባ ዩኒቨርሲቲ በንግድ ስራ ኮሌጅ የስርተ ድህረ ምረቃ ስጩ (በሰው ሀብት ሥራ ስመራር ትምህርት ክፍል) ስድገታችሁ ሲሆን ጥናቱን ስስመስክቶ ሳረጋግጥሳችሁ የምወደው ስውነታ ቢኖር የስናንተ ምሳሾች ሙሉ በሙሉ ሚስጥራዊነታችሁ ስንደሚጠበቅ ስና የምትሰጡትም መረጃ ስታሰመሰት የጥናት ስላማ ብቻ የሚውል ስንደሆን ነው።

ስተጨማሪ መረጃ ካስፈለጋችሁ በስለክ ቁጥር፡ +251936543124 ወይም በስሜል ስድራሻዬ eyuelberhanu@yahoo.com ስታገኙኝ ትችላላችሁ።

ማሳሰቢያ፡- ስም መዳፍ ስድስፈልግም።

ስምታረገሰኝ ትብብር ከወዲሁ ምስጋናዬን ስመግሰድ ስወዳለሁ።

ክፍል 1 ስጠቃሳደ የመረጃ ጥያቄዎች

ስባክዎ ከጥያቄ 1-3 በተዘጋጁት ሳጥኖች ውስጥ የ “√” ምስክት በማድረግ በተዘጋጁት ቦታዎች ግሰዱ።

1. ያታ፤ ወንድ ሴት
2. ስድሜ ፤ ከ35 በታች ከ35-39 ዓመት ከ40-44 ዓመት ከ45 ዓመት በላይ
3. በድርጅቱ የቅየበት የሥራ ዘመን፤ ከ0-4 ዓመት(የሙከራ ግዜውን የጨረሰ ሠራተኛ) ከ5-9 ዓመት ከ10-19 ዓመት ከ20ዓመትበላይ

ክፍል 2 መሰረታዊ የጥናቱ ጥያቄዎች

ስባክዎ ቀጥሎ ስተቀመጡት ዝርዝር ሀሳቦች/ጉዳዮች ስርዓታዊ ባሕርይ ስድታ መነሻነት የመስማማት/ደስመስማማት ደረጃዎችን በተቀመጠው ምሳሽ የመስጫ ቦታ ላይ የ“/” ምልክት በማድረግ ያሳዩ፤

ተ. ቁ	ስላሴ (ሰደታ)	ደረጃ ምደባ					
	ውጤታማ የሥራ ስፎዳዎ ምዘና ዘዴ በመስፈርቶች መሠረት የሠራተኛውን የሰርካታ ደረጃ መከኒያነት የቀረቡ ጥያቄዎች ፤	በጣም ስለማይሰጡ	ስለማይሰጡ	አልመሰኝም (አማካኝ)	አልሰማማም	በጣም ስለሰማማ	
1	በሥራ ስፎዳዎ ምዘና ላይ ባይ የቀርብ ስቃይ በስግቡ ደዳኝኛል						
2	ስሁን ደስው የሥራ ስፎዳዎ ምዘና ስተገባበር የማያሻማና ትክክለኛ ነው						
	የሰቃይ የሠራተኛ መስካም ግንኙነት የተመሰረተ መስፈርት	በጣም ስለማይሰጡ	ስለማይሰጡ	አልመሰኝም (አማካኝ)	አልሰማማም	በጣም ስለሰማማ	
3	ከሰቃይ ጋር በሥራ ስፎዳዎ ምዘና ትግብሩ ላይ መስካም ግንኙነት ስለኝ						
4	በድርጅቱ ውስጥ በሥራ ስፎዳዎ ገምጋሚና በሠራተኞች መካከል የሰመረግንኙነት ስለ						
	የማትገደድ ክፍያና የጥቅማ ጥቅሞች ክፍያ ከሥራ ስፎዳዎ ጋር ደስው ግንኙነት መስፈርት	በጣም ስለማይሰጡ	ስለማይሰጡ	አልመሰኝም (አማካኝ)	አልሰማማም	በጣም ስለሰማማ	
5	የደረጃ ስድገት በሥራ ስፎዳዎ መስኒያ መሠረት በግልጽ የሚሰራ ነው						
6	የድርጅቱ የማትገደድ ክፍያና የጥቅማ ጥቅሞች ክፍያ በሥራ ስፎዳዎ ውጤተመሰረት ነው						
7	ቦነስ በሥራ ስፎዳዎ ምዘናዬ የበለጠ ስንድተጋ ያደርገኛል						
	በትክክለኛ ግብረ መስከ የመስጠት መስፈርት	በጣም ስለማይሰጡ	ስለማይሰጡ	አልመሰኝም (አማካኝ)	አልሰማማም	በጣም ስለሰማማ	
8	በግብረ መስከ ወቅት በቂ የሥራ ስፎዳዎ ምዘና ምሳሽ ተሰጥቶኛል						

9	በሥራ ስፈዳዎ ምዘና በግብረ መስክ ወቅት ስለቃዩ የሚሰጠኝ ስለተያየት ተክክልኛ ነው						
10	ወቅቱን በጠበቀ ሁኔታ በሥራ ስፈዳዎ ምዘና ላይ ከስለቃዩ ጋር ውደደት ስናደርጋለን						
11	ምንግዜም በሥራዬ ስፈዳዎ ላይ በቂ ግብረ መስክ ስገኛለሁኝ						
	በግልጽ የተብራራ ግብ የሚያካናውን መስፈርት	በጣም ስለማይሰጠው	ስለማይሰጠው	ስለመሰጠኝም (ሰማኝኝ)	ስለስለማይሰጠው	በጣም	ስለስለማይሰጠው
12	የድርጅቱን የሥራ ስፈዳዎ ምዘና ዓሳን በግልፅ ስረዳለሁኝ						
13	የሥራ ስፈዳዎ ምዘና ሥራዬን ስመስራት የተሻለ ግንዛቤ ፈጥርዳለሁ						
	የሥራ ስፈዳዎ ምዘና ዘዴ ስለተማማኝነት መስፈርት	በጣም ስለማይሰጠው	ስለማይሰጠው	ስለመሰጠኝም (ሰማኝኝ)	ስለስለማይሰጠው	በጣም	ስለስለማይሰጠው
14	ከሥራ ስፈዳዎ ምዘና የሚገኙት መረጃዎች በሙሉ ስለተማማኝ ናቸው						
15	የድርጅቱ የሥራ ስፈዳዎ ምዘና መስፈርት የሌለው ስና ሚዛናዊነት የገደለው ነው						
	የጋራ የተቀናጀ ግብ መስፈርት	በጣም ስለማይሰጠው	ስለማይሰጠው	ስለመሰጠኝም (ሰማኝኝ)	ስለስለማይሰጠው	በጣም	ስለስለማይሰጠው
16	በሥራ ስፈዳዎ ምዘና ስተገባበር ላይ ተሳትፎ ስለማይደርግ የሥራ ስመስካክቴን ስላድገደሰው						
17	በሥራ ስፈዳዎ ምዘና ሰቃይ ላይ ተሳታፊ በመሆኔ የሥራ ሰቃይን በሚገባ ተረድቻለሁኝ						
	ከዚህ በታች ያሉት ስላቤ የሠራተኞችን የሥራ ክንውን (በሥራ ጥራትና ችሎታን መሰረት ያደረገ) ላይ የተመሰረተ የስፈዳዎ የሰርካታ ደረጃ መጠናቸውን መስኪያ የቀረቡ ጥያቄዎች ናቸው	በጣም ስለማይሰጠው	ስለማይሰጠው	ስለመሰጠኝም (ሰማኝኝ)	ስለስለማይሰጠው	በጣም	ስለስለማይሰጠው
18	ሁለገዜ የተሻለ ተቀባይነት ያለው የሥራ ውጤትና ጥራት ስለመዘገባለው						
19	በማናቸውም ገዜ የሰቃይ ገዢን ስፈዳማለው						
20	የሥራ ውጤታማነቴ ከሌሎች ስማኝኝ ሠራተኞች የተሻለ ስንደሆንኩኝ ስረዳለሁ						
21	በጥቅስ ሰቃይ የሥራ ስፈዳዎ ክንውኔ ጥሩ ስንደሆን ስምናለሁኝ						
22	የሥራ ክንውን ውጤቴ የግል ችሎታዬን የሚያንደባርቀው ነው						

23	ዘውትር ሥራዬን ከግብ ሰማድረስ ከተገቢው በላይ ጥረት አደርጋለሁ						
24	የሥራ ስፎዳዳዎ ክንውን ደረጃዬ ከፍተኛ በመሆኑ በተነፃፃሪነት ተቀባይነት አግኝቷለሁ						
25	በሥራ ስፎዳዳዎ ክንውኔ ሥራዬን ሰማክናውን የቻልኩትን ያህል ጠንክሮ ጥረት አደርጋለሁ						
26	በማክናውነው ሥራ የሥራ ጥራት ስፎዳዳዎ በጣም የተሻለ እንደሆነ ይሰማኛል						
27	ዘውትር ሥራዬን ከግብ ሰማድረስ በራሴ ተነሳሽነት ከተገቢው በላይ ጥረት አደርጋለሁ						
በድርጅቱ ያለውን ሥራ ስፎዳዳዎ ምዘና ዘዴ (በጥቅስ) አሰራር ዘዴውን በተመሰከተ ከሠራተኞች ጠቀሳሳ ልዩነት ስርዓታዊ ጋር ያለውን ዝምድና የሚመለከቱ ጥያቄዎች							
(የሥራ ስፎዳዳዎ ምዘና ዘዴ ግልጽና ጉልህ ህጋዊነት ያለው መሆኑን የሚመለከቱ ስላቤ (ልዩነት))		በጣም እስተማማኝ	እስተማማኝ	አልመስግም (አማካኝ)	አልተማማኝም	በጣም	እስተማማኝ
28	የድርጅቱን የሥራ ስፎዳዳዎ ምዘና ዘዴ በቀላሉ መረዳት ይቻላል						
29	የሥራ ስፎዳዳዎ ምዘና ዘዴ ስፎዳዳዎን አግባባዊነት እና ጠቃሚነት ያለው ግንኙነት አለው						
30	የድርጅቱ የሥራ ስፎዳዳዎ ዘዴ በጉልህ የሚታይ፣ ታማኝነት ያለው እና ከግል ሰሜት ጋር የተዛመደ አይደለም						
31	የድርጅቱ ሥራ ስፎዳዳዎ ምዘና ዘዴ በጉልህ የሚታይና ተጨባጭ ሰውነታዊ የደዘና ዋና ፍሬ ነገር ሆኖ የሚታይ ነው						
32	በሥራ ስፎዳዳዎ ምዘና ዘዴ ባለሙግባባት ምክንያት ስህግ ጉዳዮችን አቅርቤ አውቃለሁ						
የሥራ ስፎዳዳዎ ምዘና ዘዴ በሥራ አመራር መሳሪያነት ማገልገሉ፣ የማይቀደደና ተገቢነት ያለው መሆኑን የሚመለከቱ ስላቤ (ልዩነት)		በጣም እስተማማኝ	እስተማማኝ	አልመስግም (አማካኝ)	አልተማማኝም	በጣም	እስተማማኝ
33	የድርጅቱ ሥራ ስፎዳዳዎ ምዘና ዘዴ ሁሌም ምንም ችግር የሌለበትና አንድ ወጥ የማይቀደደ ባህሪያት ያሉት ስሁሎች ሠራተኞች በስራው የሚሰሩ ነው						
34	የሥራ ስፎዳዳዎ ምዘና ዘዴ በድርጅቱ መኖሪያ የሚረባ አገልግሎት አለው						
35	የድርጅቱ የሥራ ስፎዳዳዎ ምዘና ዘዴው በአግባቡ ያስተዳድራል እና መሰረታዊ ተዛማጅነት ያሳቸው የሥራ ስፎዳዳዎ ዋና ሃሳቦች ስጥረት ይታደባል						

	የሥራ ስፎዳዎች ምዘና ዘዴ ስንድ ወጥ በሠራተኛውና በስራው መካከል የጋራ መግባባትና የውሳኔ ስምምነት ያሰጡ መሆኑን በጥቅል የሚመለከቱ ስሳቤ (ዕድታ)	በጣም ስለሚሰጡ	ስለሚሰጡ	ስለመስጠትም (ስላሳ)	ስለሚሰጡ	በጣም ስለሚሰጡ
36	የድርጅቱ የስራ ስፎዳዎች ምዘና ዘዴ ስራ ሠራተኞች ያስፈልጉ የሚሰሩ ነው					
37	የድርጅቱ ጠቅላላ የስራ ስፎዳዎች ምዘና ዘዴ ከሁሉም ዕድታ ስንዳር የስፎዳዎች ስተገባበሩ በሌሎች ሲታዩ ደግሞ					
38	የድርጅቱ የስራ ስፎዳዎች ምዘና ዘዴው በሰውነት ዕድታና በተጨማሪ ውጤታማነት ሳይ የተመሰረተ ስደድም					
39	የድርጅቱ የስራ ስፎዳዎች ምዘና ዘዴው ምንም ዓይነት ከግል ስሜት ጋር የተዛመደ ክፍተት የሰውም					

ደህን መጠይቅ ሳትሰጡ ሰሞናዎች የተከበሩ የመጠይቅ መሳሾች ስደድ የዳሰሳ ጥናት ስሪዳቸውን ከሰጡ

ስምደሰገንኩን መሰከሩን ሁሉ ደግሞ ስምደሰገን የሰጡ ምኞት ስገልጻለሁ።