

**ST/MARY'S UNIVERSITY
FACULTY OF BUSINESS
DEPARTMENT OF MANAGEMENT**

**AN ASSESSMENT OF EMPLOYEE PERFORMANCE
APPRAISAL PRACTICE: THE CASE OF ETHIOPIAN
TEXTILE INDUSTRY DEVELOPMENT INSTITUTE**

**BY
MISRAK BEKELE**

**June, 2014
SMU
Addis Ababa**

**AN ASSESSMENT OF EMPLOYEE PERFORMANCE APPRAISAL
PRACTICE: THE CASE OF ETHIOPIAN TEXTILE INDUSTRY
DEVELOPMENT INSTITUTE**

**A SENIOR ESSAY SUBMITTED TO THE DEPARTMENT OF
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CHAPTER ONE

INTRODUCTION

1.1 Background of the study

In public organizations of the developed countries like United States of America modern performance appraisal tools being implemented since early of 1990 (Carter, 1991: 213). In recent period like business process reengineering, balanced score card and to some extent kaizen comes to execution. During this processes evaluating employee performance is the central idea. Performance measurement in the private sector is in general seen as something normal, the assumption being that the private sector is permeate with a performance-based culture, conventional wisdom suggests that there are special characteristics of the public sector which make performance measurement inappropriate or, at least, very difficult. Two explanations are commonly used to explain the differences in public/private performance measurement. The first assumes that private firms putatively adhere to bottom-line profit requirements; performance measurement is a straightforward and contestable technical procedure. The second argument focuses on the particular social and political pressures on public sector agencies. Public services operate with a fixed budget and consumer groups are in competition with each other for scarce resources. The market solution to this situation is to introduce the user pays principle in selected public services so that users of a service are the actual people paying for that service. But the imperative of the welfare state precludes this market option from economic textbooks Carter (1991: 213).

Three major trends in performance measurement (1) the development of measurement systems which enable comparisons of similar activities across a number of areas (benchmarking instruments, such as citizens charters and quality awards); (2) efforts at measuring customer satisfaction (citizen surveys; output as indicators, such as the number of complaints; and throughput

measures such as indirect proxies for measuring direct impact of programs on clients); and

(3) Some lessening in the focus on the long-term impact of programs, particularly in evaluating such programs.

In Ethiopian Textile Industry Development Institute this process are takes place by developing system which helps to evaluate the employee performance that is balanced score card (BSC). The major supporting department Performance Improvement and Human Resource Directorate; has the duties and responsibilities of evaluating employee performance. ETIDI semiannual bulletin (vol. 2 no.3:2)

Despite of this Textile Industry Development Institute is established on the 7th June 2010 pursuant to Council of Ministers Regulations No.180/2010. It is established to provide the required developmental support to those who have been engaged and wishing to engage in the textile sector business. And to closely coordinate and support the sector is development in the framework of one-stop-shop services.

The Institute is one of the catalysts towards achieving the textile industry sub-sector's goals set by the Government in its Five Years Growth and Transformation Plan (GTP). The plan eyes on generating one billion US dollars from export of textile products by the end of 2015 which would be a leap from 23.2 million US dollars registered in 2010.

To achieve this goal the institute organizes its 200 employee into two broad categories line and supportive directorate. Line directorate holds Garment Technology, Engineering, and Waiving, Finishing, Knitting and Marketing directorates. Supportive also include Director General, Planning, Finance, System improvement & Human Resource, Registrar, Laboratory and Corporate communication. A more concerted effort of all stakeholders backed by the necessary investment promotion, communication and public relation activity

among other things would ultimately be paramount important to meet up the goals. ETIDI semiannual bulletin (vol. 2 no.3:2)

1.2 Statement of the Problem

Performance appraisal is one of the important components of the rational and systematic processes of human resource management. There will be professional assumption that if performance appraisal is conducted appropriately & its results communicated to employees effectively then it will improve performance of employees and hence the performance of organization. Ethiopian Textile Industry Development Institute has performance appraisal policy, the policy has procedures on the process of the performance appraisal of employees, but it has been regularly observed that there are unanswered question raised each and every day on the areas related to the relevancy, reliability, sensitivity, fairness, uniform participation of employees in the process and full utilization of the performance appraisal results for the well being of the employees as well as for the organization. The upshot of the appraisal process stand for further measures taken by the management like: employee salary increment, demotion & training selection criteria. While an exclusive interview conducted with ethics and compliance officer also assures that the above questions are frequently reported to the department. Hence, for the aforementioned reasons I am encouraged to conduct a survey on the assessment of performance appraisal practice of Ethiopian Textile Industry Development Institute. The research were designed to answer issues directly related with the performance appraisal in Ethiopian Textile Industry Development Institute based on the following area of the research problem.

1.3 Research Question

In order to find solution for the existing problems, the following basic questions were treated.

1. What are the problems in executing the performance evaluation?
2. To what extent the techniques implemented by the institute for measuring the performance are reliable, faire or sensitive?
3. What is the attitude of employee on the existing performance appraisal throughout the institute?
4. How the institute uses performance appraisal result?
5. What measures' taken to appropriately communicate the performance appraisal to its employee

1.4 Objectives of the study

The main objective of this study is to assess the performance appraisal of Ethiopian Textile Industry Development Institute.

1.4.1 Specific objectives of the study are to:

S assess problems in executing the performance evaluation

S assess the techniques which are implemented by the institute for measuring the performance are reliable, faire or sensitive

S assess the attitude of employee on the existing performance appraisal uniformity throughout the institute

S assess the institute utilization of performance appraisal result

S evaluate how performance appraisal results communicate to the employee

1.5 Significance of the Study

This study serves as a partial fulfillment for bachelor degree in management. Secondly it may help the organization to see its strength and weakness on employee performance appraisal. The concerned personnel's of the institute can make corrections which are going to be identified and dealt in order to improve the efficiency of their performance appraisal. In addition it serves as benchmark for other researchers who are interested for further study in the same topic. Also it assists the readers to simply understand how the performance appraisal practice is undertaken in the institute and for what motive do the output of evaluation is used.

1.6 Scope (Delimitation) of the Study

This study is conducted on performance appraisal practice of Ethiopian Textile Industry Development Institute. Ethiopian Textile Industry Development Institute is established in 2002 E.C. Now it has four years practical experience, due to the absence of performance appraisal practice in 2002 we use data starting from 2003E.C. The study is delimited in evaluating and assessing the overall performance appraisal of the institute by taking three consecutive years i.e. 2003, 2004 and 2005 E.C individual performance appraisal data of the institute. The study was carried out in head office located at Addis Ababa namely Akaki Kaliti Sub City.

1.7 Research Design and Methodology

1.7.1. Research Design

A general plan or strategy for conducting the research study, this research was used descriptive research design for the reason that it makes the entire survey more flexible, efficient and economical and at same time describe the existing situation as it appears. It gives the opportunity to use both quantitative and qualitative data in order to find data and characteristics about the population or phenomenon that have been

studied. The data collection for descriptive research also presents a very multifaceted approach including surveys.

1.7.2. Population and Sample Size & Sampling Techniques

To provide adequate data for analyzing the various sub population of the organization Stratified Random Sampling Method was used. The population which the sample to be drawn are heterogeneous on the activity, so stratified sampling was used to obtain representative sample size. To determine the proportional sample size the total population was divided in to two strata (sub population) namely Line Directorates and Supportive Directorates. Sample respondent were selected by using a Systematic Sampling Technique. Out of the entire population of 200 employees sample size of 60 are made which represent 30% of the population. For each sample element will be selected in every 3 sample interval (200/60).

Directorate	Number of population	Sample size	Sample element
Line	83	30%	25
Supportive	117	30%	35
Total	200		60

1.7.3. Types of Data Collected

The research used both primary & secondary data. The primary data sources comprise First hand data obtained from employee and managers. Secondary data incorporated all type of internally generated documents from the internal sources & supplementary information's such as personal files and annual organizational performance reports.

1.7.4. Methods of Data Collection

Both primary and secondary source of data were used in this study. The primary data was gathered via questionnaire from selected employee.

Likewise, the secondary data were obtained from books, HR manuals, internet and other materials related to the research topic available in the library using document analysis method.

1.7.5. Method of Data Analysis

The data obtained through questionnaire was analyzed quantitatively in quantitatively Percentage cross tabulation a descriptive statistics were employed for data collected by closed ended questionnaire. And the data obtained through interview were analyzed qualitatively.

1.7.6. Limitation of the Study

This study has a number of its own limitations. Lack of awareness- affects the accuracy and dependability of the information gathered from the respondents to some extent. Unwillingness to fill and return questionnaires on time was the major limitations of this study.

1.7.7. Organization of the Study

The study consists of four chapters. Chapter one deals with introducing the problem, whereby, back ground and statement of the problem; objectives, basic questions and significance of the study; scope & delimitations and organization of the study are included. Chapter two is left to the review of the related literature so as to put the theoretical foundations of the study. Chapter three treats the analysis and interpretation of the data gathered. Chapter four presents the summary of major findings, conclusions drawn upon the findings, and possible recommendations.

CHAPTER TWO

REVIEW OF RELATED LITERATURE

2.1 Meaning and Definition of Performance appraisal

Performance appraisal means the systematic evaluation of the performance of an employee by his/her superiors. It is a tool for discovering, analyzing and classifying the differences among workers in relation to job standards. It refers to the formal system of appraisal, in which the individual is compared with others and ranked or rated. Generally, appraisal is made by the supervisor or manager once or twice in a year. (Joshi, 2010: 64). Subsequent to defining performance appraisal one has to know what Performance management is, therefore according to Armstrong (2009: 123), Performance management is a systematic process for improving organizational performance by developing the performance of individuals and teams. It is a means of getting better results by understanding and managing performance within an agreed framework of planned goals, standards and competency requirements. Performance management is concerned with aligning individual objectives to organizational objectives and encouraging individuals to uphold corporate core values; enabling expectations to be defined and agreed in terms of role responsibilities and accountabilities (expected to do), skills (expected to have) and behaviors (expected to be); providing opportunities for individuals to identify their own goals and develop their skills and competencies. Armstrong,(2009:124) technological changes. Encouraging development of all employees including supervisors and managers is necessary to performance appraisal organizations for future challenges. Career planning identifies performance appraisal and activities for individual employees as they develop within the organization. Assessing how well employees are doing their jobs is the focus of performance appraisal Mathis and Jackson, (1997:17). Furthermore, Gomez-Mejia & et.al. (2005:225), stated that “performance appraisal as the process of identification, measurement, and management of human performance in organization.”

Therefore, to make these effective organizations should develop a system that serve as a tool to performance appraisal process.

2.2 Uses of Performance Appraisal

The use of Performance appraisal is elaborated by Mullins (1996: 367) as a formalized and systematic appraisal scheme can also form the basis of a review of financial rewards and planned career progression. Performance appraisal is therefore, a crucial activity of the personnel function and the management of human resources. Also, the use of Performance appraisal discussed by Henenman (1996: 423) as Performance appraisal is used to identify the dimension of performance, and also to set standards of contributions for each performance dimensions step. And also Mondy, Noe and Premeaux (1999: 361-383) stated as: virtually every American business firm is affected by global competition. For survival and Ethiopian Textile Industry Development Institute cases, it is imperative that these organizations remain competitive. Continued competence can only be maintained ceaseless development of human resources. A potential mechanism for this growth is employee "Performance appraisal". Mathis and Jackson (1997: 344) finally discussed about the role (use) of Performance appraisal as follows. "Performance appraisal has two roles in organizations.

One role is to measure performance for rewarding or otherwise making administrative decisions about employees. Promotions or layoffs might hinge on these ratings making them difficult at times. Another role is development of individual potential. Different institutions/ organizations use Performance appraisal for different purposes as different scholars stated. The following are some Examples: Managers often believe that the most significant Performance appraisal outcome involves the contributions employees make to the organizations goal attainment. Higher performing employee's Ethiopian Textile Industry Development Institute successfully meets their responsibilities and thereby make a contribution to the goals of the organization. Mullins (1996: 339:341). Performance appraisal is 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 (Coutts and Schneider, 2004: 213). According to Armstrong (2000: 126), a Performance appraisal function is a continuous and evolutionary process in which performance improves over time. It provides the basis for regular and frequent dialogues between managers and individuals about performance and development needs based on feedback and self-assessment. It is mainly concerned with individual performance but it can also be applied to teams.

According to Gomez-Mejia et.al (2001: 226), Organizations usually conduct appraisals for administrative and/or developmental purposes. Performance appraisals are used administratively whenever they are the basis for a decision about the employee's work conditions including promotions, termination and rewards. Development uses of appraisal which are geared toward improving employees □ performance strengthening their job skills, including counseling employees on effective work behaviors and sending them for training. The major functions of Performance appraisal are to give employees feedback on performance, to identify the employees □ developmental needs to make promotion and reward decisions, to make demotion and termination decisions and to develop information about the organizations selection and placement decisions, as Nelson and et al. (1997: 345-346).

2.3 Performance Appraisal process

The performance appraisal process is one of the human resource activities in government and private organizations of Ethiopia. The practice and process of the performance appraisal in any government employees under Federal Civil Service is according to the proclamation No. 262/2002 declared in chapter four, stating that the federal civil servants proclamation performance evaluation purpose is to enable civil servants (a) effectively discharge their duties in accordance with the expected level quality standard time; (b)-identify

their strengths and weaknesses: (c) improve their future performances and develop self initiative. (2) Performance evaluation shall be trans performance appraisal rent and shall be carried out with the collective performance appraisal of-civil servants working together. (3) Performance evaluation shall be carried out in accordance with, directives issued by the Commission. This proclamation works for ETIDI employee's performance appraisal. In the books of human recourse management 2010, 68) there are serious of Steps in Appraisal process. The process of performance appraisal follows a set pattern, viz., an employee's performance is periodically appraised by his superiors. The following usually form the main steps of an appraisal program:

Step-1: Establish performance standards: At the time of designing a job and formulating a job description, performance standards are usually developed for a position. These standards should be clear, and objective enough to be understood and measured. Weights and points are to be given to each factor of these standards and should be indicated on the appraisal form. These are used for appraising the performance of the employees.

Step-2: Communicate performance expectation to employees: It is difficult for employees to guess what is expected of them. Hence the standards of performance should be communicated to the employees. To make communication effective, feedback' is necessary from the subordinates to the manager. Satisfactory feedback ensures that the information communicated by the manager has been received and understood in the way it was intended.

Step-3: Measure actual performance: To determine what actual performance is, it is necessary to acquire information about it. We should be concerned with how we measure and what we measure. Four sources of information are frequently used to measure actual performance: personal observation, statistical reports, oral reports and written reports.

Step-4: Compare actual performance with standards: The employee's appraisal is done and he/she is judged in terms of potential for growth and advancement. Attempts are made to note the deviations between standard performance and actual performance.

Step-5: Discuss the appraisal with the employee: The results of the appraisal are discussed periodically with the employees where strong points, weak points, and difficulties are indicated and discussed so that performance is improved. The information that the subordinate receives about his/her assessment has a great impact on his subsequent performance. Conveying good news is easy for both manager and subordinate but it is considerably difficult when performance has been below expectation.

Step-6: Initiate corrective action, if necessary:

Corrective action can be of two types. One is immediate and deals mainly with symptoms. The other is basic and looks deep into the causes. Immediate corrective action is often described as "putting out fires", whereas basic corrective action gets to the source of deviation and seeks to adjust the difference permanently. Counseling may be done or special assignments may be set, people may be deputed for formal training courses, and decision-making responsibility and authority may be delegated to the subordinates. Attempts may also be made to recommend for salary increases or promotion, if it is required in the light of appraisals.

2.4 Approaches of Performance Appraisal

Numerous techniques for measuring performance have been developed over the years. According to Gomez-Mejia (2001: 228), Techniques of measuring performance of employees involve wide array of appraisal formats from which to choose. Here we discuss the formats that are most common legally defensible. These formats can be classified in two ways: (1) the type of judgment that is required (relative or absolute), and (2) the focus of the measure (trait, behavior, or outcome). Performance appraisal roots in the early 20th century and its existence consists of different approaches in its history.

The three approaches that deal with Performance appraisal are presented below. (Heneman and et.al. 1997: 331)

The traditional trait rating scale approach: involves rating an individual's personal traits or characteristics. Commonly assessed traits are: initiation, decisiveness and dependability. Although the trait approach is widely used by managers and it is generally considered by experts to be the weakest. It contains different method during application.

Behaviorally anchored rating scale approach: is done on job -by-job basis. The steps in developing a behavioral anchored rating scale are both time consuming and rigorous. It contains different method, during application.

2.5 Performance Appraisal Criteria

According to Armstrong (2009:127), the criteria for reviewing performance should be balanced between: achievements in relation to objectives; the level of knowledge and skills possessed and applied (competences or technical competencies); behavior in the job as it affects performance (competencies); the degree to which behavior upholds the core values of the organization; day-to-day effectiveness. As Mathis and Jackson (1997:341) stressed, performance criteria are standards commonly used for testing or measuring performances. Criteria for evaluating job performances can be classified as trait-based, behavioral based, or results based.

Trait based criterion: identifies a subjective Character trait ETIDI as “pleasant personality”, “initiative” or “creativity and has little to do with the specific job. ETIDI traits tend to be ambiguous and courts have held that evaluation based on traits ETIDI as “adaptability” and “general demeanor” are two vague to use as the basis for performance-based HR-decisions.

- Behavior-based criterion: focus on specific behaviors that lead to job ETIDI cases.

- Results-based criterion: look at what the employee has done or accomplished. For some jobs where measurement is easy and appropriate, a results-based approach works very well.

Generally, criteria are relevant when they measure employees on the most important aspects of their jobs. But there are also problems with these criteria. Mathis and Jackson (1997: 341) again said, jobs usually include many duties and tasks, and so measuring performance usually requires more than one dimension. If the performance criteria leave out some important job duties, they are deficient. If some irrelevant criteria are included in the criteria, the criteria are said to be contaminated. Managers use deficient or contaminated criteria for measuring performance much more than they should.

2.6 Methods, techniques and tools

Several methods and techniques are available for measuring the performance of an employee. The methods and scales differ for various reasons. First, they differ in the sources of traits or qualities to be appraised. The qualities may differ because of difference in job requirements, statistical requirements and the opinion of the management. Second, they differ because of the different kinds of workers, viz., factory workers, executives or salespeople. Third, the variations may be caused by the degree of precision attempted in evaluation. Finally, they may differ because of the methods used to obtain weight for various traits.

The traditional methods of performance appraisal lay emphasis on the rating of the individual's personality traits, such as initiative, dependability, drive, responsibility, creativity, integrity, leadership potential, intelligence, judgment, organizing ability etc. On the other hand, modern methods lay more emphasis on the evaluation of work results - job achievements - than on personality traits. Result-oriented appraisals tend to be more objective and worthwhile, especially for counseling and development purposes. Mejjia (2001:213)

2.6.1 Traditional Methods of Appraisal

- **Straight Ranking method:** It is the oldest and simplest method of performance appraisal by which an employee and his performance are considered as an entity by the evaluator. The relative position of each employee is tested in terms of his/her numerical rank. It may also

be done by ranking a person on his/her job performance against that of another member of a competitive group by placing him/her as number one or two or three in the total group i.e. persons are tested in order of merit and placed in simple grouping. But this method has its limitations. Firstly, it is very difficult to compare a single individual with human beings having varying behavior traits. Secondly, this method only tells us how a person stands in relation to the others in the group, but does not indicate how much better or worse he / she is than another. Thirdly, the task of ranking is difficult when a large number of persons are rated. Fourthly, the ranking system does not eliminate snap judgments, nor does it provide us with a systematic procedure for determining the relative ranks of subordinates. Joshi (2013:67)

- **Person-to-person Comparison Method:**

By this method certain factors are selected for the purpose of analysis (such as leadership, dependability and initiative) and scale is designed by the rater for each factor. A scale of a person is also created for each selected factor. Then each person to be rated is compared with the person in the scale, and certain scores for each factor are awarded to him/her. This method is not of much use because the designing of scales is a complicated task. Joshi (2013:68)

- **Grading Method:**

Under this system, the rater considers features and marks them accordingly to a scale. Certain categories of worth are first established and carefully defined. The selected features may be analytical ability, cooperativeness, dependability, self-expression, job knowledge, judgment, leadership and organizing ability etc. The rating scale may be: A - Outstanding; B - Very

Good; C - Good or Average; D - Fair; E - Poor. The actual performance of an employee is then compared with these grade definitions and he/ she is allotted the grade which best describes his/her performance. Such type of grading is usually done in the selection of candidates by the Public Service Commissions. Joshi (2013:69)

Graphic or Linear Rating Scale: This is the most commonly used method of performance appraisal. A printed form is used for each person to be rated. The factors to be rated are: employee characteristics and employee contribution. In employee characteristics are included qualities such as initiative, leadership, cooperativeness, dependability, industriousness, attitude, enthusiasm, loyalty, creative ability, decisiveness, analytical ability, emotional ability and coordination. In employee contribution are included the quantity and quality of work, the responsibility assumed, specific goals achieved, regularity of attendance, leadership offered, attitude towards superiors and associates, versatility etc. These traits are then evaluated on a continuous scale wherein the rater places a mark somewhere along a continuum. However, this method suffers from serious disadvantage for it is arbitrary and the rating is generally subjective. Another limitation is that it assumes that each characteristic is equally important for all jobs. Joshi (2013:69)

- **Forced Choice Description Method:** Under this method, the rating elements are several sets of pair phrases or adjectives (usually sets of 4 phrases, two of which are positive, two negative) relating to job proficiency or personal qualifications. The evaluator is asked to indicate which of the four phrases is the most and least descriptive of the employee. Joshi (2013: 70)

2.6.2 Modern Methods of Appraisal

Most traditional methods emphasize either on the task or the employee's personality, while making an appraisal. In order to bring about a balance between these two, modern methods have been developed. Of such methods

the prominent one is Appraisal by Results or Management by Objective (MBO). This method has been evolved by Peter Drucker. It seeks to minimize external controls and maximize internal motivation through joint goal setting between the manager and the subordinate, and increasing the subordinate's own control of his work. It strongly reinforces the importance of allowing the subordinate to participate in the decisions that affect him directly. Joshi (2013:74)

Objectives of MBO: The objective is to change the behaviour and attitudes towards getting the job done. In other words, it is result-oriented. It is performance that counts. It is a management system and philosophy that stresses goals rather than methods. It provides responsibility and accountability and recognizes that employees have need for achievement and self-fulfillment. It meets these needs by providing opportunities for participation in the goal setting process. This approach focuses on the product of one's efforts. It is the most common format for the results approach. Also, it contains different methods during application. Henenman et al. (1996: 335). According to Joshi (2013:74) MBO programs have the following benefits.

Benefits of MBO program: It has the following benefits:

- It increases employee motivation.
- Since MBO aims at providing clear targets and their order or priority, it reduces role conflict and ambiguity.
- It provides more objective appraisal criteria.
- It identifies problems better and early. Frequent performance review sessions make this possible.
- It identifies performance deficiencies and enables the management and employees to set individualized self-improvement goals and thus proves effective in training and development of people.
- It helps the individual manager to develop personal leadership, especially the skills of listening, planning, counseling, motivating and evaluating.

2.7 Effectiveness of Performance appraisal systems

To meet the vision, mission, objective, goals and targets of an organization or an institution, everyone should set clear and precise methods of Performance appraisal system objectivity. If so, effective output of Performance appraisal system leads an organization to prosper specially, in the environment where formal learning and other similar activities are held. As a result of, every employee's awareness leads to set and control how to implement effective Performance appraisal system. Nelson and et.al (1997: 390) discusses that an effective Performance appraisal system has about five main characteristics.

Validity: Comes from capturing multiple dimensions of person job performance.

Reliability: comes from capturing evaluation from multiple sources and at different times over the course of the evaluation period.

Responsiveness: allows the person being evaluated some input in to the final outcome.

Flexibility: it opens to modification based on new information Ethiopian Textile Industry Development Institute as federal requirements.

Equitableness: results in fair evaluations against established performance criteria, regardless of individual differences.

Again clear and very important statements, about the effectiveness of performance appraisal system are expressed by Mathis and Jackson (1997: 364) as follows. An understanding what an appraisal is supposed to do is very critical whichever of the method is used. It usually works if performance appraisal is used to develop employees as a source. When management uses appraisal as a punishment or when raters fail to understand its limitations is fails.

What and whichever the appraisal method is used, the main point is that managers and employees must understand the purposes of performance appraisal system. So, consistent with the strategic mission of the organization,

useful as an administrative tool, legal as development tool, as documentation of employee's performance are points of chances to be obtained if and only if performance appraisal is practiced properly.

2.8 Factors Influencing the Effectiveness of performance appraisal

Performance appraisal can be influenced by three major factors appraisal system, subordinate and supervisor relationship, and the interview process. Michael Beer (1987:184) has discussed these three factors than can influence appraisal outcomes. First, the appraisal system can be designed to minimize the negative dynamics causing problems of performance appraisal. The supervisor often has only marginal control over these matters. Second, the ongoing relationship between boss and subordinate will have major influence on the appraisal process and outcome. Third, the interview process itself, the quality of communication between boss and subordinate, can help to minimize problems of performance appraisal.

The appraisal system: In order to solve the problem of defensiveness of rates that resulted as a result of conflict in the goals of performance appraisal, raters should conduct two performance appraisal rate performance appraisal interviews -one focused on evaluation and the other coaching and development. The other solution is choosing appropriate performance data. For instance, using behavioral rating scales and behavior related appraisal techniques may solve this problem.

Supervisor-subordinate relations: The quality of the appraisal process is dependent on the nature of the day-to-day boss subordinate relationship. In an effective relationship, the supervisor is providing feedback and coaching on an ongoing basis. Thus, the appraisal interview is merely a review of the issues that have already been discussed. On the other hand, if a relationship of mutual trust and supportiveness exists, subordinates are more apt to be open

in discussing performance problems and less defensive in response to negative feedback.

There are no easy techniques for changing a boss subordinate relationship. It is highly affected by the context with in which the boss and subordinate work, the broader culture of the organization, and the climate of the primary work group will have important influences on boss-subordinate relationship. If the organization culture encourages performance appraisal, open communication, supportiveness, a concern for employees, and egalitarianism, it is more likely that these values will characterize.

The appraisal interview: The best techniques for conducting a performance appraisal reticular appraisal interview depend on the mix of objectives pursued and the characteristics of the subordinate. Employees differ in their age, experience, sensitivity about the negative feedback, attitude towards the supervisor, and desire for the influence and control over their destiny.

According to Michael Beer (1987: 185) there are three types of appraisal interviews each with distinct specific objectives. The differences are important in determining the skills required by the supervisor and the outcomes for employee motivations and supervisor-subordinate relationships. The three methods are termed as: tell-and-sell, tell-and-listen, and problem solving.

The tell and sell method: The aim of this method is to communicate evaluations to employees as accurately as possible. The fairness of the evaluation is assumed and the manger seeks (1) to let the subordinate know how they are doing, (2) to gain their acceptance of the evaluation, and (3) to get them to follow the manger's plan for improvement. In the interview, supervisors are in complete control; they do most of the talking. They attempt to influence and persuade subordinates that their observation and recommendations are valid. Clearly, this method leads to defensiveness, lack of trust, lack of open communication and exchange of invalid information and it can hurt supervisor-subordinates relations.

The tell and listen interview: The purpose of this interview method is to communicate the evaluation to the subordinate and then let him /her respond to it. This method is apt to result in better understanding between supervisor and subordinate than the -tell and sell method.

Employees' perception about the performance appraisal in their organizations: According to McShane and Glinow, (2000:113), Perception is the process of receiving information and making sense of the world around us. It involves deciding which information to notice, how to categorize this information, and how to interpret within the framework of our existing knowledge. Perceptual process is the dynamics of selecting, organizing, and interpreting external stimuli. The perceptual process begins when environmental stimuli are received through our senses. Most stimuli are screened out; the rest are organized and interpreted based on various information- processing activities. The resulting perceptions influence our emotions and behavior toward those objects, people, and events.

According to Armstrong (2009:125), Perception is the intuitive understanding, recognition and interpretation of things and events. Behavior will be influenced by the perceptions of individuals about the situation they are in. The term psychological climate □ has been coined to describe how perceptions give the situation psychological significance and meaning. Therefore, the perception of employee about their performance appraisal depends upon their understanding of themselves and interpretation of their own. The perception of employees about the performance appraisal in the selected institutions of textile industry factories in Ethiopia have been organized and presented by posing question about their attitudes or perceptions toward performance appraisal practice of Ethiopia Textile Industry Development Institute.

Perception about the Performance Appraisal System Fairness and Objectiveness: Performance appraisal should be fair and objective oriented, if it is for aligning employees to organizational goals and employees development.

Fairness is emphasized more specifically; trust will be developed if management acts fairly, equitably and consistently, if a policy of trans-performance appraisal is implemented, if intentions and the reasons for proposals or decisions are communicated both to employees generally and to individuals, if there is full involvement in developing reward processes, and if mutual expectations are agreed through performance management. Failure to meet these criteria, wholly or in performance appraisal, is perhaps the main reason why so many performance-related performance appraisal schemes have not lived up to expectations. The starting point is to understand and apply the principles of distributive and procedural justice.

One antecedent to distributive and procedural justice of performance, appraisal is social justice between groups and employees. When we do not compensate employees fairly, by basing their compensation on work results, then the employees waste their time rather on getting the desired levels of compensation and not on improving their work. According to Susan, (1995:110), performance evaluation system is fair if:

- 1) It provides adequate notice;
- 2) fair hearing

which requires a formal review of meeting in which an employee is informed of a tentative assessment of his/her performance and employees are permitted to challenge the assessment; and 3) Judgment based on evidence that requires the organization to apply performance standards consistently across employees.

CHAPTER THREE

DATA ANALYSIS AND PERESENTATION

This chapter presents empirical findings in reference to the research questions in chapter one. These findings were obtained from both primary and secondary data sources. They were presented and analyzed using frequency tables and a percentage was used to appraise the performance evaluation practice.

3.1. Findings on General information

In this part of the questionnaire the demographic information of the participant employees of understudy, is presented for analysis. The analysis tries to provide information related to sex, age, educational background and years of service of respondent employees.

Table1. General Information about respondents

No.	Items	Option	Respondent	
			No.	%
1	Sex	Male	36	60
		Female	24	40
		Total	60	100
2	Age	18-30	48	80
		31-40	11	18.33
		41-50	1	1.67
		Above 50	0	0
		Total	60	100
3	Level of education	Certificate	0	0
		Diploma	18	30
		1 st Degree	40	66.67
		2 nd Degree & above	2	3.33
		Total	60	100
4	Work Experience	0-2 year	11	18.33
		3-5	22	36.67
		Above 5year	27	45
		Total	60	100

From table 1, item 1 indicates sex of respondents. Regarding respondents sex 36 (60%) were males while 24 (40%) were females. This shows that Textile industry development institute has more males than females. It seems there is gender inequality in Textile industry development institute.

From table 1, item 2 indicates age of respondents. Regarding respondents age 48 (80%) were between 18-30, 11 (18.33%) were between 31- 40, 1 (1.67%) were between 41-50 and no respondent were above 50 years. This implies that most of the employees of Ethiopian textile industry development institute are young. Also the data we gathered is affair representation of the population as almost all classes were represented and the data provided reflected the views of the entire population.

From table 1, item 3 indicates level of education of respondents. Regarding respondents level of education 40 (66.7%) was registered on 1st Degree level, 18 (30%) was registered on Diploma level, and 2 (3.33%) was registered on 2nd Degree and above level with no response on certificate level. This implies that the majority of Ethiopian textile industry institute workers are bachelor degree holders who have the potential to understand what asked.

From table 1, item 4 indicates work experience of respondents. Regarding respondents work experience 11 (45%) of the respondents had served in Ethiopian textile industry development institute for a period of above 5 years, 22 (36.67%) for a period of 3-5 years, 11 (18.33%) for a period of below 2 years. This implies that almost all respondents had taken reasonably enough experience to see how the performance evaluation process in the institute is under taken.

3.2. Findings on Performance Appraisal Practice:

The answers to the research objective, questionnaires on performance appraisal practice were addressed by the major parts of the analysis which is research specific questions were the questionnaire and the questions are designed to be filled by the respondents.

Table 2. Performance appraisal

No.	Items	Option	Respondent	
			No.	%
1	Is the appraiser appropriate person to measure your performance in terms of qualification, closeness, etc?	Yes	40	66.6
		No	20	33.4
		Total	60	100
2	Do you believe that the performance appraisal measurement based on work plan & work performance?	Yes	38	63.33
		No	22	36.67
		Total	60	100
3	Is there any discussion under taken prior to performance appraisal method, criteria and purpose of the appraisal process?	Yes	35	58.33
		No	25	41.67
		Total	60	100

From table 2, item 1 indicates, Is the appraiser in Ethiopian textile industry development institute are appropriate person to measure your performance in terms of qualification, closeness, regarding respondents 40 (66.6%) say yes and 20 (33.4%) say that the appraiser are not appropriate person. This implies that majority of respondent do not believe that the appraisers are not appropriate person to measure performance.

From table 2, item 2 indicates, Do the employees believe that the performance appraisal measurement of the institute based on work plan & work performance, Regarding respondents 38 (63.33%) say yes and 22(36.67%) say that the appraisal measurement are not based on work plan & work performance. This means that Ethiopian textile industry institute performance appraisal measurement based on work plan & work performance.

From table 2, item 3 indicates, is any discussion under taken prior to performance appraisal method, criteria and purpose of the appraisal process in the institute Regarding respondents 35 (58.33%) say yes and 25 (41.67%) say that there is no any discussion under taken prior to performance appraisal method, criteria and purpose of the appraisal process. This implies that Ethiopian textile industry development institute under taken discussion about performance appraisal method, criteria and purpose of the appraisal process prior to the practice.

Table 3. Performance appraisal usefulness

Item	Option	Respondent	
		No.	%
Do you think performance appraisal is useful to the employees?	Very Useful	36	60
	Useful	16	26.67
	Average	6	10
	Less Useful	2	3.33
	Not Useful at all	0	0
	Total	60	100

From table 3, item 1 indicates, do employees of Ethiopian Textile Industry Development Institute believe that the performance appraisal is useful to the employees? Respondents 36 (60%) says that performance appraisal is very useful to the employees 16 (26.67%) says that performance appraisal is very useful to the employees 6(10%). says that performance appraisal on average it is useful to the employees, 2(3.33%). says that it is less useful and no says not useful at all. This means that the institute employee believes that performance appraisal is useful to the employee.

Table 4. Who conduct performance appraisal

No.	Item	Option	Respondent	
			No.	%
1	Who appraise your performance?	Senior HR expert	4	6.67
		Team coordinator	27	45
		HR Director	4	6.67
		other	25	41.67
		Total	60	100

From table 4, item 1 indicates, Who appraise your performance in Ethiopian textile industry institute Regarding respondents 4 (6.67%) say that Senior HR expert apprise their performance 27 (45%) say Team coordinator 4 (6.67%) says that HR Director apprise their performance appraisal and 25(41.67%) says their immediate boss apprise their performance. This means in Ethiopian textile industry development institute immediate boss apprise their performance.

Table 5. Interval performance appraisal takes place

Item	Option	Respondent	
		No.	%
At what interval performance appraisal taken place in the institute?	Once in a year	2	3.33
	Two times in a year	55	91.67
	Four times in a year	2	3.33
	More than four times	0	0
	No response	1	1.67
	Total	60	100

From table 5, item 1 indicates, At what interval performance appraisal taken place in Ethiopian textile industry development institute, Regarding respondents 2 (3.33%) says Once in a year, 55 (91.67%) says appraisal taken

place two times in a year, 2 (3.33%) says that four times in a year, 1(1.67%) do not give any response. This means that Ethiopian textile industry development institute performance appraisal measurement taken place two times in a year.

Table 6. Response to criteria's of performance appraisal

Item	Option	Respondent	
		No.	%
How do you see the criteria of performance appraisal method in your institute?	Very clear	4	6.67
	Clear	20	33.33
	Average	23	38.33
	Less clear	9	15
	Almost not clear	4	6.67
	Total	60	100

From table 6, item 1 indicates, How do you see the criteria of performance appraisal method in your Ethiopian textile industry institute, Regarding respondents 4 (6.67%) says very clear, 20 (33.33%) says that performance appraisal method and criteria are clear, 23 (38.33%) says clear on average, 9 (15%) says less clear, 4 (6.67%) says almost not clear. This implies that Ethiopian textile industry development institute performance appraisal measurement criteria and method are clear on average.

Table 7. Response to criteria's related to their work

Item	Option	Respondent	
		No.	%
Do you think the performance appraisal criteria related with your work?	Highly related	13	21.67
	Related	23	38.33
	Averagely related	18	30
	Less related	4	6.67
	Almost not related	2	3.33
	Total	60	100

From table 3.3.6, item 1 indicates, Do employees of Ethiopian textile industry institute believe that the performance appraisal criteria are related to their work? Regarding respondents 13 (21.67%) says that highly related to their work, 23 (38.33%) says that related to their work, 18 (30%) says averagely related to their work, 4 (6.67%) says less related to their work and 2 (3.33%) says that performance appraisal criteria are almost not related to their work. This implies that Ethiopian textile industry development institute performance appraisal criteria are related to their work.

Table 8. Response to performance appraisal takes place on well organized data of the employee

Item	Option	Respondent	
		No.	%
Do you think the evaluation process is under taken based on well organized data of the employee	Well organized	9	15
	Organized	20	33.33
	Not sure	14	23.33
	Less organized	15	25
	Almost not organized	2	3.33
	Total	60	100

From table 8, item 1 indicates, Do employees of Ethiopian textile industry institute believes the evaluation process is under taken based on well organized data of the employee? Regarding respondents 9(15%) says evaluation process is under taken based on well organized data of the employee, 20 (33.33%) says that based on organized data of the employee, 14 (23.33%) says that they are not sure that evaluation process is under taken based on organized data of the employee, 15 (25%) says less organized data of the employee and 2 (3.33%) says not organized data of the employee. This implies that Ethiopian textile industry development institute performance appraisal process is under taken based on organized data of the employee.

Table 9. Response to satisfaction level on the current general performance appraisal process

Item	Option	Respondent	
		No.	%
How do you rate your satisfaction level on the current general performance appraisal process?	Very satisfied	0	0
	Satisfied	11	18.33
	Average	20	33.33
	Less Satisfied	25	41.67
	Almost not satisfied	4	6.67
	Total	60	100

From table 9, item 1 indicates, how do Ethiopian textile industries institute workers rate satisfaction level on the current general performance appraisal process? Regarding respondents 11 (18.33%) says that they are satisfied on the current general performance appraisal process, 20 (33.33%) says averagely satisfied, 25 (41.67%) says less satisfied on the current general performance appraisal process, 4 (6.67%) says that almost not satisfied on the current appraisal process. This implies that majority of the employee are less satisfied on the current general performance appraisal process.

Table 10. Response whether high performers are distinguished from low performers

No.	Item	Option	Respondent	
			No.	%
1	Do you think high performers are distinguished from low performers?	Fairly distinguish	18	30
		neutral	26	43.33
		Not distinguished	16	26.67
		Total	60	100

From table 10 item 1 indicates do employees of Ethiopian textile industry institute believe that high performers are distinguished from low performers? Regarding respondents 18 (30%) says that high performers are distinguished from low performers, 26 (43.33%) neutral 16 (26.67%) says not distinguished. This implies that high performers are not well distinguished from low performers

Table 11. Response on how effective employee performance appraisal process

Item	Option	Respondent	
		No.	%
How effective do you think the employee performance appraisal process is?	Effective	14	23.33
	Neutral	37	61.67
	Ineffective	7	11.67
	No response	2	3.33
	Total	60	100

From table 11 item 1 indicates how employees of Ethiopian textile industry institute believe that the employee performance appraisal process is effective? Regarding respondents 14 (23.33%) says that employee performance appraisal process are effective, 37 (61.67%) neutral, 7 (11.67%) says ineffective and 2 (3.33%) doesn't respond to the question. This implies that performance appraisal process is not effective.

Table 12. Response on To what extent employees trust your appraiser

Item	Option	Respondent	
		No.	%
To what extent you trust your appraiser?	Very High	2	3.33
	High	14	23.33
	Average	40	66.67
	Very Low	0	0
	Low	4	6.67
	Total	60	100

From table 12 item 1 indicates to what extent do the employees trust their appraiser? Regarding respondents 2 (3.33%) says that very highly trust their appraiser, 14 (23.33%) says that highly trust their appraiser, 40 (66.67%) says that they on average trust their appraiser, 4(6.67%) says that they do not trust their appraiser. This implies that most of the employees trust their appraiser.

Table: 13 table show response on how management communicate performance appraisal result

Item	Option	Respondent	
		No.	%
In which way does the management communicate performance appraisal result to the employee?	Formal report	23	38.33
	Formal meeting	22	36.67
	Telephone	0	0
	Memos	9	15
	Mail	0	0
	other	2	3.33
	No response	4	6.67
	Total	60	100

From table 13 item 1 indicates in which way does the Ethiopian textile industry institute management communicate performance appraisal result to the employee? Regarding respondent's 23(38.33%) says the management uses Formal report to communicate performance appraisal result to the employee, 22(36.67%) says the management uses Formal meeting, 9(15%) says the management uses Memos, 2(3.33%) says the management uses other method like team evaluation and critics, 4 (6.67%) doesn't give any response. This implies that Majority says the management through formal report and meeting. But practically the management communicates performance appraisal result to the employee through memos. As the system improvement and human resource team coordinator states the institute use balanced score card /BSC/ performance appraisal techniques and other civil service individual /personal

evaluation manual. It is result oriented performance appraisal system it is a tool of communication Strategic management.

Performance measurement so result communication done by monitoring and supervision and by taking assessment.

The performance appraisal techniques the institutes use Balanced Score Card evaluation method. By seeking feedback from the employees and by putting certain criteria and measurement the institute test the reliability and fairness of the appraisal techniques. Majorly the institute uses the appraisal result for promoting the employees and for the result of good work results, assessing training gaps. As the system improvement and human resource team coordinator answer the major problems they face in executing the performance appraisal processes are:-

1. Lack of data and employees carelessness when doing the evaluation
2. By showing every detail results for each employee.
3. The ability to primate employees and strengthen work performance of the employees.
4. Lack of data and knowledge on how to measure the individual of as a team and
5. By automating the data management system and by training each employees on the process and benefit of performance appraisal method

As the system improvement and human resource coordinator explains the strengths that he notice in the institute in relation to performance appraisal method are: Measuring job performance by amount, time, cost and quality of activate and achieving expected goals and results then improve the institute overall performance, Determine the future plan and policy, Increase employee morals, quality of work, employee relation and performance and creating absence of competition.

The strength which is observed by the employee are:

Measure every employee contribution and the role of individual, Assessed performance gaps of employee attitude knowledge and skills then identify the training and human development needs, Identify area of strength and weakness and take remedial action, Encouraging and recognizing good performance by promotion training opportunity and necessary for pay increase decision, Clarify duties, goals and roles of the employee, Providing job performance feedback and improve internal and external communication

The Major weaknesses are

Understanding is less the benefit of performance measurement by employee and their leaders, The planning technical capacity of the performer is not fulfilled, Continues data and information are not registered for the evaluation and Lack of commitment because not only measure the expected goals and results seamless measurement is takes place. The backlogging factors within communication feature concerns is: 1st of all measurement is involved by full engagement of team members and team leaders and the final performance results put by two parties agreement the sign it.

CHAPTER FOUR

SUMMARY OF FINDINGS CONCLUSIONS AND RECOMMENDATIONS

The purpose of this chapter is to discuss the findings, draw conclusions to the results presented in chapter four. The chapter also contains recommendations and conclusions according to the objectives of the study.

4.1 Summary of Findings

According to the analysis made in chapter three the major findings of the study are the following:

- Sex of the respondent shows that there is unequal sex composition in the institute.
- 60% of the preponderance of the respondent deem that performance appraisal is valuable to the institute.
- Respondent says that their immediate bosses apprise their performance
- Mass of the respondent judge that prior discussion under taken on criteria, appraisal method and purpose of the appraisal process.
- High performers are not distinguished from low performers.
- According to the respondent appraisal result uses for provide training and promoting purpose only.
- The appraisers are the appropriate person to measure performance in terms of qualification and closeness.
- 66.6% of the respondents say that they trust their appraiser.
- 63.33% of the respondents agree that the measurements are based on work plan.
- All most all of the respondent says employee appraisal process taken place two times in a year.
- As the response indicate a little clarity problem on performance appraisal method and criteria.

- The response of the mass indicates work performance and appraisal criteria are slightly unrelated.
- The response indicates evaluation process is undertaken based on organized not on well organized data of the employee.
- 41.67% of the respondents are less satisfied on the current general performance appraisal process.
- Management uses formal report to communicate performance appraisal result to the employee.
- Mass of the employee says that performance appraisal process is not effective.
- Balanced score card are the main performance appraisal techniques the institutes use.
- Reliability and fairness of the system are measured through rigorous monitoring and follow up.
- The management says lack of data and knowledge on how to measure and employees carelessness when doing the evaluation are the major problems that the institute face in executing the performance appraisal processes and the employee says lack of uniform performance evaluation system and presenting the balanced score card evaluation systems as a political tool.

4.2 Conclusions

Based on the summary of the findings the following conclusions are driven:

- The entire employee deems that performance appraisal is valuable to the institute. Lack of data and knowledge on how to measure, employees' carelessness, lack of uniform implementation of performance evaluation practice and considering the balanced score card systems as a political tool are the main problem. In addition immediate bosses appraise employee's performance and they trust their appraiser. Majority have

doubt on the aptness of the appraiser to measure performance. So that the general appraisal system have implementation problem.

- Currently the institute uses Balanced Score Card evaluation system as the main performance appraisal techniques. Reliability and fairness of the system are measured through rigorous monitoring and follow up. It indicates that there is uniform performance evaluation system.
- The evaluation process is under taken based on organized not on well organized data of the employee, high performer are not distinguished from low performer, the result of appraisal uses for provide training and promotion purpose only, for the reason that the employees are less satisfied on the current general performance appraisal process.
- Employee appraisal process taken place two times in a year. Based on the evaluation result high performers are not distinguished from low performers and appraisal result uses for training and promoting purpose only, therefore performance appraisal process in the institute is not effective.
- Management uses formal report and memos to communicate performance appraisal result to the employee. As a result there is frail appraisal results communication system.

4.3 Recommendations

The procedures in the previous part have laid a firm foundation upon which recommendations can be drawn from the study in light of the study objectives. Based on the findings of the study and conclusion, the student researcher has prepared the following recommendation.

- To mitigate the major problems the management should implement uniform performance evaluation system and enable the employee, middle and top level managers through training. Also the management

implements strong follow up system on data handling. While appraising individual performance it is better to introduce team involvement.

- The management should strongly carry on implementing Balanced Score Card evaluation system to insure reliable, faire and sensitivity of the techniques.
- The management should properly implement a system which cascades the individual activity from strategic goal, set evaluation criteria and build strong correlation between work performance and appraisal criteria.
- The management should design and implement a system which distinguished high performers from low performers and in addition to training and promoting the appraisal result should also used for hiring, firing, demotion and rewarding.
- The management it's better to implement honest, straight-between-the-eyes feedback session to tell the employee exactly what they have to do to improve and where they stand in the organization.

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St.Mary's University Facility of Business

Department of Management

Questionnaire for Employees of Ethiopian Textile Industry Development

Institute on Employee Performance Appraisal Practice

This questionnaire prepared by under graduate degree students in order to collect data for the research entitled employee performance appraisal practice: The case study on Ethiopian Textile Industry Development institute to the prepared in partial fulfillment of B.A degree in management. All information you give is very useful for the academic purpose and kept confidential. The validity of your response will highly contribute for success of this research paper I would like to ask with due respect for you to give your genuine response.

Thank you in advance for your cooperation.

Instruction

- > Writing your name is not needed
- > Put the liker scale (^) in your appropriate response
- > If you have additional idea to add please don't hesitate

I. Personal information

Sex: Male Female

Age: 18-30 31-40 41-50 Above 50

Qualification: Certificate Diploma BSC/BA Masters & Above

Position:

Work Experience: 0-2year 3-5year Above 5 years

II. Specific Information

1. Do you think performance appraisal is useful to the employees?
- Very Useful Useful
- Average Less Useful
- Not Useful at all

2. Who appraise your performance?

Senior HR expert

Team coordinator

HR Director

Any other specify _____

3. At what interval performance appraisal taken place in the institute?

Once in a year

Two times in a year

Four times in a year

More than four times

4. Have you seen any problem in executing performance evaluation?

Yes

No

5. If your answer of question No. 4 is yes, what are the problems?

6. To what degree you agree or disagree the evaluation criteria of the institute are subjective?

Strongly Agree

Agree

Disagree

Strongly disagree

Neutral

7. How do you see the criteria of performance appraisal method in your institute?

Very clear

Clear

Average

Almost not clear

Less clear

8. Do you think the performance appraisal criteria related with your work?

Highly related _____ Related

Averagely related Almost not related

Less related

9. Do you think the evaluation process is under taken based on well organized data of the employee?

Well organized

Organized

Not sure

Less organized

Almost not organized

10. How do you rate your satisfaction level on the current general performance appraisal process?

Very satisfied _____ Satisfied I I
Average Less Satisfied I I
Almost not satisfied |_____|

11. Do you think high performers are distinguished from low performers?

Fairly distinguish neutral Not distinguished

12. Does the management reward high performers?

Yes No

If No, Why .

13. How effective do you think the employee performance appraisal process is?

Effective Neutral Ineffective |_____|

14. To what degree you agree or disagree performance appraisal results generate Feedback for employees?

Strongly Agree ___ Agree |__|
Strongly Disagree |__| Disagree |__|
Neutral |__|

15. To what extent you trust your appraiser?

Very High |__| Very Low I |__| I
High |_____| Low |__|
Average |_____|

16. Is the appraiser appropriate person to measure your performance in terms of qualification, closeness, etc?

Yes Some How No

17. In which way does the management communicate performance appraisal result to the employee?

Formal report Memos |_____| Telephone I I
Formal meeting |_____| Mail |_____| If any other specify I I

St.Mary's University Facility of Business

Department of Management

**Interview question for Ethiopian textile industry development institute
experts and management**

1. What performance appraisal techniques do the institutes use?
2. How do you test the reliability and fairness of the appraisal techniques?
3. For what purpose mainly do the institutes use the result of appraisal?
4. What are the major problems that you face in executing the performance appraisal process?
5. How do you communicate appraisal results to the employees?
6. What are the strengths & weakness did you notice in the performance appraisal method in your institute?

Strength_____

Weakness_____

7. What do you suggest to solve those weaknesses?

Declaration

The undersigned, declare that this senior essay is my original work, prepared under the guidance of Ato Yimer Adem. All sources of materials used for the manuscript have been duly acknowledged.

Name: Misrak Bekele

Signature: _____

Place of Submissions: St/Mary's University

Facality of Business

Department of Management

Adiss Ababa

Date of Submission:

Submission Approval Sheet

This senior research paper has been submitted to the department of Management in partial fulfillment for the requirement of BA degree in Management with my approval as an advisor.

Name: Ato Yimer Adem

Signature: _____

Date: _____



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