



**ST. MARY'S UNIVERSITY SCHOOL OF GRADUATE STUDIES
GENERAL MBA-PROGRAM**

**Employee Performance Management System: the
case NIB International Bank**

**A research thesis submitted to school of graduate studies of St. Mary's
university the department of general MBA for the partial fulfilment of the
requirement of master degree in general MBA**

BY

Yonathan Tilahun

May, 2022

Addis Ababa, Ethiopia

**Assessment of Employee Performance Management Practice: the case NIB
International Bank**

BY

Yonathan Tilahun

ID, SGS/0131/2013A

Advisor: Essayas Taye (PhD)

**A thesis submitted to school of graduate studies of St. Mary's University the
department of general MBA a for the partial fulfilment of the requirement of
master degree in general MBA**

St. MARY'S UNIVERSITY SCHOOL OF GRADUATE STUDIES

GENERAL MBA DEPARTMENT

**Assessment of Employee Performance Management Practice: the case NIB
International Bank**

BY

YONATHAN TILAHUN

APPROVED BY BOARD OF EXAMINERS

Dean, Graduate

Signature

Advisor

Signature

External Examiner

Signature

Internal Examiner

Signature

Declaration

I, the undersigned, declare that this thesis entitled is my original work, under the guidance and suggestion of the research advisor Essayas Taye (PhD) and that all source materials used for the study have been duly acknowledged. I farther confirm that the thesis has not been submitted either in part or in full to any other higher learning institution for the purpose of earning any degree.

Name

St. Mary's University, Addis Ababa

signature

May, 2022

ENDORSMENT

This thesis has been submitted to St, Mary's University School of Graduate studies for examination with my approval as a university advisor.

Advisor

St, Mary's University,

Signature

Addis Ababa May, 2020

ACKNOWLEDGEMENTS

At the beginning special thanks to be my Lord Jesus Christ who helped me to do this thesis paper by providing peace and health. My special gratitude goes to my advisor Essayas Taye (PhD) for his great contribution and guidance to this study. His invaluable and enriching inputs throughout the system of writing this research that enabled me keep on track and make timely and necessary adjustments right from the proposal, the design and having a final product. Thanks to NIB International Bank and all the staff who showed their willingness to give me the necessary data. I would never be able to complete the research without their cooperation. I am grateful for their contributions. Finally, I would like to extend my gratitude to those who provide direct and indirect support to help me complete my research. All of you who were supporting me for the realization of this work, you deserve credit let God bless you and your family.

List of Tables

Table 3.4: Study site and population

Table 3.5.1: Sample size of the study

Table 3.5.2 Managerial sample size of the study

Table 3.7.2: Cronbach's alpha reliability test

Table 4.1: Percentage and frequency distribution of demographic characteristic

Table 4.2.1: Alignment factors mean and standard value

Table 4.2.2: Performance planning mean and standard value

Table 4.2.3: Performance execution mean and standard value

Table 4.2.4: Performance assessment mean and standard value

Table 4.2.5: Performance review mean and standard value

Table 4.2.6: Performance management purpose mean and standard value

Table 4.3: Pearson correlation coefficients among independent variable

Table 4.4.1 Model Summary

Table 4.4.2 ANOVA summary

Table 4.4.3 standardized coefficients of correlation

List of figures

Figure 2.3 conceptual framework

ABSTRACT

The basic purpose of this study is to assess performance management system of NIB International Bank of Ethiopia by providing practical solutions and recommendations so that bank can choose the best option. Performance management system is a strategic and integrated approach to delivering sustained success to organizations that focuses on performance improvement and employee development. This study tried to address the basic questions of what is the performance management system of NIB International bank, what is the purpose of employees performance management system in NIB International bank, how performance evaluation criteria and the banks over all goals are aligned and employees participation in the entire system. To answer these questions descriptive and inferential research design has been deployed by using both quantitative and qualitative research approach. There are 275 branches of NIB International bank in Addis Ababa and for this study simple random sampling technique was used to take 15 branches with total number of 249 employees and sample size of 154 employees to fill in the self-developed questionnaire, which is the main data collection instrument. The data gathered from the questionnaire were compiled by using SPSS software. Descriptive statistics and Inferential statistic method was used for analysing data obtained from questionnaire and data gathered from interview. Based on this study participation of employee's in the performance planning, performance execution, performance assessment and performance review stage of performance management is not across all employees of NIB International Bank, lack of capacity of ratters to take performance management system, lack of regular feedback, The Bank did create a room for the practice of setting goals and standards of performance measures on the basis of mutual agreement between employees and supervisor and doesn't allow employees to agree on the goals they are expected to achieve. In addition the system and objectives of performance management in NIB International Bank are not described clearly for its employees, Employee performances are not recognized and where possible rewards for performance and punishment for non-performance haven't been well introduced. An employee doesn't get an opportunity to know about the benefits of performance management system and so on are the major problems noted. It is concluded that there is a low understanding of performance management objectives, lack of permitting things for employees to participate in performance management system, lack of skill that helps measures actual performance and lack of providing sufficient resources, giving feedback, giving support and timely notification of performance change. To those and other problems investigated in the study, the forwarded recommendations were the bank should create a plate form through which employees participate in operational planning system, the criteria presented to assess the performance of employees should take into account of specific and measurable characteristics of that measure of work related behaviour of employees and finally they must facilitate the use of explicit metrics, open and honest feedback to alleviate employees in the Bank's future practices of Performance management system.

KEYWORDS: *performance management system, performance Planning, performance Execution, performance Assessment, performance Review*

Table of Contents	page number
Declaration.....	I
Endorsement.....	II
Acknowledgments.....	III
List of tables.....	IV
List of figures.....	V
Abstract	VI
Chapter one.....	1
1.0 Introduction.....	1
1.1 Background of the study.....	1
1.2 Statement of the problem.....	3
1.3 Research questions	4
1.4 Objective of the study	4
1.4.1 General objective.....	4
1.4.2 Specific objective	4
1.5 Research hypotheses.....	5
1.6 Significance of the study.....	5
1.7 Scope of the study.....	5
1.8 limitation of the study.....	6
1.9 Organization of the study.....	6
1.10 Definition of terms.....	7
Chapter two.....	8
2. Review of literature.....	8
2.1 Theoretical review.....	8
2.1.1 Meaning and definition of performance	8
2.1.2 Meaning and Definition of Performance Management	8
2.1.3 Purposes and aims of performance Management.....	9
2.1.4 Basic theories contributed to the development of Performance Management System.....	9
2.1.5 Performance Management System	10
2.1.5.1 performance planning	11
2.1.5.2 performance execution	11
2.1.5.3 performance assessment	12
2.1.5.4 performance review.....	14
2.1.5.5 Employee Participation in Performance Management	15
2.1.6 Alignment and Integration in Performance Management	15

2.1.7 Management review/Calibration meetings	16
2.2 Empirical Review of Literature	16
2.3 Conceptual frame work	19
Chapter 3	21
3.1 Introduction	21
3.2 Research approach	21
3.3 Research Design and Strategy	21
3.4 population and Study site	22
3.5 Sample Techniques and procedure	23
3.6 Data gathering instruments	24
3.7 Test of the Soundness of the Measurement	25
3.7.1 Validity	25
3.7.2 Reliability	25
3.7 Data Analysis Techniques	26
3.8 Ethical Consideration	26
Chapter 4	27
4.0 Introduction	27
4.1 Demographic Characteristics of the Respondents	28
4.2 Descriptive analyses of Performance Management system of NIB International Bank	29
4.3 Person's correlation of variable	42
4.3.1 Reporting person's correlation	44
4.4 Multiple regression analysis of finding	45
Chapter 5	48
5. Summary of findings, conclusions and Recommendations	48
5.1 Summary of findings	48
5.2 Conclusion	49
5.3 Recommendations	50
5.4 Future Research Directions	51
Reference	
Appendix A	
Appendix B	

Chapter one

1. Introduction

1.1 Background of the study

According to Armstrong (2006) performance management is a strategic and integrated system that delivers sustained success to organizations by improving the performance of the people who work in them and by developing the capabilities of individual contributors and teams. So many organizations' success is heavily reliant on the effective utilization of their human capital. Performance management systems play an important role in displaying employees' performance gaps so that companies can implement corrective measures such as training and development, layoffs, and rewards among others. It is critical for businesses to be successful and competitive in the market, so continuous improvement in the work performance of the organization's employees and continuous extension and deepening of the skills of individuals and teams within the organization must be implemented.

Performance management is an important issue in organizational setup because it helps organizations ensure employees are working hard to contribute to the organization's mission and objectives. Performance management establishes expectations for employee performance and motivates them to work hard in ways that the organization expects. This system provides organizations with a complete and professional management system for assessing the performance results of organizations and employees. Employee performance could be anticipated, assessed, and rewarded. Macky and Johnson (2000) stressed that the importance of performance management system is on continuously improving organizational performance, and this is achieved by improved individual employee performance. Therefore, improving employee performance by using performance management system is away to improve organizational performance (Zhang Ying 2012).

As Aguinis (2019) stated performance management is a continuous system of identifying, measuring and developing the performance of individual and teams and aligning their performance with the strategic goals of the organization. Performance management is critical in identifying employee knowledge, skill, and attitude gaps, measuring their performance against expectations, and deploying training, development, coaching, and mentoring sessions to improve individual, team, and organizational objectives. In implementing a performance management system the basic steps are to ensure a well detailed communication plan, an appeal system, training programs for ratters to ensure there is no mistake in the performance assessment and pilot testing the system that creates avenue for re-evaluation to cover necessary details that may have be omitted unintentionally (Ayanyinka and Emmanuel 2013).

According to Dick Grote (2002) Performance management is an on-going system that comprises four phases: Performance Planning, Performance Execution, Performance Assessment, and Performance Review. (Smither & London, 2009) discussed when Performance management is first implemented follows these stages; (1) pre-requisites, (2) performance planning, (3) performance execution, (4) performance assessment, (5) performance review, and (6) performance renewal and reconstructing. Again Pulakos (2004) describe it as Performance planning, on-going feedback, employee input, performance evaluation and performance review. Also Armstrong (2009) discussed Performance Management Cycle as Plan=>Act=>Monitor=>Review. Though the Phases may differ from one author to another; Performance planning, performance Assessment, performance execution and performance Review are included in one way or the other, of which was be emphasized in this study.

Aguinis (2007) stressed the importance of performance planning by stating that if you don't know what you are looking for how do you know when you find it. Regarding Performance assessment phase, (Smither, 2009) said that both the employee and the manager are responsible for evaluating the extent to which the desired behaviours have been displayed, and whether the desired results have been achieved. The performance review meeting is the means through which the five primary performance management elements of agreement, measurement, feedback, positive reinforcement and dialogue can be put to good use (Armstrong, 2009). Having the above concepts in mind, Banks in Ethiopia have been implementing a variety of management tools in order to achieve high productivity and improve organizational performance. Banks contributes significantly to the country's economic progress and national development, particularly through job creation and development project financing. In order to achieve organizational goals, managers must be able to determine and assess performance levels of both an organization and its individual employees (Kurt, 2004).

When it comes to NIB International Bank it has been playing a conspicuous role in economic development of the country for more than 23 years, it is established on May 26 1999 having a vision to be an icon of service excellence and a leading commercial bank of Ethiopia by providing customer-focused financial services through competent, motivated employees and modern technology. In order to maximize value to all stakeholders with a network of 402 branches having employee of 7420 in Ethiopia, In NIB International Bank performance evaluation of employees takes place twice in a year and claimed that performance planning, assessment, execution and review are devised in some way as part of performance management system. The researcher believed that though many studies have been made on performance appraisal, studies on performance management are only some and it is not sufficiently investigated studies conducted on particularly NIB International bank employee performance management system, which were supported by formal.

Therefore, this study is conducted on the employee performance management practices of NIB International bank. This study investigate how performance management is practiced in the bank with more emphasis given to Performance Planning, Assessment, execution and Review and problems if any with its application and finally recommendations that are believed to solve any flaws encountered in the system was be proposed.

1.2 Statement of the problem

Armstrong (2009) clarified that, if the performance management system is not delivering, that is likely to be reflecting a deeper issue such as lack of organizational agreement about clarity of purpose, priorities or standards, or a mismatch between espoused values and actual behaviours. A recent research work done in Berhan International Bank of Ethiopian by Penel (2016) shows that there is a lack of awareness of performance management objectives, allowing workers to engage in performance planning by collaboratively creating goals, agreeing on outcomes and behaviours, and not encouraging agreement on defined performance metrics and Key Performance Indicator. In addition, Alehegn (2017) implies that even though department and branch goals are communicated to some of the employees, there is lack of awareness on performance management system and Performance Management is not communicated to employees, feedback is not provided on the basis of facts, results, and behaviour and performance gaps, this is because performance management system is not effectively implemented.

Different secondary sources from NIB banks and also as per the capacity of the researcher there is a gap related to planning mainly Managers are not skilled enough to properly conduct system, such as setting realistic goals and giving employee opportunity to participate also in assessment phase there is a biasness of result, giving and receiving feedback, coaching and identifying strengths and weakness in the review stages are major contributes for problems of performance management system. Implementation of performance management usually comes with Problems that are complaints of employees from the informal interviews and personal observation. This creates a considerable gap between how performance management system is done and how it should be done. The other problem is lack of responsibility in the performance execution phase to create the conditions that motivate employee towards performance goal and there is no involvement of operational staff in performance planning, assessment as well as review. Although it is stated in the NIB International bank HR manual that 360- feedback method is used, apparently it is not fully applied since there is lack of feedback from peers and subordinates.(Macky& Johnson, 2000) pressed that the importance of performance management system is on continuously improving organizational performance, and this is achieved by improved individual employee performance.

As a result, enhancing employee performance through the use of a performance management system is one strategy to improve organizational performance. Because banking sector occupies a significant position in the global economy and the banking business plays a big role in the world economy, the need to focus more on performance management system in the banking industry helps also other industries.

1.3 Research questions

Given the significance of an employee performance management system and the aforementioned gap in the bank, the primary goal of the research was to answer the following questions.

1. How is the performance management system of NIB International bank mainly focusing on performance planning, execution, assessment and review?
2. What is the purpose of feedback for employees' performance management system in NIB International bank?
3. How performance assessments implemented in performance management system of NIB International bank?
4. What look like employees participation in the entire system?

1.4 Objective of the study

1.4.1 General objective

The general objective of the study was to assess employee performance management system of NIB International bank.

1.4.2 Specific objective

The specific objectives of the study were:

- To explore employee's performance management system of NIB International bank.
- To examine whether managers provide necessary feedback at review for employees in performance management system
- To investigate employee participation within performance management system.
- To assess the assessment phase of employee performance management on the bank.

1.5 Research Hypothesis

H₀: there is a no significant impact of performance planning on performance management system.

H₁: there is a significant impact of performance review on performance management system.

H₂: there is a significant impact of performance execution on performance management system.

H₃: there is a significant impact of employee participation on performance management system.

H₄: there is a significant impact of performance assessment on performance management system.

1.6 Significance of the study

The finding of this study would provide important information for the different types of banks, academicians and also NIB International Bank management in particular, since this study had anticipated assessing the performance management practice in NIB International Bank it would also provide possible recommendations to the organization in an effort to conduct effective performance management practices.

In addition, it is also assumed that it would provide the organization to know its strengths and weaknesses to see any performance management policy and procedures change needed and review the execution of performance management practices. The result of the proposed research would make a contribution to previous literatures in this topic and can serve as additional source of reference and would improve customer satisfaction by improving employees' performance. Moreover, it would serve as a stepping stone for those researchers who are interested to conduct advanced research works in the field under consideration and would assist the bank in taking necessary steps, if any, to reinforce its efforts to create a solid performance culture and to introduce new directives as needed.

1.7 Scope of the study

This study was limited to assessing the employee performance management system of NIB International Bank of Ethiopia. The research was conducted on permanent clerical of the bank in fifteen branches which are located in Addis Ababa only. The researcher addressed fifteen branches from the four districts under Addis Ababa city branches. The reason why the study used this scope because they are manageable by researcher capacity, respondents are relatively homogeneous in knowledge of the job, work environment, training availability etc. Due to these and other reasons the respondents answer was not bias significantly.

On the other hand, because of the scope, the study findings represent only Addis Ababa branches even though, as it is well known NIB International Bank has many branches in different area throughout the country. Meanwhile the study excluded employees working in head office and other sub system because their nature of work different from branch. NIB International bank in Addis Ababa classifies all branches in to 4 districts based on geographical area which are North East , Central, North West and South East (list of district managers and telephone address).This study used the time frame form November 1- May 31 2022 for the assessment of Employee Performance Management Practice in NIB International bank.

1.8 Limitations of the Study

In our country's organization context specifically in the NIB International Bank of Ethiopia much is not done on this topic. Since performance management system is the recent issue in the NIB Bank, it is very difficult to get compiled data. The study also focused on performance planning, assessment, execution, review, employee participation and problems encountered. Yet, these are not the only components of performance management system which makes the study limited to some elements of the total system. Because of these limitations the researcher is forced to limit the size of sample selected. The study was conducted in branches situated in Addis Ababa and this may affect the generalizability of the finding to the entire organization. Lack of willingness among the respondents to fill out questionnaires with due care, return them on time were some of the limitations that the study faced while collecting the data from the respondents.

1.9 Organization of the study

This study was organized in to five major chapters. The first chapter deals with introductory part which consists of background of the study, statement of the problem, research objective, scope, limitation, term definition and significance of the study. The second chapter contains review of related literatures including conceptual framework for the analysis. The methodology for Assessment of Performance Management Practice in NIB International Bank presents in the Chapter three. Afterward, Chapter four focused on the results of analysis and discusses the findings. Finally, Chapter five provide summary of major findings, conclusions, recommendations and suggestions for further research.

1.10 Definition of terms

Performance management: - can be defined as a systematic system for improving organizational performance by developing the performance of individuals and teams (Armstrong, 2006).

Performance management system: - is an on-going system that includes setting and aligning goals, coaching and developing employees, providing informal and formal feedback to performance linked to recognition and rewards (Aguinis, 2009).

Alignment of Performance management system with business strategy: Refers the proper positioning of Performance management system with organizations business strategy. A strategy is an integrated and coordinated set of commitments and actions designed to exploit core competencies and gain a competitive advantage (Cleveland & Murphy, 1998).

Performance Planning: - a stage in which stage the goal for employees to have a thorough knowledge of the performance management system (Aguinis, 2009).

Performance Execution: - stage of performance management system, the employee strives to produce the results and display the behaviours agreed on earlier as well as to work on development needs (Aguinis, 2009).

Performance Assessment: - After implementing and producing the desired results both employee and manager are responsible in assessing the results with the plan. This also includes an evaluation of the extent to which the goals stated in the development plan have been achieved (Aguinis, 2009).

Performance review: - is a stage that involves the meeting between the employee and the manager to review their assessments (Armstrong, 2006).

Chapter TWO

2. Review of related literature

2.1 Theoretical review

2.1.1 Meaning and definition of performance

Performance can be also defined as a mix of what has to be accomplished and the behaviour that needs to be accomplished. Simply, performance can be regarded as a record of an outcome or accomplishment achieved by a person or a team (Armstrong, 2009). Because they are interconnected, it is reasonable to argue that while managing performance, both inputs (behaviour) and outputs (results) must be taken into account. Based on this fact (Armstrong, 2009) said a more comprehensive view of performance is achieved if it is defined as embracing both behaviour and outcomes.

2.1.2 Meaning and Definition of Performance Management

In today's difficult economic environment, it is important for businesses to succeed and remain competitive in the market place. Performance Management represents a strategically oriented and integrated system enabling a company to be permanently successful and competitive both as a result of permanent improvement of work performance of the organization's employees and as a result of permanent extending and deepening of skills of individuals and team in the organization (Vodak, 2013). So Performance management can be described as a strategic and integrated approach to delivering sustained success to organizations that focuses on performance improvement and employee development.

Performance control is a non-stop method of identifying, measuring and growing overall performance in agencies with the aid of using linking every individual's overall performance and goals to the organization's basic challenge and goals also its a system of enabling people to perform to their full potential with the goal of meeting or exceeding established goals and standards directly related to the goals of an organization (Aguinis, 2011). With reference to the mission and goals Managers must ensure that the performance and results of their employees are aligned with the goals of the organization and give the organization a competitive advantage in the business. Definition shows that there is a direct link between employee performance and organizational goals.

2.1.3 Purposes and aims of performance Management

The purposes for a given performance management system should be determined by considering business needs, organizational culture and the system's integration with other human resource management systems (Pulakos, 2004). Performance management systems can serve the following important purposes (Cleveland & Murghey 1989):- the first one is Strategic, it links the organization's goals with individual goals by supporting behaviours consistent with the achievement of organizational goals. Next one is Administrative; it is a source of useful information for making decisions about employees, including salary adjustments, promotions employee retention or termination, recognition of superior performance, identification of poor performers, layoffs and merit increases.

Following is Communication; it allows employees to be informed about how well they are doing and to receive information on specific areas that may need improvement. Succeeding is Developmental; it includes feedback, which allows managers to coach employees and help them improve performance on an on-going basis. Upcoming there is Organizational Maintenance; it yields information about skills, abilities promotional potential and assignment histories of current employees to be used in workforce planning as well as assessing future training needs and evaluating performance achievements at the organizational level. The last is Documentation; it yields data that can be used to assess the predictive accuracy of newly proposed selection instruments.

The overall aims of performance management is to establish a high performance culture in which individuals and teams take responsibility for the continuous improvement of business system and for their own skills and contributions within a frame work provided by effective leadership (Cleveland & Murghey, 1989). The followings are the summarized aims of performance management: - Enabling, empowering and fulfilling workers to do their best, effectively overseeing execution against concurred accountabilities and goals and the arrangement of personal/individual destinations with department/divisional and corporate plans.

2.1.4 Basic theories contributed to the development of Performance Management System

As cited by Armstrong (2009) the following theories have been identified as the main contributor to the concept of performance management. Stating is Goal theory it highlights four mechanisms that connect goals to performance outcomes:

They direct attention to priorities, they stimulate effort, they challenge people to bring their knowledge and skills to bear to increase their chances of success; and the more challenging the goal, the more people drew on their full repertoire of skills. This theory underpins the emphasis in performance management on setting and agreeing objectives against which performance can be measured and managed (Armstrong 2009). Objectives educate people to realize specific levels of execution, in arrange for them to coordinate and assess their activities; whereas execution input permits the person to track how well he or she has been doing in connection to the objective so that, in the event that essential ,alterations in exertion, heading or conceivably assignment methodologies can be made. Objective hypothesis bolsters the assenting of destinations, criticism and audit perspectives of execution administration.

Control theory; It centres consideration on criticism as implies of forming behaviour. As individuals get input on their behaviour they appreciate the error between what they are doing and what they are anticipated to do and take remedial activity to overcome it. Criticism is recognized as a signify cant portion of execution administration forms. Finally there is Social cognitive theory; which is based on central concept of self-efficacy, this recommends that what individuals accept that they can or cannot do capably impacts on their execution. Developing and strengthening positive self-belief in employees is therefore an important performance management objective (Armstrong2009).

2.1.5 Performance Management System

According to Armstrong (2009) Performance management system refers to a set of interrelated activities and systems that are treated holistically as an integrated and key component of an organization's approach to managing performance through people and developing the skills and capabilities of its human capital, thus enhancing organizational capability and the achievement of sustained competitive advantage.

A typical performance management system, include both development and reward aspects, the main stages of which are: definition of business roles, planning performance, delivering and monitoring performance, and formal performance assessment (D. Torrington, L. Hall, and S. Taylor (2008). They stated that in organizations that take performance management seriously and use the system well, the appraisal system involves four phases namely performance planning, performance execution, performance assessment, and performance review.

2.1.5.1 Performance Planning

At beginning of performance management cycle, it is imperative to go over with employee's execution desires and behaviors. Representatives are anticipated to show the outcomes about what they are anticipated to attain amid coming rating stage. Behavioral and comes about desires ought to be adjusted to the organization's corporate destinations. In fact, if developed and implemented properly, performance management systems drive employees to engage in behaviors and achieve results that facilitate meeting organizational objectives (Smither& London, 2009). Moreover Execution Arranging incorporates the thought of comes about and behavior, as well as a developmental plan. The development plans include a description of areas that need improving of goals to be achieved in each area (Aguinis, 2007).

Performance planning may have the components; the first one is Results, it allude to what ought to be done or the results an employee must create. Comes about should incorporate key accountabilities, or ranges of a work for which the worker is mindful for The results or goals to be achieved by employees should be tied to the organization's strategy and goals (Pulakos, 2004). The second is Behaviors, effective performance management systems provide behavioral standards that describe what is expected of employees in key competency areas (Pulakos, 2004).

A consideration of behaviors includes discussing competencies, which are measurable clusters of knowledge, skills, and attitudes (KSAs) that are critical in determining how results was achieved (Shippmann et al., 2000). Finally Development plan, it usually includes both results and behaviors. Such plans highlight employee's strengths and the areas in need of development, and they provide an action plan to improve in areas of weaknesses and further develop areas of strength (Nickson, 2007). According to Chingos (2002), the development plan should specify three components which are Key action step; Support, resources needed and timetable for action.

2.1.5.2 Performance Execution

Even though both the employees and managers are responsible for performance execution, the burden is on the employee to communicate openly and regularly with the supervisor. Also, the supervisor should observe and document performance, update the employee on any changes in organizational goals, and providing resources so the employee can succeed and continue to be motivated (Aguinis, 2007). According to Smither& London (2009), in this stage the employee strives to produce the results and display the behaviours established earlier as well as to work on development needs.

Based on (Aguinis, 2007), Responsibilities of the supervisor are reviewing the initial list of competencies, goals, objectives, and key job responsibilities, Preparing for a preliminary evaluation of the performance of the employee for the year, Surveying the individual's list of achievements and the self-evaluation, Planning your last evaluation of the employee's execution, Typing in the official execution evaluation utilizing the examination frame, Auditing the examination a long with your supervisor and get concurrence, Deciding any corrections required to the employee's key position duties, objectives, destinations, competencies, and advancing plans for another examination period and Get ready for the execution survey assembly etc.

Employee's duty within the execution evaluation stage are Checking on one's claim in dividable execution over the year, Evaluating execution and achievements against the advancement arrange, Planning a list of achievements and accomplishments and sending it to appraiser, Type in a self-appraisal utilizing the evaluation shape and Considering any corrections required to key obligations, objectives, destinations, competencies, and advancement plans for the following execution survey cycle .etc.

2.1.5.3 Performance Assessment

In the assessment time both the representative and the chief are in charge of assessing the degree to which the specified practices have been shown, and whether the specified comes about have been accomplished. In spite of the fact that numerous sources can be utilized to assemble execution data (for illustration, peers or subordinates), most of the time the coordinate administrator gives the data. Assessment of the degree to which the objectives expressed within the advancement plan have been accomplished is additionally included. It is important that both the employee and the manager take ownership of the assessment system (Smither& London, 2009).

Self-assessment is a system in which individuals review their own performance, using a structured approach, as the basis for discussions with their managers in review meetings (Armstrong, 2006). Self-appraisals can reduce employee's defensiveness during an appraisal meeting and increase the employee's satisfaction with the performance management system, as well as enhance perceptions of accuracy and fairness and therefore acceptance of the system (Shore, Adams, &Tashchian, 1998).

360-feedback is a system that has ended up well known in making a difference worker, especially those in supervisory positions parts, progresses execution by gathering data from distinctive bunches. Especially, data on what execution measurements may well be progressed is accumulated from bosses, peers, clients, and subordinates.

Workers moreover rate themselves on the different execution measurements and compare self - evaluations with the data given by others. A 360 - degree feedback system report usually includes information on dimensions for which there is agreement that more development is needed. This information is used to create a development plan (Morgeson, et.,al 2005).

According to Armstrong (2009), 360 feedback benefits employees to increase self-awareness ,enhanced understanding of behaviors needed to increase individual and organizational performance ,the creation of development activities that are more specific to the employee, increased involvement of employees at all levels in the hierarchy ,and increased devolution of self –development and learning to employees. Nickson (2007) found that banks in their survey used one or more of four approaches, these being management by objective and behaviorally anchored rating scales, narrative and graphic rating scale. Other methods which organizations may use include performance standards and matching performance against job descriptions, rating an employee based on a scale, which may for example range from outstanding to unacceptable and critical incidents.

(Ivancevich&Gluedck, 1989) and (Rao&Rao, 2004) identified common problems encountered during performance assessment which are Regency vs. primacy Error, Regency refers to the proximity or closeness to appraisal period. Primacy is the opposite of Regency. It refers to a situation where an employee’s initial impression influences his/her rater’s appraisal decision irrespective of whether the employee has been able to keep up the initial impression or not.

Leniency error, some raters have a tendency to be liberal in their rating by assigning higher rates consistently. Equally damaging one is assigning consistently low rates. Some evaluate high (positive leniency) and others, low (negative leniency). Halo error, this is the tendency for an evaluator to let the assessment of an individual on one trait influence his or her evaluation of that person on other traits. A person may be good in one trait but is generally rated as overall good. Halo effect takes place when traits are not clearly defined and are unfamiliar. Similarity error, this occurs when evaluator rates others in the same way that the evaluator perceives him or herself. Central tendency errors, unwillingness use extremes of a rating scale and to adequately distinguish among employees being rated. They follow play safe policy because of answerability to management or lack of knowledge about the job and/or the employee rated or the appraiser’s lack of interest in their job. Inflationary pressures, it’s for equality and fear of retribution for low ratings leads to less differentiation among rated employees.

Inappropriate substitutes for performance, effort, enthusiasm, appearance, etc. are less relevant for some jobs than others. Attribution Theory, Evaluations are affected based on whether someone's performance is due to internal factors they can control and external factors which they cannot. If poor performance is attributed to internal control, the judgment is harsher than when it is attributed to external control.

2.1.5.4 Performance review

The performance review stage involves the meeting between the employee and the manager to review their assessments. The appraisal meeting is important because it provides a formal setting in which the employee receives feedback on his or her performance which leads to performance improvement and in the end employee satisfaction with the system. In spite of its importance in performance management, the appraisal meeting is often regarded as the "Achilles" heel* of the entire system" (Chen & Kinshuk, 2008). This is because many managers are uncomfortable giving performance feedback, particularly when performance is deficient. Avoiding giving negative feedback is very dangerous because it conveys the message that mediocrity is acceptable and damages the morale of the top performers (Chen & Kinshuk, 2008). The appraisal discussion focus on what has been done and how, what reward is received or denied as a result, and the goals to be attained before the upcoming review session. In order for the feedback system to be effective, there should be a two way communication system and it must be shared responsibility of both managers and employees.

Effective feedback should be timely, constructive, specific and balanced, and should include both positive and development information based on what the employee did or did not do. Identifying performance measures and criteria for evaluating performance, Collecting factual evidence about performance, The existence of bias on the part of managers, Resolving conflict between reviewers and the people they review; and Defensive behavior exhibited by individuals in response to criticism are the main problems that arise in conducting performance reviews according to Armstrong (2006).

Recognizing what the employee has done well and poorly by referring specific positive and negative behaviors, requesting feedback from your employee about these behaviors, explaining the implications of changing or not changing the behaviors, explaining to the employee how skills used in past achievements can help him or her overcome any current performance problems, agreeing on an action plan and Setting up a meeting to follow up and agree on the behaviors, actions, and attitudes to be evaluated etc.. Are recommendation for conducting effective performance reviews (Grossman and Parkinson; 2002).

2.1.5.5 Employee Participation in Performance Management

Every employee, from the top to the bottom of an organization, is subject to performance management even if this is not necessarily a formal system. Their pay and future is affected by it and in the more formal schemes they take part in formulating performance agreements and measuring and reviewing performance. They may be asked to prepare for review meetings formally or take part in 360-degree assessment schemes. They would participate in objective setting and discussing roles and competence requirements (Armstrong, 2006).

Employee participation is very important element for successful performance evaluation systems. Employees must play key roles, participating in everything from writing job descriptions, to identifying their own goals and standards, to assessing how well they have performed (Grote, 2002). Employee input has a number of positive results. First, it involves employees in the system, enhancing ownership and acceptance. Second, it reminds managers about the results employees have delivered and how they were achieved. Third, employee-generated accomplishments can be included in the formal appraisal, decreasing managers' writing requirements. Fourth, employee input increases communication and understanding.

Managers and employees usually review and discuss the accomplishments before they become part of the appraisal, resulting in fewer disconnects between the manager's and the employee's views of the employee's contributions. Finally, employee accomplishments can be retained and used as input for pay or promotion decisions (Morgeson, et.,al 2005).

2.1.6 Alignment and Integration in Performance Management

One of the most fundamental purposes of performance management is to align individual and organizational objectives. Alignment can be gained through cascading system so that objectives flow down from the top. But it should also be a bottom-up system, individuals and teams being given the chance to prepare their own objectives within the framework provided by the defined overall purpose, strategy and values of the organization. Objectives should be agreed, not set, and this agreement should be reached through the open dialogues that take place between managers and individuals throughout the year (Armstrong, 2006). In developing a performance management system, it is important to ensure that it is aligned with other HR systems in the organization.

This not only ensures that employees are being hired, trained and appraised on a consistent set of critical job requirements, but it also sends a strong message, internally and externally, about what is valued by the organization (Nickson, 2007).

According to Armstrong (2009), Performance Management is integrated in four senses: Vertical integration – linking or aligning business, team and individual objectives, Functional integration – linking functional strategies in different parts of the business, HRM integration – linking different aspects of human resource management, especially organizational development, human capital management, talent management, learning and development, and reward, to achieve a coherent approach to the management and development of people and the integration of individual needs with those of the organization, as far as this is possible.

2.1.7 Management review/Calibration meetings

Management review helps ensure that narrative descriptions match ratings, that ratings are not positively or negatively biased, that evaluation criteria are being applied systematically across supervisors and employees. Often, supervisors in a given unit would meet with their manager to discuss the ratings for all employees and decide on final rank-orderings or groupings of employees for decision-making. A distinct advantage of this type of system is that it tends to ensure distinctions between exceptional, fully successful and less effective performers, and it also tends to result in more systematic, consistent and fair decisions. Factors that would make this system less viable 18 include geographical dispersion and work situations where supervisors and managers may not be familiar with the work of a majority of the employees (Pulakos, 2004).

Therefore, management review is the outline evaluation of whether management systems are performing as intended and producing the desired results as efficiently as possible. It is the on-going due diligence review by management that fills the gap between the implementation of performance management activities and periodic formal results.

2.2 Empirical Review of Literature

In this section empirical evidence supporting the employee performance management system has been presented. However, only few studies are undertaken, of which most of them are not in the public sector. According to Munzhedzi (2011), an organization's performance management system is valuable if the system is well-established, if there is a common understanding between employees and managers, and if the organization's goals are properly cascaded it has a great effect.

He pointed out that performance management plays a major role in both private business and public sector organizations.(Homayounizadpanah and Baqerkord, 2012) and (Kipsegerwo Evans Kibichii, Kimutai Geoffrey Kiptum and Kimani Chege, 2016) this studies mainly focus on the Effects of Performance Management on Employee Productivity, according to them Performance Management system is one of the most positive and essential developments in the domain of management and it has valuable impact on the performance of the organization if it is implemented effectively, it helps in creating a common idea with the intentions and goals of the organization.

Helping each individual employee undertake and know the role play, this studies indicates that performance management has a relationship with employee productivity, because performance appraisal system, employee training and development and reward system which are the components of performance management system was realized to have a significant relationship with the employee productivity. According Tigist (2018) praised on her discovery employee performance Management system carried out at Banks in Ethiopia provided employees with a very good understanding of the bank's strategic goals and unite of work objectives, as well as their expectations and responsibilities and also she added that employees are familiar with the goals, activities, tasks, products, services, and systems of their work. This shows that the bank worked hard to convey the mission and vision, however Tigist (2018) concluded that the requirements were well communicated and that the performance plan was reasonably implemented by the bank, the remaining steps were not fully performed by the bank. Therefore, not all performance management system systems have participated effectively.

According to (zhang, 2012) conducted on the impact of performance management system on employee performance and concluded that setting mission and destinations in arranging execution organize may affect adversely on representative execution. Coaching and communication between representatives and administrators moreover have positive relationship with worker performance. According to (Amber & Mubashir, 2013) conducted on the impact of performance management on the organizational performance: An analytical investigation of the business model of Mc Donalds. The researcher concluded that effectively implemented performance management system have positive relationship with employee performance because it is very important to recommend appropriate training and development session for the below average workers. This help the below average workers to improve their productivity in the long run.

Effectively executed performance management system would give basic data that would permit an organization to form sound choices with respect to their individual's assets. Hence, there should be no room to compromise the use of a well-developed performance management system to achieve the strategic plans of any organization (Prakash&Thembinkosi, 2015). However, according to Diriba (2012), Masresha (2014), who conducted their own study in Ethiopia on the implementation of performance management systems in Banks and other government organizations found plans are not done with the cooperation of workers in spite of the fact that the execution administration framework and the execution assessment frame work isn't based on recorded evidence. However, they have to be contextualize the framework in arrange to form it fit the area circumstance was emphasized and underscored in these ponders.

(Metasebiya Boru Lelissa and Tesfaye Boru Lelissa, 2016) The link between performance management system and employee effectiveness: the case of Ethiopian Banks important aspect drawn from the study were: the system weakness in employee participation and involvement, the banks not well used the result of performance management and a gap in providing feedback to employees about their performance and in coaching them towards better performance result in the future. Powerful communiqué and well-timed comments also are stated as critical success elements as they are normative and assist employees to always enhance their attempt toward attaining their set goals.

As stated by (Armstrong,2009) Performance management is all about communication and feedback, a manager and employee reaches an understanding on what is to be done and how it is to be done, discuss and set a performance standard that strongly linked to the strategic objectives of the organization by which the employee performance would be evaluated, how work is progressing towards the desired results and after effort is expended to accomplish the work, assessing whether the agreed performance has achieved. The common feeling is that the framework ought to be updated to suit the setting of environment and not the current one-size-fit-all approach. The major columns of the framework can be kept up, but the approach to bargain with the particular challenges that relate to a specific organizational environment ought to be considered. Viable communication and opportune criticism are moreover cited as an imperative victory component as they are standardizing and offer assistance workers to persistently make strides their exertion towards accomplishing their set objectives. According to (Liko Tolessa, 2013) on his study reveals that a weak communication and linkage of employee and supervisors, performance management result not well recognized and integrated and training need assessment is not determined based on performance assessment result.

Based on the above and other empirical studies made by different persons in different countries and organization the researcher has got a clear insight about performance management, performance planning, performance alignment ,performance review, performance assessment, performance execution and employee participation and the relation with employee productivity, effectiveness, challenges on its implementation and organizational success .Therefore, the researcher interested to study the Assessment of Employee Performance Management Practice: the case NIB International Bank.

2.3 Conceptual frame work

One of the biggest challenges for any company lies in achieving that desired state in which the entire enterprise is working together to achieve business goals. The fact that both parties are involved in the assessment system provides better information to be used during the review phase (Smither and London, 2009). In other words Armstrong stated that integration should be achieved by ensuring that everyone is aware of corporate, functional and team goals and that objectives they agree for themselves are consistent with those goals and would contribute in specified ways to their achievement (Armstrong 2009).

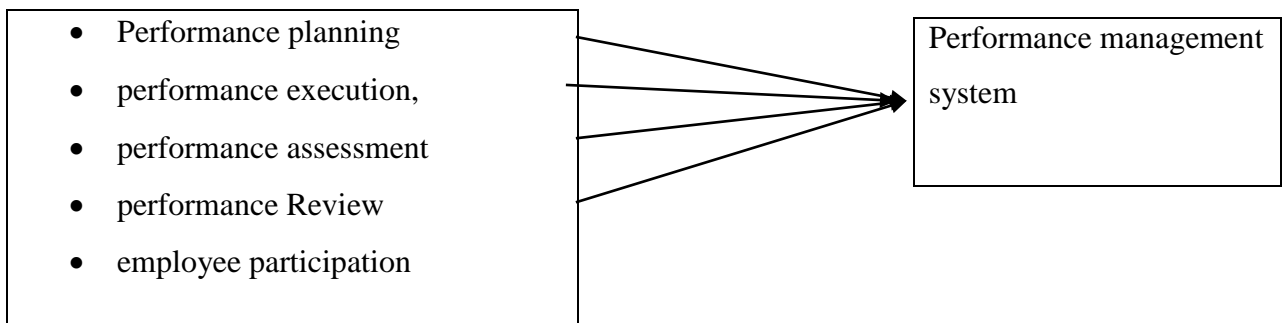
According to (Aguinis 2009) implementing performance management system effectively has many advantages. From the point of view of workers, a great frame work increments inspiration and self-esteem, makes a difference make strides execution, clarifies work assignments and obligations, gives self-insight and improvement openings, and clarifies supervisors'' desires. From the viewpoint of directors, great frame works permit them to pick up understanding around representatives, permit for more reasonable and fitting faculty activities, offer assistance them to communicate organizational objectives more clearly, let them separate great and destitute entertainers, and offer assistance drive organizational alter. According to (Dick Grote 2002) performance management is an on-going system that comprises four phases: Performance planning, performance execution, performance assessment and performance Review. Other classification of phases was also developed by different authors those key performance activities are included in one way or another.

It is stated that performance management is all about communication and feedback: a manager and employee arrive together at an understanding of what work is to be accomplished, how work is progressing toward desired results and finally after effort is expended to accomplish the work, whether the performance has achieved the agreed upon plan. The system recycles when the manager and employee begin planning what work is to be accomplished for the next performance period.

The above paragraph clearly expresses the criticality of employee’s participation. The research tried to assess employee performance management system of NIB International bank emphasizing mainly on Performance planning, performance execution, performance assessment, performance Review and employee participation.

The researcher was able to draw the conceptual framework through referencing the works of (Smither and London, 2009) and (Grote, 2002), (Armstrong, 2009), (Aguinis, 2005) and (Dick Grote, 2002).

Figure 2.3 Conceptual framework



Source: Designed by the researcher

Chapter 3

Research methodology

3.1 Introduction

This chapter presents the research design and methodology. The chapter covers research design, Sampling method and Sampling size determination, data source and collection methods, data collection procedures and data analysis methods.

3.2 Research Approach

The study was aimed at investigating performance management system of NIB International Bank. In order to approach the problems; a researcher has employed both qualitative and quantitative approaches. Therefore, a mixed method was employed for this study purpose. As Creswell (2007) states the central premise of mixed approach is the use of quantitative and qualitative approaches in combination provides a better understanding of research problems than either approaches alone for this study purpose. Therefore, having this knowledge in to account the researcher believed that the study used this approach to meet its objective

3.3 Research Design and Strategy

This study has used descriptive and inferential research design was adopted in conducting this study. The study entails selecting samples to analyse and discover occurrences, qualitatively and quantitatively assess information and make conclusions. A questionnaire and interview was used to collect data from eligible employees. The questionnaire or instrument was consistently used to measure the performance management system with the independent variables. Responses were measured on five point Likert scale with 1= strongly disagree, 2= disagree, 3= no option, 4= agree, and 5 = strongly agree. Response category is: strongly disagree (1.80 or less), disagree (1.81 – 2.60), no neutral (2.61 – 3.4), agree (3.41– 4.2) and strongly agree (4.21 or greater). Both descriptive and inferential type of research design was used to examine the system of performance management in NIB International Bank. C.R. Kothari (2004) identified that to describe the characteristics of a particular Phenomenon, descriptive research is preferable. It is concerned with specific predictions, with narration of facts and characteristics concerning individual, group or situation.

3.4 Population and Study site

Based on NIB International bank Human resource management division (December, 2021 G.C), NIB International Bank of Ethiopia has four districts under Addis Ababa which are north, central, northwest and southeast. Among these districts there are 275 branches and the researcher selected 15 branches. The selection of branches was based on simple random sampling method where each branch has been chosen entirely by chance and each member of this branch has an equal chance of being included in the sample.

The target population of the study was employees of NIB International Bank. From the banks payroll the populations of the study from the selected sites was 249 individuals who are working in this bank in different positions.

Table 3.4 study site and population

District	no	branch	Number of employees
North Addis district	1	Arabsa	14
	2	Hayat Mall	14
	3	72	14
	4	Hayat Arabsa	14
Central Addis district	5	6 kilo	15
	6	Arada	26
	7	4 kilo	28
	8	5 kilo	15
North west district	9	Addis Sefer	15
	10	Saris	15
	11	Lafto	15
	12	Nifas Silk	22
South east district	13	Asko	16
	14	Keta	12
	15	Burayu	14

Source: NIB International Bank Human resource management division (December, 2021 G.C)

3.5 Sampling technique and procedure

The researcher used Yamena Taro (1967) formula to determine the sample size at 95% confidence level, degree of variability = 0.5 and level of precision/sampling error = 5%.

$$n = \frac{N}{1 + N(e^2)} = \frac{249}{1 + 249(0.05)^2} = 154$$

Where; “n” is the sample size, “N” is the population size (249,) and “e” is the level of precision (5%).By using the above formula from the total study population of 249 participants, 154 participants was selected as a sample.

Table 3.5.1 sample size for the study

number	Branch name	Number of employee	Sample
1	Arabsa	14	9
2	Hayat mall	14	9
3	72	14	9
4	Hayat Arabsa	14	9
5	6 kilo	15	9
6	Arada	26	16
7	4 kilo	28	17
8	5kilo	15	9
9	Addis Sefer	15	9
10	Saris	15	9
11	lafto	15	9
12	Nifas Silk	22	14
13	Asko	16	10
14	Keta	12	7
15	Burayu	14	9
Total		249	154

Sample = no of employees from branches /total population*sample size

The researcher created strata's for the purposes of administering questionnaires: managerial and non-managerial. Samples from each stratum was drawn by using the following equation: Stratified random sampling is a sample obtained by separating the population into homogenous groups these are called strata and then select a sample from each stratum using the proportional size of the stratum. A stratified random sampling allows us to take into account the different subgroups of people in the population and helps guarantee that the sample accurately represents the population on specific characteristics. The population of the study was classified as Managerial and non-Managerial staffs.

Samples from each were selected by using the following equation: The list of the respondents was taken from sample frame (payroll) of the bank. Samples from each stratum were selected by using the following equation.

Table 3.5.2 managerial Sample Size for the Study

Stratum	Sample Size	Total Population
Managerial	10	17
Non Managerial	144	232
Total	154	249

Source: NIB International bank Human resource management division (December, 2021G.C)

3.6 Data gathering instruments/tools

In order to gather data from relevant sources, both primary and secondary data collection instruments were used. Primary data was conducted in the form of questionnaire and interviews with employees and managers respectively. Whereas secondary data was collected from written documents on Performance management, different books, journal articles, procedures and reports. The information that was obtained by using both instruments was integrated during data presentation and analysis phase.

Questionnaire is a research instrument consisting of a series of questions for the purpose of gathering information from respondents. It has advantages over some other types of surveys in that it is cheap, do not require as much effort from the respondent and often have standardized answers that make it simple to compile data. Most of the questions in the questionnaire was developed from the review of related literature and was adapted to the current study. The questionnaire had two parts the first part deals with the personal information of the respondents and the second part of the questionnaire deals performance management practice of the case organization particularly categorized as alignment, planning, assessment, execution and review practices.

Interview was the other type of data collection instrument used in the study. This help the researcher to get reliable information from the target population on how they feel and think about issues. Consequently, the purpose of the interview was to substantiate the results obtained from the questionnaire there by to get a greater depth of information. The interview questions was prepared in a semi structured type consisting total of 12 questions to be asked to management members of the selected branches of NIB International bank.

3.7 Test of the Soundness of the Measurement

As (Kothari, 2004) stated, a sound measurement must meet the test of validity and reliability, both of them should be used in evaluating a measurement to in this study.

3.7.1 Validity

Validity refers to the extent to which a test measures what we actually wish to measure (Kothari, 2004). It involves the degree to which you are measuring what you are supposed to, more simply, the accuracy of your measurement. It is believed that validity is more important than reliability because if an instrument does not accurately measure what it is supposed to, there is no reason to use it even if it measures consistently. To check the validity the initial questionnaire was given to a group of referees to judge its validity according to its content, clearness of its meaning, appropriateness to avoid any misunderstanding and to assure its linkage with the study objectives. First, the researcher examined that the underling theory of the study has a strong conceptual basis and be based on well-validated constructs. Consulting subject matter experts in the area like research advisor and feedback was collected from the selected groups by the sample of questionnaire distributed to check the validity.

3.7.2 Reliability

Reliability has to do with the accuracy and precision of a measurement procedure (Kothari, 2004). Reliability estimates the Consistency of the measurement or more simply, the degree to which an instrument measures the way each times it is used under the same conditions with the same subjects. To maximize the reliability of the questionnaire the researcher conducted on initial 30 staffs from the selected branches of NIB intentional bank. To measure the reliability of the constructs the researcher conducted internal consistency reliability using Cronbach alpha. So when $\alpha \geq 0.9$ the internal consistency is excellent, $0.9 > \alpha \geq 0.8$ means good, $0.8 > \alpha \geq 0.7$ means acceptable $0.7 > \alpha \geq 0.6$ means questionable and $0.5 > \alpha$ means unacceptable so the result on the table below shows that the α valves of all factors is greater than 0.5 which implies there internal consistency is well acceptable

Table 3.7.2 Cronbach's Alpha

Factors	Cronbach's Alpha	No of Items
Alignment	.765	3
Performance planning	.798	10
Performance execution	.887	5
Performance Assessment	.828	9
Performance Review	.909	8
Purposes of performance management	.882	6
Total	5.069	41

3.8 Data Analysis Techniques

After the primary and secondary data gathering procedures complete, the collected data was checked through different phases (editing, coding, data entry and data analysis), data was analyzed by using descriptive and inferential analysis method with the help of SPSS (Statistical Packages for the Social Scientist) which was set at the 0.05 significance level.

3.9 Ethical Consideration

This research attempted to obtain informed consent from the respondents prior to undertaking to collect field data. Research objectives were explained and communicated to the respondents in order to request their informed consent. High level of confidentiality on the information was provided by respondents through questionnaires were maintained.

CHAPTER FOUR

DATA ANALYSES, INTERPRETATION AND DISCUSSION

4. Introduction

The following information has been gathered to provide adequate data analysis, which was received from individual respondents at NIB International Bank. This chapter consists of quantitative and qualitative analyses by utilizing information, which were, gathered from the general information and the basic information by well-designed questionnaires and interviews. Consequently 154 questionnaires have been distributed and 135(87.7%) employees filled the questionnaires properly and return them on time and the remaining 19 (12.3%) questionnaires discarded for their incompleteness. The data obtained from the completed and returned questionnaires is summarized and narrated here below.

4.1 Demographic Characteristics of the Respondents

Table 4.1 percentage and frequency distribution of demographic characteristic

item	Categories	Frequency	%
Gender of Respondents	Male	39	28.9
	Female	96	71.1
	Total	135	100.0
Age of Respondents	18-25 years	47	34.8
	26-33 years	62	45.9
	34-41 years	26	19.3
	Above 41 years	-	-
	Total	135	100.0
Marital Status Of Respondents	Married	67	49.6
	Divorced	7	5.2
	Single	58	43.0
	Widowed	3	2.2
	Total	135	100.0
Work experience of the respondents	Less than 1 year	45	33.3
	1-5 years	65	48.1
	5-10 years	19	14.1
	10-15 years	6	4.4
	Greater than 15 years	-	-
	Total	135	100.0
Education Level of Respondents	Diploma	11	8.1
	BA (BSC)degree	94	69.6
	MA (MSC)degree	22	16.3
	PHD	8	5.9
	Total	135	100.0
(Source: Questionnaire, 2022)			

In this section, the general background of respondents of the study is summarized by focusing on their gender, educational status, and year of service, age and marital status of respondents. As depicted in Table 4.1 28.9 % (n=39) are males and 71.1 % (n=96) of employees participated in the study are female employees, therefore majority of the respondents are female which indicates that male professional employees are dominated by female in NIB International Bank.

on the basis of educational qualification, 8.1% (n=11) are college Diploma holders, 69.6%(n=94) are BA/BSc holders, 16.3%(n=22) are MA holders and finally 5.9%(n=8) are PHD holders, based on this data majority of the respondents are BA/BSc holders, therefore majority of the respondents can easily understand about employee performance management and fill the questionnaire as desired by the researcher.

Based on the year of service in the bank 48.1%(n=65) respondents have served the bank between 1 to 5 years,14.1%(n=19) between 5 to 10 years and 4.4%(n=6) respondents have served between 10 to 15 years, so based on the data most of the respondents have work experience between 1 to 5 years. It is the researcher believes that these combinations of the respondents were good enough in finding the accurate information because the majority of respondents have up to five years of experience in NIB bank.

This study is represented by those who are qualified in understanding the questionnaire as well as the subject matter, most of them are at their younger age which helps them to respond their true feeling without fear of losing their job and those who have an experience of more than one years in NIB bank, Again this helps them to understand the practice of performance management system which was implemented in NIB bank. The researcher belief that the study is well represented by the respondents which helps to get the opinion of all which assures the accurate data have been secured from the respondents of the sample size.34.8%(n=47) of respondents are in age group of 18 to 25 years, 45.9%(n=62) are in age group of 26 to 33 years, 19.3%(n=26) are in age group of 34 to 42,so based on the gathered data most of the respondents age is between 26 to 33.

From this we can say that 45.9% and more of the questioners are filled with more younger, energetic and productive Manpower that can be able to transform the mission and vision of the organization into reality. Based on the marital status of respondents 49.6%(n=67) are married,5.2%(n=7) are divorced,43%(n=58) are single and 2.2%(n=3) are widowed. We can conclude that most of respondents of NIB International Bank are married.

4.2 Descriptive analysis of Performance Management system of NIB International Bank of Ethiopia

As indicated in the preceding chapter, the practice of performance management of NIB International Bank of Ethiopia has been assessed in terms of the specific practices of planning, execution, assessment, review. For the purpose of reporting the findings the values of strongly agree and agree were added up to represent employees agreement for the statement and the values of strongly disagree and disagree together represent employees disagreement. More over mean scores were also calculated, in this case for the purpose of interpretation the translation of level ranking is analysed based on the following criteria designed by Rensis Likert (1976); agreement level 1.00-1.80 means strongly disagree, agreement level 1.81-2.60 means disagree, agreement level 2.61-3.40 means neutral and agreement level 3.41-4.20 means agree. The data collected thus from the selected respondents has been analysed and discussed below.

Table 4.2.1 Alignment Factors

no	items	M	S.D
1	I am aware of corporate, functional and team goals of the bank and that the objectives	2.81	1.509
2	Performance Objectives of my department are aligned with the banks' goals.	3.16	1.517
3	I know how my individual objectives support the overall organizations strategic goals and objectives.	2.51	1.398
Grand mean		2.62	

(Source: Questionnaire, 2022)

The above table was regarding alignment where related variables are analysed. Goals have been considered important as expressions of organizational values that can stimulate and generally orient employees to the organization's mission (Armstrong, 2009). Researchers also address that clarification of goals for individuals and work groups can improve efficiency and productivity (Armstrong, 2009).

On item number one table 1, when asked about their awareness of corporate, functional and team goals of the bank and that the objectives the mean value of 2.81 and standard deviation 1.509 shows that average employees determine their course of action to help the bank achieve its goals and also day to day operational tasks which is a one of the prerequisites for the bank to make its employees more focused on its key activates.

Asking about wither the banks strategic goals and objectives are aligned with the performance objectives of their department the mean value of 3.16 and the standard deviation of 1.517 indicts that average employs performance objective of their departments are aligned with the banks goals which would improve efficiency, delivery and effectiveness and inherently improves employees respect for managers as well.

The third item on the table asked whether employees are aware that there individual objectives supports overall objectives, most respondents had negative response which is indicated by mean value of 2.51 and 1.398 standard deviation. Individual of ultimate fundamental purposes of performance administration search out join individual and organizational goals through overflowing system. This wealth that entirety people do working leads to effects that further the realization of administrative goals. In the dearth of clearly joined goals, private goals grant permission preside over administrative goals at which point case organizational output would be unfavourably affected.

During the interview regarding the practice of alignment in NIB International Bank manager said that they don't have fair knowledge of the banks vision and mission. Because use different mechanism to notify vision, mission and strategic objectives but most uses oral communications so this lets not the staffs to fully aware of banks visions, missions and strategic objectives but formally the bank prints manuals regarding those issues but staffs lacks habits of reading those procedures and manuals.

Table 4.2.2 performance planning

no	items	M	S.D	no	items	M	S.D
1	My department goals are SMART(Specific, Measurable, Attainable ,Realistic and Time bounded) and Challenging	3.22	1.090	6	On the development plan meeting, my supervisor and I discuss both on my strength and areas which I need to improve in and we set goals to achieve in each area	2.5	1.35
2	The system and objectives of performance management are described clearly to me	2.55	1.214	7	I get rewarded (Bones/benefits) for accomplishing my development plan objectives.	2.5	1.28

3	In the bank goal setting system is carried out jointly by the employees and their immediate supervisor	2.53	1.309	8	My superiors use the previous performance assessment to set current goals	2.77	1.47
4	My supervisor gives me a chance to participate in performance planning (agreeing on results and behaviours)	2.46	1.292	9	Supervisors have the required skill and attitude during performance planning	2.47	1.33
5	My departments performance plan indicates success criteria (how the individual and the manager would know that the desired results have been achieved)/KPI/	2.77	1.445	Grand mean		2.64	

(Source: Questionnaire, 2022)

On item 1, participants were asked if their department's goals are SMART and challenging and mean result 3.2 and standard variation results 1.090 showed that majority of them understanding about what SMART and challenging goals are and whether the bank has it or not. Aguinis (2007) recommends that, almost challenging aims are necessary to excite extreme standards of depiction. Goals shouldn't be inaccessible but have moderate level of challenge. From this it can be inferred that having SMART and challenging objectives are very mandatory for the achievement of organizational objective if not alternatively achieved well the performance administration whole would face difficulties in falling in a rush it efficiently.

As shown on the table in item no. 2, the mean value for 2.55 describes their disagreement of participants that the system and objectives of performance management are described to them clearly. This means that the goals of acting administration are not well written in the bank. But for the bank to use system which controls organization as a persuasive method of managing conduct operators must see accomplishment administration whole or else they would not see some significance in it and would not display some sense of takeover to efficiently implement the system.

On item number 3 the mean value of 2.53 and standard deviation 1.309 shows that most respondents claim that their superior do not encourage them to participate on goal setting system. According to Armstrong (2009) one of the acceptances of goals is achieved by encouraging employees to participate in the goal setting system.

Participation in aim scene improves acting because it provides the representative accompanying an increased understanding of anticipations and planning for goal talent. However NIB International Bank apparently has trouble at this part of the system. In item 4 respondents were asked if they are given a chance to participate in the performance planning system, the lower mean value of 2.46 and standard deviation 1.292 of employees clearly shows the absence of participation in performance planning. According to Armstrong (2009) performance preparation focuses on what has expected accomplished, how it endure be finished and what is to be reached. But it is evenly regard developing population meal bureaucracy to determine and providing them accompanying the support they need commotion well, immediately and from now on. The foundation for accomplishment management is determined for one performance compromise, which is the outcome of depiction preparation. Performance should carry out as one by the supervisor and the individual.

In discussing the contents of the goals and the alignment of the performance plans with the key success criteria, some of the study participants reported as the performance plan of their department do not contain success criteria while some reported as their individual plans contain success criteria. In this regard item 5 revealed that the mean value of 2.7 and standard deviation of 1.445 so it partially allows the bank to focus on increasing its capabilities to meet these critical success factors and Active act administration programs concede possibility assist in the establishment of key result signs. This is because they are the footing of accomplishment listening and calculation system.

As indicated in the item no 6 on the above table concerning the development plan meeting with superiors above average shown by the mean value 2.50 and standard deviation 1.349 reported that they don't get the chance to discuss both strengths and weaknesses and set goals in each area. This implies that only few people have a chance to discuss about their development plan. Development plan should include identifying areas that need improvement and setting goals in each area Aguinis (2007). The incident plan records the conduct consented to improve act and to cultivate information, abilities and facilities with the support of their managers and the institution. In addition to the one of the elementary aims for building conduct administration system in the arranging is for enlightening purpose.

For item number 7; the mean value of 2.5 and the standard deviation 1.280 implied that the respondents answered they don't get rewarded bones /benefits for accomplishing their development plan objectives and this result shows that getting rewarded for accomplishing development plan objectives is Minimal.

Based on Aguinis (2007) it's generally agreed that reward system influence job effort and performance, following expectancy theory employee's effort and performance would be expected to increase when that felt that rewards were contingent upon good performance hence, reward system serve a very basic motivational function.

When asked about if the supervisors use previous performance assessments to set current goals on item 8, the mean value of 2.7 and the standard deviation of 1.471 implied the participant remained neutral this implies if the Performance management system is done effectively by using the insights and information gained by previous period new goals are set. However, the result shows shortcomings in this area.

On item 9 of the above table for the statement, managers have the required skill and attitude during performance planning the mean value for 2.474 and standard deviation 1.337 showed that most employees disagree with the statement. As Armstrong (2009) stated an important consideration in designing and operating performance management is how to gain the commitment of line managers and ensure that they have the skills required. At the preparation and conduct agreement stage they have the maturity of be agreeable or suitable with group appendages their functions, goals and accomplishment bettering and personal incident plans.

However, the results implicates that bank Managers are not skilled enough to truly conduct Performance planning. In the interview session the manager said that although performance planning is a very significant requirement in the performance management system of NIB International bank their performance management system is extracted performance which means matching other banks and culture also related to formal performance management the bank do not make constant meeting and conference.

In the interview session also said that although performance planning is a very significant requirement in the performance management system of NIB bank in paper, in the actual practice there is no monitoring mechanism to oversee the implementation .After communication of corporate missions and visions the rest of the responsibilities such us making specific plans ,setting specific goals and encouraging their staff to set theirs and discuss and agree on expected results and behaviours are must be on the hands of managers.

Table 4.2.3 performance execution

no	items	M	S.D
1	I get positive ,constructive and negative feedback on my performance in a continuous basis	2.47	1.298
2	The constructive feedback I get from my supervisor is based on my performance gaps to point the way to further development	2.46	1.359
3	My supervisor gives me feedback on progression toward goals in terms of results, events, critical Incidents and significant behaviours.	2.55	1.337
4	I have the opportunity to discuss my opinions to my supervisor freely in the execution period	2.64	1.385
5	My supervisor has the skills and attitude required for managing performance throughout the year by monitoring performance against the plan providing feedback and coaching as necessary	2.65	1.389
Grand mean		2.55	

(Source: Questionnaire, 2022)

It is stated in the bank’s policy that all the system and stages of performance management must be practiced. But there are problems in their application for example in the qualitative data the assistant manager said that even though it is stated that on-going feedback regarding employee performance mandatory the practice is not prevalent and there is no controlling mechanism.

The managers also need to give continuous feedback and guidance on their employee’s performance so that they can go towards their objective. Major responsibilities of managers are observation of their employee performance documentation and coaching.

On the first item of the table4.3.2 asked the participants if they receive positive, constructive and negative feedback in a continuous basis. In this respect the, the vast Majority of participants disagreed; with lower mean value of 2.47 and standard deviation 1.298 the result clearly indicates a negative response. It’s in the literature that employees should receive regular feedback on results and performance throughout the year an on-going basis to inform them of their quality of performance. Nevertheless the result displays considerable gap in this element.

The above table item number 2 employees were asked if constructive feedback based on performance gap to further development is practiced in performance execution but the vast majority of them disagreed with the statement which is implied by the mean value of 2.46 further describes the statement. This result indicates that when constructive feedback is given it is not based on performance gaps so continuous follow up on progress by giving positive, negative and constructive feedback and performance development is minimal.

On item number 3 of the above table employees were asked if feedback was given on progression towards goals in terms of results, events, critical incidents and significant behaviours, the mean value 2.55 and standard deviation 1.337 indicates larger part of respondents answered they did not have any discourse with bosses after execution appraisal was made, but examination assembly is critical since it gives a formal setting in which the representative gets input on his/ her execution and he/she can adjust his/her execution insufficiency.

Regarding item number 4 it can be seen from the above table that the mean value 2.64 describes that statement as neutral which means even if negative responses are greater than the positive ones significant difference is not seen but literary works clearly shows that amid execution period talk must be carried out between worker and administrator this make representative more committed and sure on his/her commitment. From the interview of the assistant manager ones employees makes a significant mistake there assistant manager can talk over with the employee regarding it and there mistake are going to be recorded to use later within the assessment phase.

On the last item on the above table, for the statement asking if the supervisor has the skills and attitude required in the execution system the result shows the mean value of 2.6 and standard deviation of 1.33 which indicates that most bosses lack abilities in performing tasks like listening efficiency against the plan, providing response and instructing as inevitable which must be exhausted the depiction killing system.

During the interview the killing of depiction management individual reason for the lack of on-going response/ ideas/ are that managers are reluctant to present helpful and negative response and because usually assistants don't be going to find out about their weaknesses and they take watchful when accused them what in proper sequence interrupts whole atmosphere.

Table 4.2.4 performance assessment

no	items	M	S.	n	items	M	SD
1	The criteria's for evaluation is based on observable and measurable characteristics of behaviour of the employee	2.63	1.4	6	My supervisor evaluates me in comparison with other Individuals rather than against the standards of my respective job.	2.40	1.1
2	My performance is measured based on agreement of results and behaviours reached with my Supervisor	2.58	1.3	7	My supervisor follows inappropriate generalization from one aspect of performance to all areas of my performance	3.4	1.5
3	My performance assessment covers those issues which are very important in performing my job	3.38	1.3	8	My supervisor rates me in the middle of the scale even when my performance clearly warrants a substantially higher or lower rating	3.4	1.3
4	I evaluate myself by filling out self-assessment forms	3.46	1.4	9	Minor events that have happened recently have more influence on the rating than major events of many months ago	3.5	1.4
5	Many sources are used to collect performance information(for example, peers ,subordinate and customers/360 feedback/	3.47	1.3	Grand mean		3.16	

(Source: Questionnaire, 2022)

The above table indicates the frequency distribution of respondent's answers regarding the issues of performance assessments. The first item asked the respondents if they believed that the criteria's for evaluation is based on observable and measurable characteristics of behaviour of the employee and the mean value 2.6 and standard deviation 1.4 showed that almost above average agreed with the premise formally labelled criteria determine and tests based on apparent and measurable traits determine greater impartiality and are more inclined reward performance alternatively being seen as favouritism still, the same results indicates skilled is gap circumference.

On item two on the above table the value of the mean 2.58 and standard deviation 1.335 indicates that most employees feel that their performances are not measured based on agreed behaviours and results by both sides. However from the literatures states that if two together of authority haven't had significant talk about what proper in agreements of results and behaviours it would be troublesome for the manager to doubtlessly and moral evaluate the in what way or manner well the individual has acted the task Jobs mainly have more than individual task criterion or measure; few criteria ability have more significance than others to the institution. When weighing performance, it is must that appropriate criteria be second-hand which devote effort to something important facets of attendant's jobs that can be connected to the employs task writing. Additionally when asked on item three, the mean result and standard deviation 3.3 and 1.3 respectively indicated the agreement on the question that performance assessment covers those issues which are very important in performing the task at hand which would motivate the employees to achieve the banks objective by performing the task at hand.

Moreover, on z above table item number 4 the mean value of 3.46 with a standard deviation 1.444 described that the employees who participated in the study agreed that they evaluate themselves by filling out self-assessment forms. Smither& London (2009) stated the importance of self-assessment by stating that the manager fills out his or her appraisal form, and the employee should also fill out his or her form which would provide good information to be used in the review phase. It can be concluded from the above result that there is no gap in this issue. Again on item 5 the mean value of 3.47 and standard deviation of 1.348 showed that many sources are used to collect performance information such as peers, subordinates and customers. In the interview session the assistant Manager said that peer appraisals are used but mainly, they use customer feedback. It is important that both the employee and the manager take ownership of the assessment system (Smither& London, 2009).

On the 6th item of the above table employees replied supervisors do commit central tendency error where the supervisor rates them in the middle of the scale even when their performance clearly warrants a substantially higher or lower rating which is described with a mean value 2.40 And standard deviation of 1.192. This would lead to inappropriate feed back to the employees both with higher and lower rated scale. On item 7 the mean value of 3.44 and standard deviation 1.509 employees claimed that their supervisor evaluates them in comparison with other individuals rather than against the standards of their respective job.

Regarding halo error on item 8 the respondents were asked if supervisor follows inappropriate generalization from one aspect of performance to all areas of employees performance the mean value of 3.4 and standard deviation 1.3 indicates the agreement on their supervisors rating them in the middle of the scale even when there performance clearly warrants a substantially higher or lower rating. On the last item of the above table majority of the respondents i.e. the mean value of 3.50 further indicated that regency error is committed which implied that minor events that have happened recently have more influence on the rating than major events many months ago so feedback and assessment must be given in every minors events.

Table 4.2.5 Performance Review (Source: Questionnaire, 2022)

no	items	M	S.	n	items	M	SD
1	At the review stage my supervisor gives formal feedback on my performance .and we discuss achievements in relation to objectives and performance /development Plans.	3.48	1.2	5	The review system is based on the development and improvement needs.	2.59	1.40
2	My supervisor identifies what I have done well and poorly by citing specific positive and negative behaviours	2.44	1.3	6	We revise and agree on any changes in key result areas, competences and performance measures(standards) if necessary and also agree on performance plan for the next review period	2.49	1.23
3	We identify problems in achieving agreed objectives and establish the reason behind such problems and agree on action plan to overcome them together	2.38	1.2	7	There is provision for appeal in case there is disagreement with supervisor during performance review and the results of assessment can be changed if needed	2.46	1.31
4	I fully participate in the review system because I have an opportunity for frank, open and non-threatening discussions	2.39	1.2	8	Mangers have the right skill and attitude to conduct formal review meetings and provide formal feedback	2.4	1.37
Grand mean				2.58			

Although accomplishment administration is a constant system it is still necessary to have a correct review every now and then yearlong. This supports a focal point for the concern of key act and happening issues. The efficiency review stage involves the conference middle from two points the worker and the administrator to review their assessments. This conference is customarily named the judgment gathering or discussion. The estimation gatherings are important because it provides a precise happen that the worker receives response on welcome or there conduct.

On first item on the table above the mean value 3.4 and standard deviation 1.2 indicates that of the respondents believe that there is a formal feedback on employee's performance. The performance management system is placed within the organization to live performance of each worker and to give feedback on employee performance in order that they would continue to figure on their strength and improve their weaknesses and consequently improve overall company performance.

Nonetheless in item 2, mean value 2.44 and standard deviation of 1.3 can be implied that supervisors don't identify good or bad performance by citing specific positive and negative behaviours in reviewing performance. According to (Chen & Kinshuk, 2008) this is because many managers are uncomfortable giving performance feedback, particularly when performance is deficient and avoiding giving negative feedback is very dangerous because it conveys the message that mediocrity is acceptable and damages the morale of the top performers.

According to most respondents with a mean value of 2.3 and standard deviation of 1.2 indicated that participants said performance review system fails to identify problems in achieving agreed objectives and establish the reason behind such problems and agree on action plan to overcome them together. According to Armstrong (2006) the main problem that arise in conducting performance reviews is identifying performance measures and criteria for evaluating performance and fixing two way communication system.

Regarding employee's participation mean value of 2.3 and standard deviation 1.2 indicated that the respondents stated that employees have a little chance to freely discuss and participate in the performance review system because they don't have an opportunity for frank, open and non-threatening discussion. Most respondents included in the study also didn't feel the review system is based on the development and improvement needs of the employee which is indicated by the mean value of 2.5 and standard deviation of 1.4. it also implies that recognizing what employee has done well and poorly by referring positive and negative behaviours and requesting feedback form employee about this development and improvement needed behaviours are not applied but it was necessary for conducting effective performance reviews according to Grossman and Parkinson(2002).

On item number 6 the mean value of 2.4 and the standard deviation of 1.2 tells the disagreement on revising and agreeing on any changes in key result areas, competences and performance measures if necessary and also agreement on performance plan for the next review period. This is mainly because many managers are uncomfortable giving performance feedback, particularly when performance is deficient and avoiding giving negative feedback is very dangerous because it conveys the message that mediocrity is acceptable and damages the moral of the performers (Chen & Kinshuk 2008).

On item seven When employees were asked if the performance review system allows for a chance to appeal in case there is disagreement with supervisor and if unfair assessments can be corrected, on the issue mean value of 2.4 and standard deviation 1.3 definitely indicates that there is ordinarily no hearing action is captured later an employee appeals welcome case, so lack of provision for appeal in case there is disagreement with supervisor during performance review and the result of assessment can be changed if needed.

Also at the last item on the table most respondents with the mean value of 2.40 and standard deviation 1.3 responded that managers lack the right skill and attitude to conduct formal review meetings and provide formal feedback. From the interview with the managers they responded that they have a busy schedule and that they grade different functions therefore giving feedback on staffs day to day performance isn't a giant of a priority for them.

Table 4.2.6 Performance Management purposes

no	items	M	S.D	n	items	M	SD
1	Strategic- Performance Management system of the company links with my personal and organizational goals	3.39	1.3	4	Developmental- Performance Management system of the company gives feedback to improve my performance on-going basis thus allowing for identification of my strengths and weaknesses as well as the causes behind.	2.95	1.16

2	Administrative- Performance Management system of the company is a source of valid information for the basis of decision such as salary adjustment, promotion, demotion and termination	3.16	1.1	5	Organizational Maintenance- PMS of the company yields information about the skills ,abilities ,promotional potential ,and assignment histories of current employees and assess future training needs	2.99	1.08
3	Communication- Performance Management system of the company communicates the organizations and supervisors expectations, the most important aspects of work and specific areas that may need improvement.	3.34	1.3	6	Documentation –yields data for important administrative decisions and litigation. Performance review documents are retained with line managers and individuals in addition to personnel department	2.99	1.06
Grand mean				3.14			

(Source: Questionnaire, 2022)

As shown in the above table, item number 1 most of the respondents believed that bank performance management system is mainly used for strategic, organizational maintenance and documentation purposes. From the mean value of 3.3 and standard deviation 1.3 responded answered that the bank performance management system is used for strategic purpose as in performance management system of the company is linked with their personal and organizational goals. This implies that because Strategic- Performance Management system of the company links with employees personal and organizational goals it would be easy both for the bank and employees to achieve better performance without conflicts.

As shown in the above table, item number 2 mean value 3.1 and standard deviation 1.1 implied that administrative performance management system of the company is a source of valid information for the basis of decision such as salary adjustment, promotion, demotion and termination. The mean vale 3.3 and standard deviation 1.3 on Items number 3 of the above table indicates that most of the respondents agree that supervisor’s expectations, most important aspects of work and specific areas that may need improvement are well communicated with in the organization.

Asking the respondents on item number 4 the mean value 2.9 and standard deviation 1.1 implied that developmental performance management system of the company gives feedback to improve my performance on-going basis thus allowing for identification of my strengths and weakness as well as the cause behind.

According to (Cleveland and murghy 1989) developmental includes feedback, which allows managers to coach employees and help them improve on an on-going basis. Regarding organizational maintenance purpose the mean value 2.9 and standard deviation 1.0 indicated employees included in the study believed the company yields information about the skills, abilities, and promotion, potential and assignment histories of current employees and assess future training needs.

Finally the question on the above table employees responded that the performance review documents are used for congregation of data for important administrative decisions and litigation which indicate that the banks performance management system also serve for documentation purpose as indicated by the mean value of 2.9 and standard deviation of 1.0 Thus, NIB banks performance management system serves mainly for strategic, organizational maintenance and documentation purposes. The result is also supported by the finding of the qualitative data in the interview the assistant manager stated that Purposes of performance management system could be one of the following;

Purposes of the performance management system in NIB International bank are Strategic, in which the financial institution typical desires are connected to departmental and man or woman desires, for Organizational protection in which statistics on destiny schooling desires of the worker is received and documentation but the interview differs from the quantitative findings in that managers stated that overall performance control is Administrative whilst troubles which have essential implication are confronted as with inside the case of body of workers opposition for inner promotion and in the front workplace branch there are monetary incentives and via way of means of Recruit and bosses additionally said that the functions of the overall performance control is simplest in part practiced.

4.3 Pearson's correlation of variables

As shown in table 1 below, the study discovered that all the independent variables that affect the effectiveness of performance management system could have positive correlate with performance management system. These variables were performance planning, performance executions, performance review, employee's participation and performance assessment. This means that any change in any one particular variable affects the effectiveness of performance management system. correlation analysis describes the strength and direction of the relationships between variables, if the value of r which tells us the strength lies between 0.7 to 1 it implies strong 0.3 to 0.7 is moderate and less than 0.3 is week and if the value of r is positive it means they are directly related and if negative it means that they are negatively related (Kraha A, Turner H, Nimon K, Ziente K and Henson R K , 2012).

Table 4.3, correlation coefficients among independent variable

Source: Developed for this study

		PLAN	Review	Execution	Assessment	Employee participation	Performance management system
Planning	Pearson Correlation Sig. (2-tailed) N	1 135	 	 	 	 	
Review	Pearson Correlation Sig. (2-tailed) N	.437** .000 135	1 135	 	 	 	
Execution	Pearson Correlation Sig. (2-tailed) N	.473** .000 135	.449** .000 135	1 135	 	 	
Assessment	Pearson Correlation Sig. (2-tailed) N	.243** .005 135	.168 .052 135	.184* .033 135	1 135	 	
Employee participation	Pearson Correlation Sig. (2-tailed) N	.506** .000 135	.596** .000 135	.433* .000 135	.353* .000 135	1 135	
Performance management system	Pearson Correlation Sig. (2-tailed) N	.307** .000 135	.367** .000 135	.142 .100 135	.491* .000 135	.427** .000 135	1 135

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

*. Correlation is significant at the 0.05 level (2-tailed).

4.3.1 Reporting Pearson correlation

Pearson product correlation of performance planning and performance management system was found to be ($r=.307$, $p<0.05$), where r is actual correlation coefficient shows us the strength of their relationships between the variables and p is the level of significance which is 0.05 so the result implied that the relationship between the stated variable was moderate, positive and statistically significant. This shows that they are directly related, with the effect of change to be moderate in magnitude and it's not a likelihood it was due to chance so the increase in effective performance planning would lead to increase efficiency of performance management system in the bank.

According to (Misgana Adugna, 2018) research done on private banks he concluded that if there is gap on the beginning of the stage in which it is planning there would be inappropriate implementation of other stages. Pearson product correlation of performance execution and performance management system was found to be ($r=.142$, $p>0.05$), where r is actual correlation coefficient shows us the strength of their relationships between the variables and p is the level of significance which is 0.05 so the result implied that the relationship between the stated variable was weak, positive and insignificant so this shows that they are directly related, with the effect of change to be weak in magnitude and it's likelihood was due to chance. Based on research done on private banks by (Misgana Adugna, 2018) This study also tried to reach on conclusion concerning on performance execution many of them agreed on that there is a problem on provision of sufficient resources, provision of feedback, getting support from their supervisors and timely update on organizational goal changes.

Pearson product correlation of employees participation and performance management system was found to be ($r=.427$, $p<0.05$), where r is actual correlation coefficient shows us the strength of their relationships between the variables and p is the level of significance which is 0.05 so the result implied that the relationship between the stated variable was moderate, positive and statistically significant. This shows that they are directly related, with the effect of change to be moderate in magnitude and it's not a likelihood it was due to chance and increase in effective employee's participation would lead to increase of efficiency of performance management system in the bank. Based on other research done on effect of performance management system on the employees' performance of commercial bank of Ethiopia there is a cause and effect relationship between the existing performance management system and the performance of employees (Yohannis Siyoum, 2016).

Pearson product correlation of performance review and performance management system was found to be ($r=.367$, $p<0.05$), where r is actual correlation coefficient shows us the strength of their relationships between the variables and p is the level of significance which is 0.05 so the result implied that the relationship between the stated variable was moderate, positive and statistically significant. This shows that they are directly related, with the effect of change to be moderate in magnitude and it's not a likelihood it was due to chance and increase in effective performance review would lead to increase of efficiency of performance management system in the bank. Based on other research done by (Yohannis Siyoum, 2016) feedback has negative effect on the performance of the organization.

Pearson product correlation of performance assessment and performance management system was found to be ($r=.491$, $p<0.05$), where r is actual correlation coefficient shows us the strength of their relationships between the variables and p is the level of significance which is 0.05 so the result implied that the relationship between the stated variable was moderate, positive and statistically significant. This shows that they are directly related, with the effect of change to be moderate and it's not a likelihood it was due to chance and increase in effective performance assessment would lead to increase of efficiency of performance management system in the bank. According to research done on employees in the Commercial Bank of Ethiopia assessment system helps to improve performance and achieve results of employees which represents that the majority of respondents are neutral that monitoring and evaluation system helps to improve performance and achieve results (Mickias Meaza, 2017).

4.4 Multiple regression analysis and finding

In this subsection, multiple regression analysis was used to determine whether independent variables performance plans, performance review, performance execution, performance assessment and employee participation simultaneously impact the dependent variable performance management system.

Table 4.4.1 Model Summary

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.599 ^a	.359	.334	.73031

a. Predictors : (Constant), employee participation, assessment, executions, planning, review

Table 4.4.1, reports the model of performance management system $R = 0.599$ which indicates the correlation of independent variable and dependent variable $R^2 = 0.359$ which is the square of r and it indicated that 35.9% of the variation in the effectiveness of performance management system can be explained by the perception of performance assessment, performance review, performance execution, and performance planning and employee participation while 64.1 % remains unexplained and demands additional variable and also 0.730 dispersion is witnessed within observed value of regression.

Table 4.4.2 ANOVA^a summary

Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	38.486	5	7.697	14.432	.000 ^b
	Residual	68.802	129	.533		
	Total	107.288	134			

a. Dependent variable: PMS

b. Predictors : (Constant), employee participation, assessment, executions, planning, review

Source: Developed for this study

Table 4.4.2, Reports the summary ANOVA and F statistic which must be greater than 10 in order to have significance, based on the above table result the value of F is 14.432 and significant value is less than 0.05, it's concluded that the mode is acceptable.

Table 4.4.3 Coefficients[']

Model	Unstandardized Coefficients		Standardized Coefficients	t	Sig.
	β	Std. Error	Beta		
(Constant)	.383	.359		1.066	.288
Planning	.123	.109	.098	1.124	.263
Review	.226	.093	.225	2.447	.016
Execution	-.140	.078	-.152	-1.789	.076
Employee participation	.257	.149	.169	1.727	.087
ASSESSMENT	.489	.093	.398	5.244	.000

A. dependent variable: PMS

Source: Developed for this study

The below Table 4.4.3 evaluates and interprets the standardized coefficients of correlation (beta). In estimating the contribution of each independent variable in the study, it was established that only two independent variables significantly contributed in variance of the Performance management system at significance level of 0.05 therefore the regression equation would be:

$$Y = 0.383 + 0.093\text{Planning} + 0.226\text{Review} - 0.140\text{Execution} + 0.257\text{Employee performance} + 0.489\text{Assesment}$$

The hypothesis test H_0 , performance planning don't carries as significant impact on performance management system. The dependent value performance management system was regressed on predicting variable performance planning to test the hypothesis H_0 . ($\beta=.123$, $p>0.05$) indicates that performance planning cannot play a significant role in shaping performance management system. Based on this study planning contribution for the performance management system is insignificant which means they need to these systems referring with another variable instead of planning result clearly direct the less effect of the performance planning. The hypothesis test H_1 performance review carries as significant impact on performance management system. The dependent value performance management system was regressed on predicting variable performance review to test the hypothesis H_2 . Based on this study ($\beta =.226$, $p<0.05$) indicates that performance review can play a significant role in shaping performance management system these result clearly direct the effect of the performance review.

The hypothesis test h_2 performance executions don't carries as significant impact on performance management system. The dependent value performance management system was regressed on predicting variable performance execution to test the hypothesis H_3 . ($\beta = -.140$, $p>0.05$) which indicates that performance execution cannot play a significant role in shaping performance management system, based on this study execution contribution for the performance management system is insignificant which means they need to these systems referring with another variables instead of execution result clearly direct the less effect of the performance execution.

The hypothesis test h_3 employee participation doesn't carries as significant impact on performance management system. The dependent value performance management system was regressed on predicting variable employee participation to test the hypothesis H_4 ($\beta =.257$, $p>0.05$), which indicates that employee participation cannot play a significant role in shaping performance management system. Based on this study employee participation contribution for the performance management system is insignificant which means they need to these systems referring with another variables instead of employee participation result clearly direct the less effect of the employee participation. The hypothesis test h_4 , performance assessment carries as significant impact on performance management system. The dependent value performance management system was regressed on predicting variable performance assessment to test the hypothesis H_4 . Performance assessment predicted performance management system, ($\beta =.489$, <0.05) which indicates that performance assessment can play a significant role in shaping performance management system these result clearly direct the positive effect of the performance assessment.

CHAPTER FIVE

SUMMARY OF FINDINGS, CONCLUSIONS AND RECOMMENDATIONS

Under this chapter summary of the major findings, conclusions and recommendations are forwarded based on the results obtained which are being analysed on chapter four of this study.

5.1 Summary of findings

According to the data analysis presented in the previous chapter, there were positive and negative findings concerning the assessment of employee performance management system in NIB International Bank

- Based on this study concerning with performance planning there is lack of knowledge and communication in performance management system, Superior don't encourage employee to participate on planning system, Managers are not skilled enough to truly conduct performance planning, Performance management system is extracted from other banks and lack of constant meeting and conference. . ($\beta=.123$, $p>0.05$) indicates that performance planning cannot play a significant role in shaping performance management system.
- Based on this study concerning performance review and execution it was found that negative and positive constructive feedback concerning the progress of the performance on timely manner is minimal, Managers lack ability in performing tasks like listening efficiency against the plan and providing response also performance execution cannot play a significant role in shipping performance management system based on the result of multiple regression test.
- This study reviled that on performance assessment stage most staff claimed that there aren't any clear criteria and standard to over that analysis and assessment aren't supported result and behaviour, Performance assessment are given ones a year but self-assessment is well practiced and performance assessment can play a significant role in shaping performance management system and have direct positive effect based on the result of multiple regression test.

- ($\beta = .489, <0.05$) which indicates that performance assessment can play a significant role in shaping performance management system these result clearly direct the positive effect of the performance assessment.
- According to the data analysis presented in the study about performance review managers don't identify good or bad performance by citing specific positive and negative behaviours in reviewing performance, Performance review system fails to identifying problems in achieving agreed objectives and Performance review can play a significant role in shipping performance management system. Based on this study ($\beta = .226, p < 0.05$) indicates that performance review can play a significant role in shaping performance management system these result clearly direct the effect of the performance review.
- This study also revealed that employee have little chance to freely discuss and participate in performance management system and according to correlation test employee participation have direct positive relationship with performance management system. The dependent value performance management system was regressed on predicting variable employee participation to test the hypothesis H4 ($\beta = .257, p > 0.05$), which indicates that employee participation cannot play a significant role in shaping performance management system.

5.2 Conclusion

The general aim of the study was to assess performance management system of NIB International bank. To complete this aim the researcher reviewed literature on the area of performance management system and related areas comprehensively and then conducted a survey with employees of NIB International Bank.

As seen from the responses analysis there is no employee participation in performance planning, we can conclude that it entails the other gaps which employees responded negatively. When there is participation at the very beginning employees would become aware of the other aspects of the system which are very crucial to affect the objectives positively. This study also tried to reach on conclusion concerning on performance execution many of them agreed on that there is a problem on provision of sufficient resources, provision of feedback, getting support from their supervisors and timely update on organizational goal changes. From the findings of the study the researcher concludes that the culture of communication on the day to day activities is weak and discussion also not undertaken between employee and managers after assessment have been done.

Based on the findings of the regression analysis correlation the researcher has concluded that performance assessment and performance review can play a significant role in shaping performance management system these result clearly direct the positive effect of this independent variable and also the performance management system stages from the performance planning stage to execution and final rating and evaluation stages lacked consistency and coherence. Both the system and employee understanding and attitude in implementing the performance management system are not matured.

5.3 Recommendations

Based on the results of the analysis and conclusion mentioned above , the researcher made some recommendations in order to improve NIB banks performance management system and then to achieve the company's goals. Managers and employees must agree on the quality that can be used to evaluate the employee's performance and must agree on the benefit rate if the employee and manager do not discuss the performance standards used to evaluate performance it should create disagreements and conflicts between the individual and their manager.

Involving the accuracy and biasness of performance assessment result the managers are giving an opportunity to the staff themselves to assess their own performance and by gathering necessary data regarding employee performance from totally different sources this is well appreciated and the bank should keep it up. Employee engagement is a very important factor for the success of a performance management system. Therefore, the bank should create a platform through which employees participate in the operational planning system. The act of setting goals together provides a clear direction in the form of focus of attention and increases efforts to reach the goals. In practice, it may be difficult to get all employees involved in the goal-setting system, but at least its needed based on comments, gathering employee feedback on the proposed goal.

During the review period, it is necessary to create an environment that enables two-way communication for reviewing appeals that require corrective action. The quality of the scoring system for good results is the ability to distinguish between high performance performers and poor performance performers. As such, departments are expected to use the system to identify and reward those who perform at acceptable levels of performance, as well as need feedback and coaching to meet the expected performance criteria.

Bank managers got to offer decent resources, timely feedback and support to their workers as while not this provision it's troublesome to attain the goal, objective and methods in any approach as these factors greatly contribute to the general implementation of the individual development company achieve unity, structure goals. and strategies therefor in order to achieve this, supervisors human action overtly with their subordinates, and trailing employees' day-after-day activities would produce the chance to simply determine resource gaps and also the necessary support employees need.

Finally, the results of this study can facilitate the use of explicit metrics, open and honest feedback, system that employees perceive to be fair and ultimately in performance management increase. The performance management system needs clear direction, honest and meaningful feedback. We need to strengthen quickly and honestly, and we need the opportunity for employees to participate in setting performance goals and standards. It is important that the performance management system is consistent and that evaluation results are evaluated, analysed, and reviewed to classify capabilities and development needs across departments. The goal of the performance management system is to enable continuous communication between management and employees regarding job performance and should aim for complete improvement of the entire organization.

5.4 Future Research Directions

- Therefore, this survey adds additional empirical evidence to support the survey of employees' performance management systems, systems, and objectives.
- Given the limitations of this survey at one bank in the bank industry, further research needs to be done at other similar banks. You can also use a variety of mathematical models to conduct future research and collect more detailed primary data for collecting raw data. Other researchers may have a better opportunity to address the same questions or other issues related to performance management system.
- The questionnaire used in this survey can be expanded and modified to explore other survey topics such as feedback, coaching, learning and development planning, and managing the performance of the team.

Appendix

Reference

- Aguinis, H. (2019) Performance management. Hoboken, New Jersey.
- Aguinis, H. (2009), performance Management (2nded). Upper saddle River, NJ:Pearson Prentice Hall.
- Alehegn Ayanaw (2017) Assessment of Performance Management Practices: in Commercial Bank of Ethiopia, Unpublished.
- A. Q. & M. H., 2013. Impact of performance management on the organizational performance: An analytical investigation of the business model of McDonalds. International Journal of Academic Research in Economics and Management Sciences, 2(2226-3624).
- Armstrong M. (2006) Performance Management: key strategic practical guidelines 3rd ed. London and Philadelphia: Kogan Page Ltd.
- Armstrong M. (2006). A handbook of human resource management practice (10 ed.), Kogan Page Publishers
- Armstrong M.(2009)Hand book of Performance Management 4th ed. London, KoganPage limited London and Philadelphia
- Ayandele I. Ayanyinka and Isichei E. Emmanuel. (2013). performance management system and employee's job commitment: the International journal of management Vol: 2/Issue :1
- Cleveland, J. N. & Murphy, R. E., 1998. Multiple uses of performance appraisal: Prevalence and correlates. Journal of Applied psychology, pp. 130-135.
- Creswell (2007) "Qualitative Inquiry and Research Design: choosing among Five Approaches", Second edition. Sage Publication Ltd
- Diriba, C. (2012). Employees Performance Appraisal Practices and Problems. Unpublished MA Dissertation. Addis Ababa University
- D. Torrington, L. Hall, S. Taylor. (2008). Human Resource Management 7th edn, Pearson Education Limited.
- Geoffrey Marczyk (2005). Essentials of Research Design and Methodology, John Wiley and Sons Inc.
- Gupta, a., 2012. Impact of effectiveness of performance management system on employee satisfaction and commitment. International Journal of Management, IT and Engineering, 2(7), p.

- Homayounizadpanah and Baqerkord (2012) “Effect of Implementing Performance Management on the Productivity, Efficiency and Effectiveness of the Chabahr Municipal Employees” 1767 -1784, Maxwell Scientific Organization
- Jack N. Kondrasuk (2011) So What Would an Ideal Performance Appraisal Look Like? Journal of Applied Business and Economics vol. 12 (1).
- Jane Gibson Likert & Rensis Likert (1976): New Ways of Managing Conflict
- Josef Vodák (2013) Mentoring - Performance Management Tool, Zilina University : With Implications for HRD, Human Resource Development International , Vol. 10, No. 1, 59-73.
- Kipsegerwo Evans Kibichii¹, Dr. Kimutai Geoffrey Kiptum, Prof. Kimani Chege, Eldam A Ravine,
- Kisii Kenya, (2016) “Effects of Performance Management System on Employee Productivity”: A Survey of Commercial Banks in Turkana County, Volume 18, Issue 11. Ver. IV, PP 52-64. University of Sunderland
- Kotari, C. R. (2004). Research Methodology: Methods and Techniques. 2nd edn. New Delhi: New Age International (P) Limited Publishers.
- Kraha A, Turner H, Nimon K, Ziente K and Henson R K , 2012 Tools to support interpreting multiple regression in the face of multicollinearity
- Krishnan R (2013) “Challenges in Implementing a Performance Management System Enterprise Risk
- Kurt, L. (2004). Kurt Lewin and the Planned Approach to Change: A Re-appraisal. Journal of Management Studies, 41: 977–1002.
- Liko Tolessa (2013) MA Dissertation “Practice and challenges of performance management system case of Cooperative bank of Oromia S.C ” Addis Ababa University
- List of district manager and telephone address
- Macky, K. & Johnson, G., 2000. The strategic Management of Human Resource in New Zealand.
- Masresha, M. (2014). Factors Affecting Employee Performance. Unpublished MA dissertation. Addis Ababa University.
- Metasebiya Boru Lelissa and Tesfaye Boru Lelissa (2016) “The Link between Performance Management System and Employee Effectiveness”: The Case of Ethiopian Banks ISSN 2422-846X an International Peer-reviewed Journal Vol.23.

- Mickias Meaza (2017) Effects Of Performance Management System On Employees' Affective Commitment In case Of Commercial Bank Of Ethiopia
- Misgana Adugna (2018) Practices and Challenges of Employee Performance Management :A Case of Selected Private Banks in Ethiopia
- Munzhedzi. M. (2011). "Performance Management System and Improved Productivity A Case Of the Department Of Local Government and Housing in the Limpopo Province. South Africa University.
- Penel Adem (2016) The Assessment of Performance Management Practices: In Berhan International Bank S.C, Unpublished.
- P. S. & T. T., 2015. Effects of Poorly Implemented Performance Management Systems on the Job Behavior and Performance of Employees. International Business & Economics Research Journal, Volume 14.
- Smither and London, (2009). "Performance Management Putting research into action", San Francisco, Jossey-Bass
- Tigist.W. (2018) Assessment of practices and challenges of employee performance management at Commercial bank of Ethiopia, Bishoftu city
- Yamane, T. (1967). Statistics: An Introductory Analysis, 2nd Edition New York: Harper and Row.
- Yohannis Siyoum (2016) The Effect Of Performance Management System On The Employees' Performance Of Commercial Bank Of Ethiopia
- Zhang, Y. Y., 2012. The Impact of Performance Management System on Employee performance.



St. Mary's University
Graduate studies program
Department of Business Administration

Dear Respondents

The research is undertaken as academic requirements of MA degree in Business Administration and the focus of this study is to gain a better understanding of the Assessing performance management system of NIB International Bank. The result of this research can help NIB International Bank to elevate major problems related to performance management. I would like to assure u that your response would be treated as strictly confidential and would be used only for academic purposes i.e. in partial fulfilment of the requirement for MA in Business Administration only .The questionnaire has been designed in such a way, that minimum time is required for the completion. Since successful completion of this study depends on your genuine response, i kindly request your cooperation to try respond to all of the questions included.

Thank you in advance for your cooperation!

Note

- No Need to write your name
- Indicate your answer by making a tick "√" mark for questions with rating scale.

I would like to thank you very much in anticipation for your kind cooperation. If you have any question, please do not hesitate to contact me at (Mobile: 0976044643 or email: yonathantilahunadmassu@gmail.com)

PART 1 (GENERAL INFORMATION)

Please tick "√" in the box that best reflects your level of agreement

1. Your Gender: A. Male B. Female

2. Your age: A.18- 25 years C. 34 - 41 years

B.26 - 33 years D. Above 41 years

3. Your marital status: A. Single B. Married C. Divorced

D. Widowed

4. Your total experience in years: A. Less than 1 Year B.1-5 years

C.5-10 years D.10-15 years . Greater than 15 years

5. Your highest level of education completed A. Diploma B.BA/BSC

C.MA/MSC D.PHD

Part two: opinion survey of the respondents

1. Alignment

	1=strongly disagree , 2=disagree, 3=neither agree nor disagree, 4=agree, 5=strongly agree	1	2	3	4	5
6	I am aware of corporate, functional and team goals of the banks and that the objectives.					
7	Performance Objectives of my department are aligned with the banks goals.					
8	I know how my individual objectives support the overall organizations strategic goals and objectives.					

2. Performance planning

	1=strongly disagree , 2=disagree, 3=neither agree nor disagree, 4=agree, 5=strongly agree	1	2	3	4	5
9	My department goals are SMART (Specific, Measurable, Attainable ,Realistic and Time bounded) and Challenging					
10	The system and objectives of performance management are described clearly to me					
11	In the Banks goal setting system is carried out jointly by the employees and their immediate supervisor					
12	My supervisor gives me a chance to participate in performance planning (agreeing on results and behaviours)					
13	My department 's performance plan indicates success criteria (how the individual and the manager would know that the desired results have been achieved)					
14	On the development plan meeting, my supervisor and I discuss both on my strength and areas which I need to improve in and we set goals to					

	achieve in each area.					
15	I get rewarded (Bones\Benefits) for accomplishing my development plan objectives					
16	My superiors use the previous performance assessments to set current goals					
17	Supervisors have the required skill and attitude during performance planning.					

3. Performance execution

	1=strongly disagree , 2=disagree, 3=neither agree nor disagree, 4=agree, 5=strongly agree	1	2	3	4	5
18	I get positive ,constructive and negative feedback on my performance in a continuous basis					
19	The constructive feedback I get from my supervisor is based on my performance gaps to point the way to further development					
20	My supervisor gives me Feedback on progression toward goals in terms of results, events, critical incidents and significant behaviours					
21	I have the opportunity to give my opinion(feedback) to my supervisor freely					
22	My supervisor has the skills and attitude required for managing performance throughout the year by monitoring performance against the plan ,providing feedback and coaching as necessary					

4. Performance assessment

	1=strongly disagree , 2=disagree, 3=neither agree nor disagree, 4=agree, 5=strongly agree	1	2	3	4	5
23	The criteria's for evaluation is based on observable and measurable characteristics of behaviour of the employee					
24	My performance is measured based on agreement of results and behaviours reached with my Supervisor					
25	My performance assessment covers those issues which are very important in performing my job					
26	I evaluate myself by filling out self-assessment form					
27	Many sources are used to collect performance information(for example, peers ,subordinate and customers/360 feedback/					
28	My supervisor evaluates me in comparison with other individuals rather than against the standards of my respective job.					
29	My supervisor follows inappropriate generalization from one aspect of performance to all areas of my performance					
30	My supervisor rates me in the middle of the scale even when my					

	Performance clearly warrants a substantially higher or lower rating.					
31	Minor events that have happened recently have more influence on the rating than major events of many months ago					

5. Performance review

	1=strongly disagree , 2=disagree, 3=neither agree nor disagree, 4=agree, 5=strongly agree	1	2	3	4	5
32	At the review stage my supervisor gives formal feedback on my performance and we discuss achievements In relation to objectives and performance /development plans.					
33	My supervisor identifies what I have done well and poorly by citing specific positive and negative behaviours					
34	We identify problems in achieving agreed objectives and establish the reason behind such problems and agree on action plan to overcome them together					
35	I fully participate in the review system because I have an opportunity for frank, open and non-threatening discussions					
36	The review system is based on the development and improvement needs.					
37	We revise and agree on any changes in key result areas, competences and performance measures(standards) if necessary and also agree on performance plan for the next review period					
38	There is provision for appeal in case there is disagreement with supervisor during performance review and the results of assessment can be changed if needed					
39	Mangers have the right skill and attitude to conduct formal review meetings and provide formal feedback.					

6. Purpose of performance management

	1=strongly disagree , 2=disagree, 3=neither agree nor disagree, 4=agree, 5=strongly agree	1	2	3	4	5
40	Strategic- Performance Management system of the company links with my personal and organizational goals					
41	Administrative- Performance Management system of the company is a source of valid information for the basis of decision such as salary adjustment, promotion, demotion and termination.					
42	Communication-PMS of the company communicates the organizations and supervisors expectations, the most important aspects of work and specific areas that may need improvement.					
43	Developmental-Performance Management system of the company					

	gives feedback to improve my performance on on-going basis thus allowing for identification of my strengths and weaknesses as well as the causes behind.					
44	Organizational Maintenance- PMS of the company yields information about the skills ,abilities ,promotional potential ,and assignment histories of current employees and assess future training needs					
45	Documentation –yields data for important administrative decisions and litigation. Performance review documents are retained with line managers and individuals in addition to personnel dept.					

STRUCTURED INTERVIEW QUESTIONS

To be answered by those in supervisory position (General Manager and assistant managers).

This interview questions are designed to collect information with respect to performance management system used in NIB International bank. The information shall be used as a primary data in my thesis research titled “performance management system and its application” which I am conducting as a partial fulfilment of my study at St. Mary’s university for completing my MBA program. Your input is required for academic purpose and would be kept confidentially. Therefore, your genuine, honest and prompt response is a valuable input for the quality and successful completion of the study. Thank you, for your kind cooperation, in advance!!!

1. Do you and your subordinates know the organization’s mission, vision and strategic objectives? If yes what mechanisms do you use for notifying? And who is responsible?
2. What are the objectives /purposes of performance Management system of the organization?
3. To what extent is performance management system of NIB International bank meeting its intended purposes?
4. What are the systems of performance managements system of the bank?
5. Do you think that performance management system of the bank incorporates strategic congruence and formal performance management system such as performance planning, continuous performance review, assessment, performance execution?
6. To what extent the strategic goal of the bank is linked with individual performance?
7. How do you communicate the strategic plan of the company with employees?
8. Do u think there is alignment between performance management planning and the bank overall goals?
9. Do staffs participate in performance planning, assessment and review stages?

10. Do you think the performance management system differentiates good and bad performers?
If so what major steps are taken when negative and positive performance is observed?
11. Are management members skilled enough to effectively carry out the performance management system, Does the bank provide them training? If yes when and how?
12. What challenges do you face while implementing the system Specify challenges in?
Alignment, Performance planning stage Performance execution Performance assessment and Performance review stage