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## **Effects of Performance Appraisal Quality on Employee Performance in Homa Construction PLC Company Addis Ababa City Administration, Ethiopia**

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**Abstract:**

**Purpose:** The objective of this study was to examine the effects of performance appraisal quality on employee performance in Homa Construction PLC, Addis Ababa, Ethiopia.

**Design/Methodology/Approach:** The study employed a descriptive research design incorporating both qualitative and quantitative approaches. Stratified random sampling was used to distribute the questionnaire to respondents. Data were collected using both closed- and open-ended self-administered questionnaires, and a total of 200 completed questionnaires were returned. The results were analyzed and interpreted using SPSS software (version 20). Quantitative data were analyzed statistically, while qualitative responses from open-ended questions were interpreted thematically.

**Findings:** The correlation analysis indicated that there are strong, positive, and significant relationships between performance appraisal quality and feedback, feedback and employee performance, and performance appraisal quality and employee performance. Linear regression analysis further revealed that 72.8% of the variance in employee performance can be predicted by the combined effect of performance appraisal quality and its feedback dimensions. Moreover, results from descriptive statistical analysis showed that employee performance was rated low across all attributes.

**Practical Implications:** The findings highlight the unsatisfactory practice of performance appraisals and feedback within most company projects. This underscores the need for improved appraisal systems and feedback mechanisms.

**Originality/Value:** This study provides a broad overview of the topic and serves as a basis for further discussion, critique, and future research.

**Keywords:** Performance appraisal quality, employee performance, feedback, human resource management, construction industry, Ethiopia.

**JEL Classification:** M12, M54, J53, O15, L74.

**Paper type:** Research article.

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## **1. Introduction**

Construction industry is one of the most significant industries with blooming opportunities, being at the same time the largest consumer of the manpower. Manpower contributes workforce solutions and workforce resources for numerous construction companies. As stated by Poovitha, Ambika, and Lavanya, (2018).

Construction industry as an organization itself has an important effect on the performance of an employee in terms of productivity, job knowledge, creative ability and professional attitude. In Ethiopia construction industries are booming due to implementing major infrastructure projects together with many public buildings, commercial buildings, housing development programs etc.

Similarly, Moavenzdadeh (1996) as cited in Mesganaw Ayalew, (2016) states, construction contributes to the basic objectives of development including output generation, employment creation and income generation and re distribution. Construction industry in Ethiopia is a vital element of the economy and has a significant effect on the efficiency and productivity of other industry sectors. The sector also creates huge employment opportunities there by sustaining a very large portion of the entire work force (Mesganaw Ayalew, 2016).

Furthermore, if there is any inefficient and ineffective practice of construction industry, it will adversely affect all other sectors of the economy. According to Harrison (2004) as cited in (Mesganaw Ayalew, 2016), the four critical elements that determine the success or faller of a project are, the structures of the project organization, the methodology used for planning and control the effectiveness of integration and management of human relation problems and conflict resolution mechanisms. Moreover, resources of finance, equipment and machinery that are used in the construction industry are transformed into productive use by the employees.

On the other hand, in order enhance success in construction industry that has effect on other sectors of the economy maximizing its performance might be the main issue of concern needed. Good organization performance refers to the employees' performance (Wahjono, Marina, Perumal, and Wardhana, 2016). According to Morris, Mulwa, and Weru (2017), employee performance is originally what an employee does or does not do. Performance of employees could include quantity of output, quality of output, timeliness of output, presence at work, cooperativeness (Güngör, 2011 as cited in Morris, Mulwa, and Weru, 2017).

Macky and Johnson (2018) pointed out that improved individual employee performance could improve organizational performance as well. Furthermore, Darden and Babin (1994) said employees' performance is a rating system used in many corporations to decide the abilities and output of an employee.

Based on the above sentiment, employee performance can simply be said to be duties expressible in terms of quality or quantity performed by a worker in a given time frame.

For an organization to survive in a turbulent and dynamic global work environment, performance ought to be measured especially in its human resources. Lorna and James, (2014) notes that performance appraisal is one of the most critical functions that brings global success. Performance appraisal systems are designed to serve the company's and employee's interests. They are used to invent the abilities and resources of employees and to let an employee know where he/she stands so that he/she will be stimulated to improve his performance (Kuvaas, 2015).

According to Denisi and Pritchard (2006) as cited in Lorna and James (2014), performance appraisal is a discrete, formal, organizationally sanctioned event, usually not occurring more frequently than once or twice a year, which has clearly stated performance dimensions and/or criteria that are used in the evaluation process.

Cokin (2004) as stated in Lorna and James (2014) argue that performance appraisal system is important for organizations, as it mainly focuses on employees to develop their capabilities. Moreover, it does not only build capacity, but it helps managers with timely predictions and takes actions promptly to uncertain changes.

Assumptions of corporate management show that performance appraisal make people to be really engaged in the business of the organization (Reid and Hubbell, 2005) According to Wanjala and Kimutai (2015) performance appraisal or employee appraisal is a method by which the job performance of an employee is evaluated generally in terms of quality, quantity, cost and time typically by the immediate line manager or supervisor.

This also supported by Fletcher (2011), appraisal is a systematic, periodic and impartial rating of an employee's excellence in matters pertaining to his present job and his potential for a better job. Therefore, performance appraisal is a part of the process of guiding and managing career development in both private and public sectors. It involves the task of obtaining, analyzing and recording information about the relative worth of an employee to the organization.

However, as many studies have indicated there is a challenge in practicing performance appraisal quality which has direct effect on the overall performance of the organizations as well as employees. A good appraisal system is so fundamental to the management of people in any organization. The success of the organization itself depends largely on a good appraisal system.

With a good appraisal system those who contribute more will be adequately rewarded and the right type of people are likely to be promoted into positions of higher responsibilities (Stonner, Freeman and Gilbert, 2013).

According to Lorna and James, (2014) having a technically sound appraisal system and procedure is no guarantee that the process will be of quality and effective (CIPD, 2016) also supported the idea that performance appraisal is assumed to improve individual performance and organizational outcomes. To do this, it is essential that performance ratings are accurate and unbiased.

However, there is a substantial body of research demonstrating that the accuracy of performance ratings can be influenced by many different factors, bringing about poor rating quality and, as a result, affecting the reliability and validity of performance appraisal.

The reliability and validity of performance ratings, also referred to as rating accuracy, have traditionally been assessed within the following three categories: the first rater-centric rating errors (errors in judgment that occur when a person evaluates another person's performance, for example rater bias and contrast effects), the second ratee-centric rating errors (errors in judgment that occur because the person being evaluated deliberately influences the rater's perception) and the third is system-centric rating errors (errors in judgment that are due to flawed procedures or inaccurate rating scales).

Therefore, for any evaluation system to work well, the employees must understand it, must feel it as fair, and must be work oriented enough to care about the results (Simotwo, 2018). The underlying objective of performance appraisal in any organization is to improve the productivity of workers (Mullins, 2014).

Thus, performance appraisal provides adequate feedback on how staff are performing, by exposing them to knowledge and the result of their work, clear and attainable goals of the organization, avenues for involvement in the setting of tasks and goals. Because employee job satisfaction and decisions to stay with the company are associated with him or her meaningful feedback about performance especially from their direct supervisors. It can also provide opportunities for recognition, positive reinforcement, and performance improvement of the employees.

Therefore, the purpose of this study was to evaluate effect of performance appraisal Quality on employee performance regarding Construction Company. The results of the study were helped to give solution for identified problems of the concerned company, forecasting further other areas that need focus by practitioners and researchers, and finally to enrich the existing literatures on new concept of performance appraisal and employee performance in Ethiopia.

## **2. Statement of the Problem**

In this world of competition as organizations effort to remain competitive and sustainable, human resources professionals and strategic planners should collaborate

strongly in designing strategies which are more productive and useful. According to Mahdiah Darehzereshki (2013) based on review of many research literatures, the most winning organizations in the 21st century will be those to focus on integrated human resource practices.

So, the role of human resource becomes increasingly vital which includes personnel related areas such as job design, resource planning, performance appraisal system, recruitment, selection, compensation and employee relations (Derven, 1990 as cited in Mahdiah Darehzereshki, 2013). Among these functions, one of the most critical ones that bring global success is performance appraisal (Marquardt, 2004).

As the result of study done by Mesganaw Ayalew (2016) indicated productivity of labor the construction industry in Ethiopian in recent years is rated from low to medium. Given the critical role the construction industry plays in Ethiopia, and the poor level of performance of the industry, improving the productivity of the industry ought to be a priority action.

Thus, improving performance of employees in constructions sectors is the important factor in bringing overall performance of the company. This might be affected by the factors of performance appraisal when there is no good practice for effective performance appraisals by the company. Therefore, performance appraisals are a good way to let organization employees know what is expected from them and how well they are meeting those expectations. But often the process leaves boss and worker dissatisfied.

Furthermore, as much surveyed research is indicated, performance appraisal is one of the most problematic components of human resource management (Lorna and James, 2014). All involved parties (supervisors, employees, and HR administrators) typically are dissatisfied with their organization's performance appraisal system (Smith *et al.*, 2006) and view the appraisal process as either a futile bureaucratic exercise or, worse, a destructive influence on the employee-supervisor relationship (Kuvaas, 2015).

This is certainly true implications of most Ethiopian Construction organizations for its low productivity as discussed above, which reveal that the practice of ineffective appraisal process. According to Lorna and James, (2014), inaccuracies in appraisal can demotivate employees forcing them to leave the organizations. Solving many job problems in various fields, such as job assignments, promotion, transfer, dismissal, training and salaries mainly upon the inefficiencies in the appraisal system (Zavvarzadeh, 1997).

This would affect the organizations since employees would seek other opportunities thus no retention. Moreover, Yee and Chen (2009) say that performance appraisal evaluates employees' present and previous output within the laid down standards, but it also provides feedback on employees' performance in order to motivate them

to improve on their job performance or at least encourage them to reduce inefficiencies in their work.

Therefore, it is of essence that performance appraisal is of quality to function as a tool of employee performance. In providing feedback especially positive feedback is easily accepted, while negative feedback often meets with resistance unless it is objective, based on a credible source and given in a skillful manner (DeVoe and Iyengar, 2004 as cited in Ameer Hamza, Wiqar Ullah, and Muhammad Hasnain, (2019).

On the other side, throughout the world very few organizations are putting increased emphasis on performance appraisal to identify the strength and weakness of their employees to improve their productivity, which in turn helps the organizations to gain competitive advantage with human resources (Armstrong, 2009).

Additionally, Addison, (2007), Lorna and James, (2014), were proposed on the limitation of research to evaluate effects of performance appraisal quality on employee performance in their review of many related literatures in the field. Similarly, at current time the employees of the organization are informally raising some of the problems like biasing raters, lack of continuous communication, lack of trust in the supervisor, lack of clear performance expectations, and inability to provide feedback on time.

As concluded by Smith *et al.* (2006) having a technically sound appraisal system and procedure there is no guarantee that the process will be of quality and effective. Therefore, this study was investigated the Effects of Performance Appraisal Quality on Performance of Employee in Homa Construction PLC Company, which is the one of big construction company in our country Ethiopia.

## **2.1 Research Questions**

Corresponding to the statement of the problem, this study was attempted to answer the following basic research questions:

- What were the levels of performance appraisals Quality and its feedback practiced in Homa Construction PLC Company, Addis Ababa-Ethiopia?
- What was the status of employee performance that practiced in Homa Construction PLC Company, Addis Ababa-Ethiopia?
- To what degree performance of employees were related with performance appraisals Quality and their reaction to ward feedback that practiced in Homa Construction PLC Company, Addis Ababa-Ethiopia?
- To what extent the performance appraisals Quality and its Feedback affect Performance of employees and its variation as demographic variables in Homa Construction PLC Company, Addis Ababa-Ethiopia?

## 2.2 Objective of the Study

The general objective for this study was to investigate the Effects of Performance Appraisal Quality on Employee Performance in Homa Construction PLC Company, Addis Ababa, Ethiopia.

### 2.2.1 Specific Objectives

To achieve the general objective, the following Specific objectives were divided:

- To identify the levels of performance appraisals Quality practices and its feedback practiced in Homa Construction PLC Company, Addis Ababa-Ethiopia.
- To determine the status of employee performance that practiced in Homa Construction PLC Company, Addis Ababa-Ethiopia.
- To assess in how much degree performance of employees were related with performance appraisals Quality and their reaction to ward feedback that practiced in Homa Construction PLC Company, Addis Ababa-Ethiopia
- To investigate the extent to which the performance appraisals Quality and its Feedback affect performance of employees and its variation as demographic variables in Homa Construction PLC Company, Addis Ababa Ethiopia.

### 2.2.2 Conceptual Framework

The conceptual framework indicates the crucial process which is useful to show the direction of the study. Accordingly, this study was intended for the purpose of investigating effects of performance appraisal quality on employee performance in Homa Construction Company PLC, in Addis Ababa - Ethiopia. Based on different reports, theories and models and after reviewing related literatures purposed for this study the researcher developed the conceptual framework by dividing it into three variable dimensions.

These were performance appraisal quality as an independent variable, feedback as a mediator variable and employee performance as a dependent variable. Each variable had categorized into different determining factors.

Therefore, after reviewing research literatures and backgrounds, the conceptual framework of this study was mentioned as presented in Figure 1.

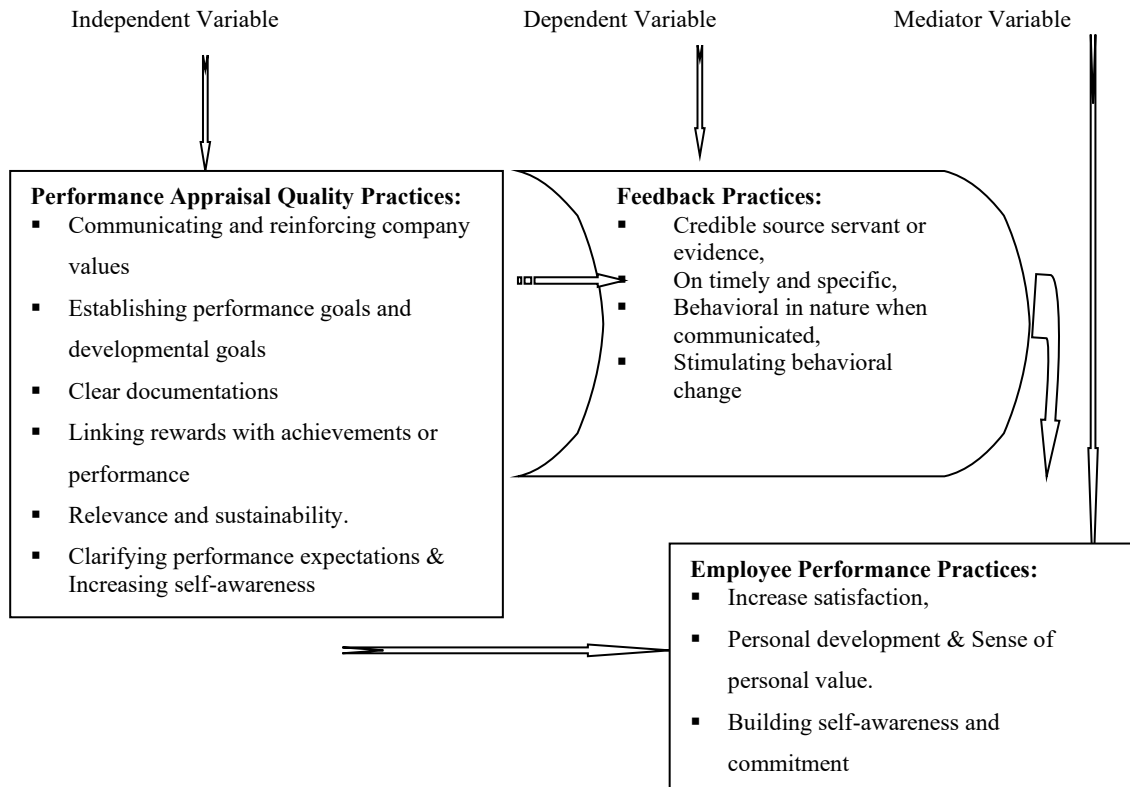
## 3. Research Methodology

### 3.1 Research Approach

This study adopted mixed types of Research Approach as quantitative and qualitative research approaches, which are aligned with the objectives of the research that it aims to attain. The quantitative approach has several advantages.

First, it is highly structured, which allows for cost efficient and less tedious data analysis (Julie, 2005).

**Figure 1.** *A Conceptual Framework Showing the Relationship among Performance Appraisal Quality, Feedback and Employee Performance.*



**Source:** *Designed by the Researcher.*

Typically, close end questions are posed in the survey questionnaire, which is the tool through which the quantitative approach is carried out. Such questions are direct and offer concrete options which the respondent may choose from to represent his view on the subject (Creswell, 2009). In addition, the quantitative approach allows for the computation of statistics, from whose interpretation are derived from the conclusions of the study. The qualitative research also helpful for respondents to give their suggestions freely if they have any additional information to the investigation.

In the context of the present research, the main intent was to assess the effects of performance appraisal quality on employee performance in Homa Construction PLC Company, in Addis Ababa city. The truth is to be able to generalize about all employees' belonging to this sector. In addition, the intent was not to understand the

experiences of the employees in an in-depth manner but rather to make statistical generalizations from the data. Thus, it was decided to adopt both the qualitative and quantitative research approaches for this study.

### **3.2 Research Design**

The research design that was used in the study is descriptive. Descriptive research permits the explanation of phenomena as they naturally transpire and without intervention from the researcher (Bernard, 2005). In effect, the practices of performance appraisal, quality and feedback, and the employee performances experienced by employees are described as natural occur within their workplaces.

To enable such a description of the quality of performance Appraisals and employee performances, frequency and percentage distributions, along with means and standard deviations are being used (Teddie and Tashakkori, 2008). This design considers the most appropriate and helpful in determining the perception of respondents on the variables affecting; especially in accepting feedback given to them which were studied (Gay, 1992; Newman, 2003).

In addition to being descriptive, the study was also said to be co relational in design because there is intent to establish the relationship between the extent to which demographic variables are determine between different sex. A co-relational type of research design aims to ascertain if there are significant associations between those dependent and independent variables designed for this study (Reid, 1987). Regression Analysis was also held in order to see the degree level of prediction of independent variables on dependent variables.

The independent t-tests to see if there was a difference as Gender between Male and Females, and analysis of variance (ANOVA) is used to answer the research questions set in the study and to examine the predictive power of demographic independent variable on perceived Performance Appraisal Quality, feedback and Employee Performance by employees.

### **3.3 Target Population of the Study**

The target population for this study was included all permanent employees found in Homa Construction PLC Company that supervised by Headquarter of the Company located in Addis Ababa city Administration. This included managers as well as non-managers and staff of the organization. Presently, Homa Construction PLC Company had 859 permanent employees who were working in the Organization. From among this 185 of employees were females while the remaining numbers were males.

Thus, the researcher took this employee size as a target while undertaking study at the Company's. In framing the target population first, the data of employees

according to each list of company project categories had taken from HR department of the company. Then, based on the total target population obtained size of sample need for each concerned company projects were proportionally identified for being respondents of the study. Finally, by using the lottery method to this proportionally identified sample size the respondent for the study were being selected.

### **3.4 Sample Size Determination**

The sample size for this study was identified based on formula developed by Kothari, 2004. The formula is used mostly by many other researchers while determining sample size for stratified population type. Accordingly, this formula is use to select the appropriate sample size based on 95% confidence level and 5% margin of error or level of precision.

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

Where,  $p$  = sample proportion,  $q = 1 - p$ ;  $z$  = the value of the standard variance at a given confidence level and to be worked out from table showing area under Normal Curve;  $n$  = size of sample. Based on this, the sample size for the study was calculated as follows:

*Given:* At 95% confidence level the value of  $Z = 1.96$ ,  $P$  = the population proportion (assumed to be .50 since this would provide the maximum sample size).  $N = 859$  which is population size,  $e = 0.05$  which is acceptable sample error.

$$265 = \frac{1.96^2 * 0.5 * 0.5 * 859}{0.05^2 (859 - 1) + 1.96^2 * 0.5 * 0.5}$$

So, based on the above formula a sample of 265 was selected from the target population and participated in the study which was a sample of the employees. The sample size obtained was allocated to all listed project categories of the organization proportionally to their population size as the following in Table 1.

### **3.5 Sampling Techniques**

Stratified Random Sampling Technique was used to select samples from the target population which in hand depend on the total permanent employees found in Homa Construction PLC Company. Because this method is very appropriate in increasing homogeny among different categories of projects of the company. The methods also helped to give equal chances to the respondents during investigations. Therefore, the study populations for the survey from each listed project categories were selected proportionally to give equal chances to the respondents of the study (Table 1).

**Table 1.** The size of employees of Homa Construction PLC Company in project Categories

| No    | Company project Category                    | Total Popul | Male  |      |     | Female |     |     |
|-------|---------------------------------------------|-------------|-------|------|-----|--------|-----|-----|
|       |                                             |             | Prob  | Samp | Mal | Samp   | Pro | Fem |
| 1     | Jimma Bus Terminal Project                  | 20          | 1     | 3    | 10  | 3      | 1   | 10  |
| 2     | Hawassa University Project                  | 91          | 8     | 20   | 64  | 8      | 3   | 27  |
| 3     | Arsi Uneversity Clinic Project              | 39          | 2     | 6    | 21  | 6      | 2   | 18  |
| 4     | Wasasa Microfinance 2B+G+5 Building Project | 12          | 0     | 0    | 0   | 4      | 2   | 12  |
| 5     | Nekemte Teachers Training Collage Project   | 34          | 3     | 7    | 24  | 3      | 1   | 10  |
| 6     | Agaro Town Internal AsphaltsProject         | 235         | 25    | 65   | 210 | 8      | 3   | 25  |
| 7     | Gachi Yanfa Contract I Road Project         | 305         | 31    | 83   | 270 | 11     | 4   | 35  |
| 8     | Dire-Dawa Bridge Project                    | 13          | 1     | 3    | 9   | 1      | 0   | 4   |
| 9     | Sadeka Medium Scale Irrigation Project      | 28          | 2     | 6    | 18  | 3      | 1   | 10  |
| 10    | Somali Displaced Project                    | 20          | 1     | 3    | 9   | 3      | 1   | 11  |
| 11    | HO Permanent settle worker                  | 62          | 5     | 12   | 39  | 7      | 3   | 23  |
| TOTAL |                                             | N=859       | n=265 |      |     |        |     |     |

**Source:** Data of HRD of Homa Construction PLC Company, 2020.

### 3.6 Data Collection Procedures and Instrument

There were two methods of data collection which were used in the research, namely, secondary and primary data collection. Primary data were collected using self-administered questionnaires. A questionnaire consisted of several questions printed or typed in a definite order on a form or set of forms. This method of data collection had the advantage of low cost, it was also proven to be free from bias of the interviewer, it also gave the correspondence adequate time to give well thought answers and since large samples could be made use of the results were more dependable and reliable (Kothari and Omolon, 2015). A total of 265 accomplished questionnaires were distributed to Homa Construction PLC Company that directed and regulated them under in Head office.

To examine the respondents Perceptions towards the Practices of performance appraisal quality and employee performance that practiced in Homa Construction PLC Company, Addis Ababa, Ethiopia the survey method was applied. Questionnaire designed may comprise of three sections.

First section was related to the personal profile of the respondents including their age, gender, education level, position, experience etc. which was measured by nominal scale. Second section was related to the questions relevant to variables that indicate the Practices of quality performance appraisal, feedback and employee

performance and its variations as demographic factors that measured by 5-point Likert scale. The typical form of this scale is to ask participants to specify their level of agreement or disagreement with a statement substantially, to certain extent, marginally, to less extent and not at all which will be used to measure their responses.

Thus, the Linkert scale has proven to be very useful in measuring whether people have a positive or negative attitude towards an object or a statement and is suitable for this study. Third section is the open-ended questionnaire which was related if any other factors of respondents' attitude or suggestion that are not included in close end questionnaire of section two to give the chance to the respondent if she/he has any additional information.

Furthermore, in relation to the above primary methods of data collections other methods were also employed. Because difficulty behavior or attitude or perceptions of more; It is hard to measure quality in appraisals and the way it perceived by employee toward feedback given directly as it is a possible intangible state of mind of the workers. Therefore, the researcher was used also interview the employees to know their opinion at working environment. Effort is made to find out the view of employees about their job co-workers, supervisors and the organization. And employee status of performance to the organization was assessed by examining company record regarding absenteeism, labour turnover, and fluctuations in output, quality records excessive waste and scrap, training records, accidents rate and the number of grievances filed.

Secondary data, on the other hand, was used as well to describe different employee appraisals and performance management theories and factors. They were collected from different journal articles, websites, and published dissertation papers of the graduates, Homa Construction PLC Company manuals, magazines, billboard, and employee data etc.

The online references were downloaded from databases such as Google. The data were initially screened for relevance based on their titles and re-screened manually after downloading.

### **3.7 Ethical Consideration**

To enhance standards in research, the following ethical issues were considered: informed consent, voluntary participation, privacy, and confidentiality. Before administering the questionnaires, the research was based on official letter from Business Management Department to Homa Construction PLC Company to get permission and the necessary approval to seek for its employees to be respondents. The respondents of the study were also voluntary. Instructions on how to fill out the questionnaire were given. The right of privacy to administer this questionnaire is insured.

The researcher himself distributed and collects the data. The researcher quickly got all data that were gained from questionnaire confidentially and were kept in secure place. Instructions on how to fill out the questionnaire were given. Confidential treatment of information was assured.

### 3.8 Validity and Reliability of Data Collection Instrument

The two most important and fundamental approaches for assurance of the quality of data collection research instruments are validity and reliability. For results to be used in further research steps they must be valid and reliable.

**Validity:** The researcher tries to adapt the data collection instrument from different literatures which helps to assess employee motivation and maintenance level. To test the validity of survey questionnaire the researcher used content validity test. Six subject matter specialists in the area (Administrative, Engineers, and instructors) were provided to check for its validity.

Generally, in this approach, the panelists were invited to rate the items on a three-point scale (1= not necessary, 2= useful but not essential, and 3= essential), where 'essential' items were the one that best represent the goal. The formula for computing the CVR, as originally proposed by Lawshe (1975), is expressed as:

$$\text{CVR} = \frac{ne - N/2}{N/2}$$

Where ne= number of panelists indicating 'essential' and N= total number of panelists.

According to Lawshe (1975) minimum content validity ratio for 6 numbers of panellists CVR of 0.99 was acceptable. The survey measuring instrument for this research was 0.99 and is valid. However, based on comments of panellists some statements were rephrased, and the layout of the questionnaires was modified so as to make easy for understanding.

**Reliability from Pilot Test:** For the successful completion of a sound research project, a pilot study is mandatory (De Vos *et al.*, 2007). According to Burns and Bush (2010), the entire procedure and instrument must be open for criticism and comments by the random participants and the input by the respondents must be considered when amending the questionnaire for the main enquiry.

To establish the reliability of this instrument, a pilot study was carried out on a sample of twenty (20) staff of Homa Construction PLC Company, using a test-retest method. Theoretically, alpha varies from 0 to 1, the higher the Cronbach's Alpha, the more reliable the test results would be. Therefore, the result of the reliability test was 0.79 Cronbach's Alpha Coefficients showing that the instrument is reliable.

The trial run was to enable the researcher detect and iron out any fundamental problems that the respondents might encounter when responding to the survey prior to the administration of the questionnaire on the actual selected participants. Before and after the pilot test a panel of judges made up of five experts considered the instrument and helped to correct any fundamental problems anticipated prior to the full-scale administration of the survey revealed from the pilot test.

**Reliability from the Survey of Questionnaire:** The Cronbach's coefficient Alpha was used to determine the consistency of measurement of each item. Result of this in Cronbach's Alpha Value is presented as shown in Table 2 as in the following.

**Table 2.** Cronbach's Alpha Value (n=200)

| Variables                               | Items | Cronbach's Alpha Value |
|-----------------------------------------|-------|------------------------|
| Performance Appraisal Quality Practices | .882  | 6                      |
| Feedback Practices                      | .855  | 4                      |
| Employee Performance Practices          | .778  | 3                      |

**Source:** Computed from questionnaire by the researcher, 2020.

The Cronbach's coefficient Alpha for Performance Appraisal Quality Practices is (.882), Feedback Practices is (.855), and Employee Performance Practices is (.778). Therefore, all items indicated reliability and enough to be used in this study.

### 3.9 Data Processing and Analysis

The accomplished survey forms were collected, encoded and statistically analyzed. Analysis was carried out through SPSS version 20.0. The statistics that generated are interpreted considering the findings of past empirical studies. Both descriptive and inferential statistics were used to analyze the data. The statistical tools were aligned with the objectives of the research. Descriptive statistics were used to describe and analyze the demographic data collected and it includes frequency, mean, percentage distribution and standard deviation.

Correlation analysis more specifically Pearson correlation coefficient was used to measure the degree of association between employee performance and quality appraisal factors and feedback. From inferential statistics, independent t-test and ANOVA were used to check demographic factors of the study.

## 4. Results and Discussion

### 4.1 Response Rate

The response rate is the percentage of people who respond to a survey and this rate is important and shouldn't be left to chance. A high survey response rates help to ensure that survey results are representative of the target population as reported by

Punch, (2003). The response rate is obtained by dividing the number of people who submitted a completed survey by the number of people who attempted to contact (Monkey, 2009).

$$\frac{\text{Completed survey submitted}}{\text{Number of people contacted for survey}} = \text{Response Rate}$$

This study was required to establish the response rate of the study population. A total of (265) questionnaire was distributed for the employees of Homa Construction PLC Company. The employees from all categories that are listed in Table 1 were encouraged proportionally to participate in the survey based on their size of target population. From these only two hundred (200) questionnaires were returned, it gives 76% response rate.

According to Mugenda and Mugenda (2008), a response rate of 50% is acceptable for analysis. Over half response rates are good while over 70% is very good (Aapor, 2011). The response rate was considered very well at 76% and therefore it was sufficient for analysis. Therefore, the response rate was adequate for the study to make relevant conclusions based on the responses.

#### **4.2 Descriptive Statistical Analyses on the Level of Performance Appraisals Quality and its Feedback Practices in Homa Construction PLC Company**

In this research, the results were presented by mean (M) and standard divisions (S.D). Before undertaking any analysis, the normal distribution of variables has been checked. Approximately normally distributed variables not only have scales levels or scores that ordered from low to high, but also the frequency of the scores are approximately normally distributed (George, Gene, and Karen, 2004).

Statistics chosen with assumption of data are normally distributed (George *et al.*, 2004). That is, most scores are somewhere in the middle which similar smaller numbers of low and high scores. Thus, the Likert scale used for this study was considered normal for its frequency distribution is distributed approximately in normal (see bell shaped distribution of bar in the appendixes).

#### **4.3 Establishing Performance Goals and Developmental Goals**

As Table 3 indicates from its results, total number of respondents participated were 200. All variables or factors were presented in the table in mean order of their level, to report the level of Performance Appraisal Quality as Establishing performance goals and developmental goals dimensions practiced in Homa Construction PLC Company. As the result shows the Company was practiced below mean score 3 in Establishing performance goals and developmental goals that show low result practically. Thus, the company needs to give concern for Establishing performance

goals and developmental goals which is controllable and serving toward achievement of company mission.

**Table 3.** *Establishing performance goals and developmental goals dimensions*

| Establishing performance goals and developmental goals                                                                      | N   | Mean | Std. Dev. |
|-----------------------------------------------------------------------------------------------------------------------------|-----|------|-----------|
| Do you feel your manger/team leader is competent to evaluate your job?                                                      | 200 | 2.66 | 1.015     |
| How do you evaluate the appraisal format provided that should not be very long and complicated? Is not confuse the raters?  | 200 | 2.75 | 1.267     |
| Does your organization follow appropriate person-task matching and career plans?                                            | 200 | 2.76 | 1.108     |
| Appraisers treat you fairly during Performance appraisal process.                                                           | 200 | 2.85 | .936      |
| All the information obtained from Performance appraisal is confidential.                                                    | 200 | 2.85 | .993      |
| The objective and process of Performance appraisal were described clearly to you?                                           | 200 | 2.92 | 1.026     |
| Performance expectations, which shows familiarity with the purpose and role of the performance appraisal made clear to you? | 200 | 2.98 | .990      |

**Source:** *Computed from questionnaire by the researcher, 2020.*

#### 4.4 Communicating and reinforcing company values

As described in Table 4 similar variables in dimension Performance Appraisal Quality were also described in their order in mean score. The first four variables were no indicate any practices or attribute for Communicating and reinforcing company values. Only with the result of the evaluation can the company openly explain and discuss it to the employees. This result was also not satisfactory in mean score to discuss with employee on the result of their evaluation.

Therefore, the company advised to bring a fair consistent basis for measuring performance, seeing the role of employee in reinforcing company values, giving opportunity to their employees to express their feelings during evaluations, enhancing standard work and communicating reasons for its failures, and the leader need to develop the skill to communicates with his/her subordinate frequently at a time of performing their duties.

**Table 4.** *Communicating and reinforcing company values dimensions*

| Communicating and reinforcing company values                                                                                                      | N   | Mean | Std. Dev. |
|---------------------------------------------------------------------------------------------------------------------------------------------------|-----|------|-----------|
| Is there a fair consistent basis for measuring performance and individual contribution to reinforcing company values and its business objectives? | 200 | 2.59 | 1.023     |
| Do you have opportunity to express your feelings when your performance is evaluated?                                                              | 200 | 2.63 | 1.136     |
| When your performance has not met minimum standards, your manager/team leader discusses with you the reasons?                                     | 200 | 2.76 | 1.296     |
| Your Manager/team leader communicates with you frequently about your performance?                                                                 | 200 | 2.85 | 1.328     |

|                                                                                            |     |      |       |
|--------------------------------------------------------------------------------------------|-----|------|-------|
| The result of the evaluation are openly explained and discussed to the employee concerned. | 200 | 3.07 | 1.336 |
|--------------------------------------------------------------------------------------------|-----|------|-------|

*Source: Computed from questionnaire by the researcher, 2020.*

#### 4.5 Clear Documentations

As indicated in Table 5 Dimension of Clear documentations were consisting of variables that scored with mean value 2.55 and .64 (disagreement to Clear documentations practice) and Std. Deviation 1.102 1.056 respectively. This also proves that the company practiced below standards with documentation.

*Table 5. Clear documentations dimensions*

| Clear documentations                                                                            | N   | Mean | Std. Dev. |
|-------------------------------------------------------------------------------------------------|-----|------|-----------|
| All the information obtained, and the data recorded for Performance appraisal are confidential. | 200 | 2.55 | 1.102     |
| Special care should be taken to prepare documents and maintain them.                            | 200 | 2.64 | 1.056     |

*Source: Computed from questionnaire by the researcher, 2020.*

#### 4.6 Linking Rewards with Achievements or Performance

In similar manner to Table 6 the company was not practiced well in linking rewards with achievements or performance. Therefore, the company needs to improve reward system that encourages employees effectively through balancing out the interest of its employees with the benefit of the organizations.

*Table 6. Linking rewards with achievements or performance dimensions*

| Linking rewards with achievements or performance                                                                                                                           | N   | Mean | Std. Dev. |
|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----|------|-----------|
| When employees are rewarded, they seek for the tools and processes which may be beneficial for the organization and so the performance and interest on the work increases? | 200 | 2.78 | 1.090     |
| Can you agree with reward system of the organization, when the employees are doing their jobs they should be motivated to do the job in an effective way?                  | 200 | 2.78 | 1.147     |
| Can the performance appraisal system recognize employee achievement and Performance objectively?                                                                           | 200 | 2.84 | 1.182     |

*Source: Computed from questionnaire by the researcher, 2020.*

#### 4.7 Relevance and Sustainability

As indicated in Table 7, Dimension of Relevance and sustainability consists of variables that were scored with mean value 2.74 and 2.78 (disagreement to Relevance and sustainability practice) and Std. Deviation 1.039 and 1.043 respectively. This also proves that the company practiced below standards with enhancing Relevance and sustainability.

**Table 7.** *Relevance and sustainability dimensions*

| Relevance and sustainability                                                                                                                         | N   | Mean | Std. Dev. |
|------------------------------------------------------------------------------------------------------------------------------------------------------|-----|------|-----------|
| Company Appraisal procedures or standard practice will help continuously for Appreciation of successful employees to increase their success at work? | 200 | 2.74 | 1.039     |
| performance appraisal quality creates a learning experience that motivates employees to develop themselves and improve their performance             | 200 | 2.78 | 1.043     |

**Source:** *Computed from questionnaire by the researcher, 2020.*

#### 4.8 Clarifying Performance Expectations & Increasing Self-Awareness

In similar manner as presented in Table 8 the company was not practiced well in Clarifying performance expectations and increasing self-awareness to their employees. Therefore, the company need clarify on what to be expected by the company from its employees and giving adjustments at each activity performed to employees. Additionally, the company need to work for understanding of its employees before assignment of position on how to evaluate employee performance periodically.

**Table 8.** *Clarifying performance expectations & increasing self-awareness dimensions*

| Clarifying performance expectations & Increasing self-awareness                                                                                                                                   | N   | Mean | Std. Dev. |
|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----|------|-----------|
| employees clearly understand the expectations; they can evaluate their performance and make timely adjustments as they perform their jobs without having to wait for the formal evaluation review | 200 | 2.84 | 1.120     |
| When I took up my current position, I knew how my performance would be periodically evaluated.                                                                                                    | 200 | 2.86 | .977      |

**Source:** *Computed from questionnaire by the researcher, 2020.*

#### 4.9 Summary of Performance Appraisals Quality Practices

As indicated in Table 9 as a Summary of Performance Appraisals Quality in all attributes the company practiced very low. Especially, the company needs to give concerns to first three variables that have direct contributions in increasing the performance of the organizations. The employees were indicated disagreement to all above variables listed in table.

Therefore, when the company wants to achieve its company goals or satisfy employees' needs they must work hard for the involvement of performance Appraisals Quality Practices or make effective or improved if it is designed in Organization. As reported by Obiekwe and Ejo-Orusa, (2019) effective performance appraisals will benefit both organization and employees. Therefore, effective appraisal helps to eliminate behavior and work-quality problems, as well as motivate an employee to contribute more. Additionally, performance appraisal helps to recognize areas of strong performance across all employees, by department or by

demographics. Standardized performance assessments will allow the company to combine, calculate and analyze the results of Employee performance very well and to identify where the performance strength is available.

**Table 9.** *Summary of Performance Appraisals Quality Practices dimensions*

| Summary of Performance Appraisals Quality Practices             | N   | Mean  | Std. Dev. |
|-----------------------------------------------------------------|-----|-------|-----------|
| Clear documentations                                            | 200 | 5.19  | 1.981     |
| Relevance and sustainability                                    | 200 | 5.52  | 1.857     |
| Clarifying performance expectations & Increasing self-awareness | 200 | 5.70  | 1.844     |
| Linking rewards with achievements or performance                | 200 | 8.41  | 2.902     |
| Communicating and reinforcing company values                    | 200 | 13.90 | 5.075     |
| Establishing performance goals and developmental goals          | 200 | 19.75 | 6.012     |

**Source:** *Computed from questionnaire by the researcher, 2020.*

#### 4.10 Descriptive Statistical Analyses on the Level of Dimensions of Feedback Practices

As is understood from Table 10 of descriptive statistical analysis of Feedback Practices, the results of all variables were indicated disagreement of respondents. This also proves that Homa Construction PLC Company did not perform well when practiced feedback to measure or improve its employees' performance.

**Table 10.** *The Level of Dimensions of Feedback Practices*

| FEEDBACK PRACTICES                                                                                                                                                            | N   | Mean | Std. Devi. |
|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----|------|------------|
| <b>Credible source servant or evidence</b>                                                                                                                                    |     |      |            |
| Is your last feedback is well informed and presented by credible source?                                                                                                      | 200 | 2.61 | 1.075      |
| The information processed during my last feedback is fair and it gave me a good idea of how well I'm doing my job.                                                            | 200 | 2.76 | 1.053      |
| <b>On timely and specific</b>                                                                                                                                                 |     |      |            |
| Is an organization used to monitor or measure its employee performance on a regular basis?                                                                                    | 200 | 2.71 | 1.141      |
| Is the performance feedback was given on timely and specifically?                                                                                                             | 200 | 2.73 | 1.083      |
| <b>Behavioural in nature when communicated</b>                                                                                                                                |     |      |            |
| How do you measure the satisfaction level of feedback given when it was based on positive attitude or good manner?                                                            | 200 | 2.62 | 1.049      |
| Can you happy with the nature of feedback communicated in minimizing the level of absenteeism, lack of cooperation, lack of focus on priorities, and unhealthy communication? | 200 | 2.68 | 1.002      |
| <b>Stimulating behavioural change</b>                                                                                                                                         |     |      |            |
| Can you believe your organization practice of performance feedback is improving your work behaviour and enhance employee job performance?                                     | 200 | 2.66 | .970       |
| The feedback given is increased my understanding of job.                                                                                                                      | 200 | 2.84 | 1.000      |

**Source:** *Computed from questionnaire by the researcher, 2020.*

#### 4.11 Summary of Feedback Practices

Similarly, as discussed in Table 10, from Table 11 it is also understood that Employee Performance Practices attributes results were indicated disagreement of respondents. This also proves that Homa Construction PLC Company was affected by the poor employees' performance which came as reasons for the dissatisfied practice of performance appraisals and its feedback.

**Table 11.** *Summary of Feedback Practices dimensions*

| Summary of Feedback Practices           | N   | Mean | Std. Dev. |
|-----------------------------------------|-----|------|-----------|
| Behavioural in nature when communicated | 200 | 5.29 | 1.875     |
| Credible source servant or evidence     | 200 | 5.36 | 1.908     |
| On timely and specific                  | 200 | 5.44 | 2.080     |
| Stimulating behavioural change          | 200 | 5.49 | 1.731     |

**Source:** *Computed from questionnaire by the researcher, 2020.*

#### 4.12 Descriptive Statistical Analyses on the Status of Employee Performance

Similarly, Table 12 presents the status of employees' performance regarding employee satisfaction, personal development and sense of personal value, building self-awareness and commitment.

**Table 12.** *The Status of Employee Performance*

| The Status of Employee Performance                                                                                                                      | N   | Mean | Std. Dev. |
|---------------------------------------------------------------------------------------------------------------------------------------------------------|-----|------|-----------|
| <b>Increase Satisfaction</b>                                                                                                                            |     |      |           |
| I am satisfied with my Performance Appraisal results and have got the opportunity to talk freely and discuss my performance                             | 200 | 2.72 | 1.108     |
| My organization Performance appraisals practice is effective in changing employee work behaviour and enhances employee job satisfaction and performance | 200 | 2.78 | .993      |
| <b>Personal Development And Sense Of Personnel Value</b>                                                                                                |     |      |           |
| The performance appraisal practiced has provided Opportunity to improve personnel skill and learning which later satisfy employee personal goals.       | 200 | 2.59 | 1.090     |
| The appraisal system practiced is effective in encouraging employees to work hard.                                                                      | 200 | 2.65 | 1.083     |
| The performance Appraisal outcomes have given the employees an opportunity to eliminate weak areas in their performance                                 | 200 | 2.80 | 1.012     |
| <b>Building Self-Awareness And Commitment</b>                                                                                                           |     |      |           |
| Commitment to their organizational Goals and objectives                                                                                                 | 200 | 2.18 | .863      |
| Performance appraisal practices is used in increasing employees self-awareness and commitment to their organizational Goals and objectives              | 200 | 2.68 | 1.041     |

**Source:** *Computed from questionnaire by the researcher, 2020.*

#### 4.13 Summary of the Status of Employee Performance

As indicated in Table 13, which shows the summary of each Dimension as the general Status of Employee Performance consists of three main variables that scored with mean value 2.43, 2.75, and 2.68 (disagreement to Employee Performance Practices) and Std. Deviation .726, .943, and .912 respectively. For all variables the respondents were explained disagree in their response.

As presented by (Macky and Johnson, 2010) the importance of performance management system is continuously improving organizational performance, and this is achieved by improved individual employee performance. However, the company employees performed less well, below standard settled toward organizational goal. This can also reduce the level of profit that must be made by Homa construction in a year. Therefore, improving employee performance by using performance management systems like Practicing Performance Appraisal Quality in effective way and Objective, regular and timely feedback is a way to improve organizational performance.

**Table 13.** *Summary of the status of employee performance dimensions*

| Summary Of The Status Of Employee Performance     | N   | Mean | Std. Dev. |
|---------------------------------------------------|-----|------|-----------|
| Building self-awareness and commitment            | 200 | 4.86 | 1.452     |
| Increase Satisfaction                             | 200 | 5.50 | 1.886     |
| personal development and sense of personnel value | 200 | 8.04 | 2.737     |

**Source:** *Computed from questionnaire by the researcher, 2020.*

#### 4.14 Relationships between Performance Appraisal Qualities and Employee Performance Practices

It was predicted that Performance Appraisal Quality Dimensions have a relationship with Employee Performance Practices. Pearson correlation analysis was conducted to test this relationship. According to Cohen (1988) suggested, the guidelines to indicate the strength of relationships are as follows:

- $r = .10$  to  $.29$  or  $r = -.10$  to  $-.29$  small
- $r = .30$  to  $.49$  or  $r = -.30$  to  $-.49$  medium
- $r = .50$  to  $1.0$  or  $r = -.50$  to  $-1.0$  large

The scatter plot can also have been checked in this study, to know whether the relationship between two variables is positive or negative, which can precede US with calculating Pearson's correlation (see in appendixes). Therefore, as it is understood from the scatter plot, positive relationships existed between variables, which can pave the way for calculating Pearson's correlation in this study.

**Table 14.** *Summary of the Relationship between Performance Appraisal Qualities Attributes with Employee Performance Practices*

|                               | Performance Appraisal Quality | Feedback | Employee Performance |
|-------------------------------|-------------------------------|----------|----------------------|
| Performance Appraisal Quality | 1                             |          |                      |
| Feedback                      | .896**                        | 1        |                      |
| Employee Performance          | .799**                        | .851**   | 1                    |

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

**Source:** *Computed from questionnaire by the researcher, 2020.*

As its result indicated in table 14 there is positive strong and significant relationships have existed between Performance Appraisal Quality and Feedback, between Feedback and Employee Performance, and between Performance Appraisal Quality and Employee Performance at ( $r = .896$ ,  $p < 0.01$ ,  $r = .851$   $p < 0.01$  and  $r = .799$   $p < 0.01$ ) respectively.

As the result of finding is revealed, there is direct relationship between all variables Performance Appraisal Quality Practices and Employee Performance Practices and its feedback. As the study find out by Iqbal *et al.* (2013) is described the basic purpose of an appraisal system should be to improve the employee performance that will leads towards the organization success.

Similarly, this finding also indicated that the existence of direct relationship between performance appraisal and employee's performance and the role of feedback in increasing the performance of employees as a moderator role. Therefore, the company was better to focus on all variables equally likely to succeed their company's' goal as desired.

#### **4.15 The Effect of Performance Appraisal Quality and its Feedback on Employee Performance**

It was expected that Performance Appraisal Quality Practices would have effect on Employee Performance Practices. To explore how unique variance of each independent variable explains in the dependent variable standard multiple regressions was conducted. This involves all the independent variables being entered into the equation at once. The prediction power of each independent variable on the dependent variable is also made clear from the result. No necessary steps to undertake standard multiple regression has been applied.

The Outliers, Normality, Linearity, Homoscedasticity, and Independence of Residuals have been checked by inspecting the residuals scatter plot and the Normal Probability Plot of the regression no multicollinearity existed. Therefore, it is

sufficient to carry out a standard multiple regressions for this study (Tables 15, 16, 17).

**Table 15. Model Summary<sup>b</sup>** *The effect of Performance Appraisal Quality and its Feedback on Employee Performance*

| Model | R                 | R Square | Adjusted R Square |
|-------|-------------------|----------|-------------------|
| 1     | .855 <sup>a</sup> | .731     | .728              |

A. Predictors: (Constant), Feedback, Performance Appraisal Quality

B. Dependent Variable: Employee Performance

**Table 16. ANOVA<sup>b</sup>** *The effect of Performance Appraisal Quality and its Feedback on Employee Performance*

| Model |            | Sum of Squares | df  | Mean Square | F       | Sig.              |
|-------|------------|----------------|-----|-------------|---------|-------------------|
| 1     | Regression | 3974.418       | 2   | 1987.209    | 267.047 | .000 <sup>a</sup> |
|       | Residual   | 1465.962       | 197 | 7.441       |         |                   |
|       | Total      | 5440.380       | 199 |             |         |                   |

A. Predictors: (Constant), Feedback, Performance Appraisal Quality

B. Dependent Variable: Employee Performance

**Table 17. Coefficients<sup>a</sup>** *The effect of Performance Appraisal Quality and its Feedback on Employee Performance*

| Model                         | Unstandardized Coefficients |            | Standardized Coefficients | t     | Sig. | Collinearity Statistics |       |
|-------------------------------|-----------------------------|------------|---------------------------|-------|------|-------------------------|-------|
|                               | B                           | Std. Error | Beta                      |       |      | Tolerance               | VIF   |
| 1 (Constant)                  | 3.003                       | .697       |                           | 4.308 | .000 |                         |       |
| Performance Appraisal Quality | .055                        | .025       | .183                      | 2.191 | .030 | .196                    | 5.093 |
| Feedback                      | .565                        | .069       | .687                      | 8.229 | .000 | .196                    | 5.093 |

a. Dependent Variable: Employee Performance

Source: Computed from questionnaire by the researcher, 2020.

As the results of linear regression analysis were indicated in Table 15, 72.8% variance in Employee Performance can be predicted from the combination of all Performance Appraisal Quality and its Feedback Dimensions. On other hand, the result from Table 16 shows that  $F=267.047$  at  $p<0.05$  is statistically significant. This indicates that combination of the predictors significantly combined to predict Employee Performance. Because, without providing such Performance Appraisal Quality and its Feedback in effective way it is impossible for increasing Employee

Performance to their work. The Regression Equation that predicts the dependent variable was presented as follows (Table 17):

$$DV = 3.003 + 0.055X_1 + 0.565X_2$$

*Whereas: DV=Dependent Variable,  $X_1$  and  $X_2$ =Independent Variables  
 $X_1$ = Performance Appraisal Quality, and  $X_2$ = Feedback*

As output of the model is shown in Table 15 reveals, all variables were significantly affecting the Employee Performance practices, at 95% confidence level ( $p < 0.05$ ). The Feedback is the most influential factor that significantly affects the Employee Performance with a beta value (beta = 0.565,  $t=8.229$ ), at 95% confidence level ( $p < 0.05$ ) while Performance Appraisal Quality secondly affecting Employee Performance significantly with a beta value (beta = 0.055,  $t=2.191$ ), at 95% confidence level ( $p < 0.05$ ).

Therefore, the Homa Construction Company was better to use effectively these both of affecting variables' in together. And practicing regular and on timely feedback continuously that based on positive Communication between employees and managers to increase performance of work.

#### **4.16 Variation of Performance Appraisal Quality and its Feedback as Demographic Variables on Employee Performance as a Function of Demographic Variables**

This part of research objective was concerned with the effect of demographic variables on Performance Appraisal Quality and its feedback. The demographic variables in this study consist of sex and age of respondents with their respected Construction Company. It was expected that Performance Appraisal Quality and its feedback were vary as a function of demographic variables.

The mean difference of the study variable with respect to gender is explored with independent sample t-test. For the mean difference due to age of respondents with their respected Homa Construction Company one way analysis of variance (ANOVA) was used. To accomplish the result of data analysis each variable was treated separately (Table 18 and Table 19).

The information in first t-test shows that not statistically significant difference in the mean scores of Clear documentations for males and females. But statistically significant difference in the mean scores for Establishing performance goals and developmental goals, Communicating and reinforcing company values, linking rewards with achievements or performance, Relevance and sustainability and Clarifying performance expectations and increasing self-awareness for males and females which is  $> p=0.05$ .

**Table 18.** Variation With Respect to Gender

| Group Statistics                                                |     |     |       |           | Levene's Test for Equality of Variances |      | t-test for Equality of Means |        |                 |                 |
|-----------------------------------------------------------------|-----|-----|-------|-----------|-----------------------------------------|------|------------------------------|--------|-----------------|-----------------|
|                                                                 | sex | N   | Mean  | Std. Dev. | F                                       | Sig. | t                            | df     | Sig. (2-tailed) | Mean Difference |
| Establishing performance goals and developmental goals          | M   | 160 | 19.74 | 5.951     | 2.051                                   | .154 | -.059                        | 198    | .953            | -.062           |
|                                                                 | F   | 40  | 19.80 | 6.325     |                                         |      | -.057                        | 57.480 | .955            | -.062           |
| Communicating and reinforcing company values                    | M   | 160 | 13.99 | 5.019     | 1.486                                   | .224 | .459                         | 198    | .647            | .413            |
|                                                                 | F   | 40  | 13.58 | 5.344     |                                         |      | .442                         | 57.415 | .660            | .413            |
| Clear documentations                                            | M   | 160 | 5.36  | 1.827     | 9.347                                   | .003 | 2.402                        | 198    | .017            | .831            |
|                                                                 | F   | 40  | 4.52  | 2.418     |                                         |      | 2.034                        | 50.676 | .047            | .831            |
| Linking rewards with achievements or performance                | M   | 160 | 8.55  | 2.969     | .915                                    | .340 | 1.367                        | 198    | .173            | .700            |
|                                                                 | F   | 40  | 7.85  | 2.578     |                                         |      | 1.488                        | 67.347 | .141            | .700            |
| Relevance and sustainability                                    | M   | 160 | 5.51  | 1.780     | 5.422                                   | .021 | -.133                        | 198    | .894            | -.044           |
|                                                                 | F   | 40  | 5.55  | 2.160     |                                         |      | -.118                        | 53.003 | .906            | -.044           |
| Clarifying performance expectations & Increasing self-awareness | M   | 160 | 5.72  | 1.753     | 5.490                                   | .020 | .364                         | 198    | .717            | .119            |
|                                                                 | F   | 40  | 5.60  | 2.193     |                                         |      | .318                         | 52.119 | .752            | .119            |

**Source:** Computed from survey by the researcher, 20120.

As is understood, the company was better to see or give concern on documentation handling or the information proceed. Because clear documentation can serve as an important part of evidence when employee performance review needs to be prepared. On the other hand, except one variable in performance appraisal quality all remaining variables had statistically significant difference in the mean scores for males and females which is  $p > 0.05$ .

As indicated in Table 18 the results from the analysis of an independent-samples t-test were conducted to compare the variance of scores for males and females. Accordingly, it called significant difference in all variables scores for males and females when p value for all is less than 0.05 in this study.

As indicated in Table 19 one-way between-groups analysis of variance was conducted to explore differences in Performance Appraisal Quality, Feedback and Employee Performance based on age of respondents, as measured by the liker scale. Subjects were divided into two groups (Group 1: 20 and below, Group 2: 21-35).

There was not a statistically significant difference at the  $p > .05$  level in mean scores between groups in Performance Appraisal Quality [ $F(1, 198) = 1.189, p = .277$ ]. The

mean score for Group 1 ( $M=58.08$ ,  $SD=17.643$ ) and Group 2 ( $M=63.20$ ,  $SD=15.289$ ) in Performance Appraisal Quality. There were no significant differences in mean scores from either Group in in Performance Appraisal Quality. However, there is a statistically significant difference at the  $p>.05$  level in mean scores between groups for both Feedback and Employee Performance on basis of Age of Respondents, as mentioned in Table 19 under this ANOVA analysis.

**Table 19.** *One-way ANOVA on basis of Age of Respondents*

| Descriptive                   |              |     |       |           | ANOVA          |           |     |             |        |      |
|-------------------------------|--------------|-----|-------|-----------|----------------|-----------|-----|-------------|--------|------|
|                               |              |     |       |           |                |           |     |             |        |      |
|                               |              | N   | Mean  | Std. Dev. | Sum of Squares |           | df  | Mean Square | F      | Sig. |
| Performance Appraisal Quality | 20 and below | 185 | 58.08 | 17.643    | Between Groups | 363.571   | 1   | 363.571     | 1.189  | .277 |
|                               | 21-35        | 15  | 63.20 | 15.289    | Within Groups  | 60544.184 | 198 | 305.779     |        |      |
|                               | Total        | 200 | 58.46 | 17.495    | Total          | 60907.755 | 199 |             |        |      |
| Feedback                      | 20 and below | 185 | 21.17 | 6.348     | Between Groups | 450.656   | 1   | 450.656     | 11.776 | .001 |
|                               | 21-35        | 15  | 26.87 | 3.399     | Within Groups  | 7577.539  | 198 | 38.270      |        |      |
|                               | Total        | 200 | 21.60 | 6.352     | Total          | 8028.195  | 199 |             |        |      |
| Employee Performance          | 20 and below | 185 | 18.17 | 5.140     | Between Groups | 144.975   | 1   | 144.975     | 5.421  | .021 |
|                               | 21-35        | 15  | 21.40 | 5.565     | Within Groups  | 5295.405  | 198 | 26.744      |        |      |
|                               | Total        | 200 | 18.41 | 5.229     | Total          | 5440.380  | 199 |             |        |      |

**Source:** *Computed from survey by researcher, 2020.*

Therefore, as it understood from the result there were no differences in mean score among the respondents or employees on basis of Age of Respondents group in Performance Appraisal Quality while there were statistically significant differences for Feedback and Employee Performance dimensions.

## 5. Conclusion

As the study indicated there were positive, strong and significant relationships existed between (Performance Appraisal Quality and Feedback, Feedback and Employee Performance, and Performance Appraisal Quality and Employee Performance).

This understood all variables were co-related and interdepending on each other's. Therefore, the company was better focused on all variables equally likely to achieve company's' goal as desired by increasing employee performance. The finding also approved that all independent variables were significantly combined as the

predictors to predict dependent variables (Employee Performance). Thus, the company had needed to give equal concern for both Performance Appraisal Quality and its Feedback by combining in effective way. At this hand practicing feedback can mostly influenced the performance level that performed by the employees of the company.

Therefore, the Company had also needed to keep practicing of a regular, and on timely feedback that based on positive Communication continuously. By doing this the level of understanding between both employees and managers will be increased and the risk can be handled smoothly. Furthermore, as study find out from the analysis of an independent-sample t-test is indicated the company must fill the gap for the differentiations observed between male males and females.

Moreover, as the result from ANOVA analysis also explores, the company was creating discrimination when practiced for Feedback and Employee Performance on demographic basis. Thus, if there is no equal understanding at each diverse; it is impossible to minimize wrongdoing of employees by feedback, and without using clear understanding, regular and timely feedback impossible to expect for good employee performance.

On the other side, Performance feedback is effective in changing employee work behavior and enhances employee job satisfaction and performance. This can be possible only when the company designed effective performance appraisals or quality performance appraisals for their organization. Therefore, an effective appraisal system will help to eliminate behavior and work-quality problems, as well as motivate an employee to contribute more.

## **6. Recommendations**

Based on the data analyzed, discussed and interpreted, the researcher recommends the following:

- The researcher recommends organizations to practice quality performance appraisal effectively. Especially the need to give first concern Establishing performance goals and developmental goals which brings employees with obvious performance goals view, also the supervision of performance during the evaluation process. Employees need to be familiar with the purpose and role of the performance appraisal process and Appraisal should be set in a way that it clarifies objectives and sets clear future objectives with provision for development needs to establish the performance objectives.
- As the finding of the research indicated attributes of Performance Appraisals Quality, the Homa Construction PLC Company was practiced very little. As reported by Obiekwe and Ejo-Orusa, (2019) effective performance appraisals will benefit both organization and employees. Therefore, Homa Construction PLC Company is better to apply and revised its performance

appraisals practices in an effective appraisal (Quality Performance Appraisals) which helps to eliminate bad behavior and work-quality problems, as well as motivates an employee to contribute more. Furthermore, Quality Performance Appraisals should constitute Communicating and reinforcing company values that are based on understanding of all stockholders of the company, creating positive and open communications between manager and employee state what is done well and what needs improvement.

- In all variables the company practiced poorly when giving feedback to employees' performance which had negative effect on overall performance of employees and a major cause of risks to the company's resources utilized. Therefore, the company better to give concern to such effective way of practicing feedback in their company. Continuous feedback is vitally important to help direct, coach, and teach employees to grow and improve performance as well to make profitable company.
- As the findings of study explore, the company was not practiced in well manner on Clear documentation. Thus, the company was better to see or give concern on documentation handling or the information proceeds. Because Clear documentation can serve as an important part of evidence when employee performance review needs to be prepared.
- Finally, as understood from the result of ANOVA analysis, statistically significant differences were observed demographically for Feedback and Employee Performance dimensions. Therefore, the company needs to focus on effective ways of supervising employees and giving feedback productively to increase profit or performance of the company. And work to fill the gap of variation that observed between employees of the organizations at the time of evaluation or supervision process.

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