

***ASSESSMENT OF HUMAN RESOURCE MANAGEMENT PRACTICE:
THE CASE OF AWASH MARBLE PROCESSING PLANT***



**ADAMA SCIENCE AND TECHNOLOGY UNIVERSITY SCHOOL OF
BUSINESS AND ECONOMICS**

**THESIS SUBMITTED IN PARTIAL FULFILLMENT OF THE
REQUIREMENTS FOR THE DEGREE OF MASTERS IN BUSINESS
ADMINISTRATION [MBA]**

BY:

Million Tsegaye Afrase

Adviser:

Tarekegn.D (Dr)

December, 2008

Adama, Ethiopia

Declaration

I, Million Tsegaye Afrase declared that this project entitled “**Assessment of human resource management practice: The case of Awash Marble Processing Plant**” is my original work. I have carried out this project work independently with the guidance and support of my project Advisor. This study has not been submitted to any Degree/ Diploma in this or any other institutes.

Million Tsegaye

Name

Signature

Date

Letter of Certification

This is to certify that Million Tsegaye Afrase has carried out his project work on the topic of **“Assessment of Human Resource Management practice: The case of Awash marble processing plant”** Under my supervision. This work is Original in its nature and it is suitable for submission in partial fulfillment of the requirements for the award of Masters Degree in Business Administration [MBA].

Dr Tarekegn.D

Advisor

Signature

Date

Adama science and Technology University

School of Business and Economics

MBA program

Title - “Assessment of Human Resource Management Practice: the case of Awash Marble Processing Plant”

By: Million Tesgaye

Approved by board of Examiner

Adviser

Signature

Date

internal examiner

Signature

Date

External examiner

Signature

Date

Acknowledgment

First and for most, I would like to give my glory and praise to the Almighty GOD for his invaluable cares and support throughout the course of my life and helped me since the inception of my education to its completion.

Next I am grateful to Thank you Dr Tarekegn, for his unreserved and genuine comment and advice throughout the development of this paper.

My special Thanks is extended to the managers and human resource management department staff of Awash marble processing plant for their commitment in providing all the necessary data.

Finally, my special thanks go to my wife Mekdes Sime, my friends Abiyot Adane, Habtamu Alemayehu, Gena Salih and all my family for their unlimited and kindly support during my study.

Table of content

Contents	page
Acknowledgment	i
Table of content.....	ii
List of Tables	iii
List of figure	iv
ABSTRACT	v
Operational definition.....	vi
CHAPTER ONE	1
INTRODUCTION.....	1
1.1Background of the Study.....	1
1.2 Statement of the problem	2
1.3 Objective of the Study.....	3
1.4 Significance of the study	4
1.5 Scope of the study.....	4
1.7 Limitation of the study	4
1.8 Organization of the paper	4
CHAPTER 2	6
REVIEW OF RELATED LITERATURE	6
2.1 Introduction	6
2.2 Overview of Human Resources Management	6
2.3 Human Resource Management (HRM) Practice Defined	7
2.3.1 Recruitment	9
2.3.2 Reward system.....	11
2.3.3 Training	17
2.3.4 Performance Appraisal	19
CHAPTER THREE.....	24
METHODOLOGY OF THE STUDY	24
INTRODUCTION.....	24
3.1 Description of the organization.....	24

3.2 Research Design	24
3.3 Target population and sampling	25
3.3.1 Target population	25
3.3.2 Sampling Method.....	25
3.4 .Data type and Source	25
3.5 Data Collection Method	26
3.5.1. Quantitative Data Collection Method.....	26
3.5.2. Qualitative Data Collection Method	26
3.6 Data processing and Analysis.....	26
RESULT AND DESCUTION	28
4.1 Respondent's Profile.....	28
4.2 Questionnaire Analysis	29
4.3 Interview Analysis	42
SUMMARY CONCLUSION AND RECOMMENDATION	45
5.1 Summary	45
5.2 Conclusion.....	45
5.3 Recommendation	46
APPENDICES	51

List of Tables

Tables	Page
Table 1	28
Table 2	30
Table 3	33
Table 4	35
Table 5	38
Table 6	41

List of figure

Figure 1..... 8

ABSTRACT

Today every business organization operates in turbulent environment. Due to this fact; business managers have big challenges in using resources effectively and efficiently for business success. One of the resources is Human resource and the success can be possible through proper application of HRM practices. In light of this, the paper is designed to assess the HRM practice of Awash marble processing plant. It is believed to be significant for the company to look at its problem and take corrective measure. And it provides basic knowledge for companies in the industry.

Descriptive Case study type of research design was used. The sampling method used was purposive using human resource management staff and HR manager of the company as a respondent to the study (36 HRM staffs and 1 HR manager). The data is collected through questionnaire and interview questions and analyzed both quantitatively and qualitatively using frequency percentage, weighted mean and statement.

The finding of this study shows that the company gives priority to internal recruitment, the most cost efficient sources of recruitment is considered and aligned the recruitment process with the HR planning. performance based reward which has clear procedure that all employees understand, exists great consideration of the reward system as part of the broad HRM system, clear goal, well designed, extensive training, and need assessment for training is made. There is reasonable, quantifiable and good performance measurement as well as proper documentation of employee appraisal and continuous feedback. However, company has problems in involving employee in the design of its reward plan, evaluating training effectiveness, using non financial reward.

Key words: Human resource, Human resource management practice, electronic human resource management (e-HRM)

Acronyms

BARS	Behaviorally anchored rating scale
HR	Human resource
HRM	Human resource management

Operational definition

Staff - in this research means workers of human resource department of awash marble processing plant.

Practices: Human Resource Activities.

Manager-in this research is the human resource manager of Awash Marble Processing plant.

CHAPTER ONE

INTRODUCTION

1.1 Background of the Study

As world is more competitive and unstable, as there is global environmental change and turbulent than ever before, organizations in every part of the Glob can gain competitive advantage and achieve their objective through efficient Human Resource Management Practice(Sparrow, Schuler, & Jackson, 1964) .

Human Resource Management Practice is a set of internally consistent policies and practices designed and implemented to insure that a firm human capital contribute to the achievement of its business objectives (Delery & Doty, 1996). It has been argued that competitive advantage only occurs when certain resource inputs are performing heterogeneously across different firms and that human resources are the only resources capable of doing this. Therefore meaning, human resources are the resources of above normal returns, rather than physical or tradable assets (BoWman & Ambrosini, 2000; Barney 1986) cited in (Parry, 2011).

The ultimate objective of the developing nations, including Ethiopia, is industrial development. Because developed industry is likely to boost the entire economy by making it nationally integrated, flexible, and capable of self generated and self sustained growth (Economics grade 12 text book). This objective can be achieved through efficient use of human resource.

One of the industries in Ethiopia is mining, which manufactures and processes marble, granite and agglomerate and others and supplies the total market and plays its own role by providing input for the construction industry of the country. Companies in this industry must use their human resources effectively and efficiently to get competitive advantage and contribute more to the country.

The organization in question, Awash Marble Processing Plant is a manufacturing enterprise under the National mining corporation of Ethiopia which produces marble, granite and agglomerate.

The purpose of the study is to assess the human resource management practice of Awash Marble processing plant and to give recommendation based on the findings.

1.2 Statement of the problem

Today, every business organization, regardless of the nature and kinds, operates in a turbulent environment. Due to this fact, business managers have a big challenge in using resources effectively and efficiently for business success. One of the resources is human resources (an organizations most valued assets) who individually and collectively contribute to the achievement of its objective. The success and failure of any business enterprise is depends on the human resource manager's ability to apply consistent policies and practices that ensure a firm's human capital contribution to the achievement of its business objective. This is because human resource management is strategic and coherent approach (Armstrong). Many researchers' study confirmed the significance of human resource management practices. For instance, Barney (1991, 1995), Becker and Gerhart (1996) Study indicated that Human resource is a source of sustained competitive advantage for organization. Delery and Doty (1996) study identified seven human resource management practices that have been consistently considered strategic HRM practices. These practices include internal career opportunities, formal training system, result oriented appraises, employment security, participation, job descriptions, and profit sharing. This approach has come to be known as "best practices" or universalistic approach. Huselid (1995) research work entitled "The impact of Human Resource Management practices on turnover, productivity, and corporate financial performance" indicated that those who applied high performance work practices such as comprehensive employee recruitment and selection procedures, incentive, compensation and performance management system, and extensive employee involvement and training able to achieve high productivity, and lower employee turnover and greater corporate financial performance. Tan and Nasurdin (2011) study shows that Human Resource Management practice (Performance appraisal, career management, training, reward system and recruitment) have a positive effect on organizational innovation.

All the researcher's Study mentioned above shows that human resource management practices influences firm performance and adopted some common human resource management practices (performance appraisal, recruitment, training, and reward system) on their study. Hence from the above scholars, we can understand that firms that implement high performance human resource management practice that going in line with the principle of human resource management and

aligned with the strategic goal of the organization, able to achieve high productivity, lower employee turnover, organizational innovation, greater financial performance and gain competitive advantage. However, there is a doubt that the implementation of human resource management practice is going in line with the principles of human resource management in the Awash Marble processing plant. There for, the gap exists between the principles and the process of implementation. So this will inevitably threaten the success of the organization. Hence, assessing the human resource management practice expected to provide empirical evidence about implementation of human resource management practice of awash marble processing plant. To achieve this objective, the researcher has taken five human resource management practice (recruitment, reward system, training, performance appraisal and assessed the implementation of these practice in the company under the study by answering the following basic questions.

Specifically the study is designed to address the following basic questions:

1. How human resource recruitment of awash marble processing plant practiced?
2. What the reward system of awash marble processing plant looks like?
3. What the human resource training practice looks like in the Awash marble processing plant?
4. What the performance appraisal practice of Awash marble processing plant likes like?

1.3 Objective of the Study

The General Objective of the study is to assess The Human Resource Management practice of Awash Marble Processing plant and to give recommendation based on the findings.

The specific objectives of this study are:-

- ✓ To assess the practice of human resource recruitment of Awash marble processing plant.
- ✓ To assess the reward system of Awash marble processing plant.
- ✓ To assess the human resource training practices of Awash marble processing plant.
- ✓ To assess the performance appraisal practice of Awash marble processing plant.

1.4 Significance of the study

The primary aim of any business establishment is to make profit. But this is challenging due to turbulent business environment and can be possible through efficient implementation human resource management practice that enhances firm's performance. The study will assess human resource management practice of Awash marble processing plant and is believed to be significant for the company to look at its problems and take corrective measures. The study also believed to be significant in giving basic knowledge about human resource management practice in the competitive world and it also believed to be significance for companies in the marble manufacturing industry.

1.5 Scope of the study

The scope of the study was covered how the human resource management practice (recruitment, reward system, training, performance appraisal and electronic human resource management) is implementing in the Awash marble processing plant and it excluded other human resource management practices. The study was delimited to human resource management practices by the company's side with concerned employees (human resource management staff and manager). The focus of the study was also delimited to the data obtained from the rates using questionnaires and interviews in the Awash marble processing plant only. While further study of other factory in the industry would have a significant effect on the comprehensiveness of the study.

1.7 Limitation of the study

There were external factors (uncontrollable) variables that deter the smooth implementation of the project in addition to the limitation of the research design itself. For instance, lack of relevant and up-to-date literature, lack of localized previous research papers in the area of the study, were the major constraints in this study.

1.8 Organization of the paper

The paper organized in to five chapters: chapter one contain the introduction part dealing with Background of study, statement of the problem, basic research question, objective of the study, Significance of the study, Scope of the study, limitation of the study, and organization of the

paper. The second chapter comprises review of related literature on the subject matter such as human resource, human resource management practice (recruitment, reward system, training, performance appraisal and e-HRM). Chapter three focused on Methodology of the study which comprises, research design, target population and sampling techniques, data source, data type, and data collection instruments used to make the study, data processing, data collection procedure, and data analysis technique. Chapter four details result and discussion. Finally; chapter five is about summary, conclusion and recommendation part of the study is discussed.

CHAPTER 2

REVIEW OF RELATED LITERATURE

2.1 Introduction

The primary purpose of this chapter is to get the theoretical understanding and investigation of human resource management practice. More specifically, it focuses on some primary area. First, overview of human resource management concept is explained based on scholar's theoretical lens. Second, defining human resource management practice based on the definition given by different scholars on the terms and meanings of HRM practices and adopted the meaning of the terms as it is related to the study. Third, the literature review examined studies which have explained the need and purpose of implementing those practices for firms. Finally, it tried to summarize the relationship of review of the literature to the current subject under the study.

2.2 Overview of Human Resources Management

The term human resource management (HRM) and human resource (HR) largely replaced the term 'personnel management' as a description of the process involved in managing people in organizations. (Armstrong, 2006)

Aims of HRM

The overall purpose of human resource management is to ensure that the organization is able to achieve success through people. It aims to access and satisfy future people needs and to enhance and develop the inherent capacities of people by providing learning and continuous development opportunities. It involves the operation of 'rigorous recruitment and selection process, performance, contingent incentive compensation systems and management development training activities linked to the needs of the business. It also means of engaging in talent mgt (Armstrong, 2006).

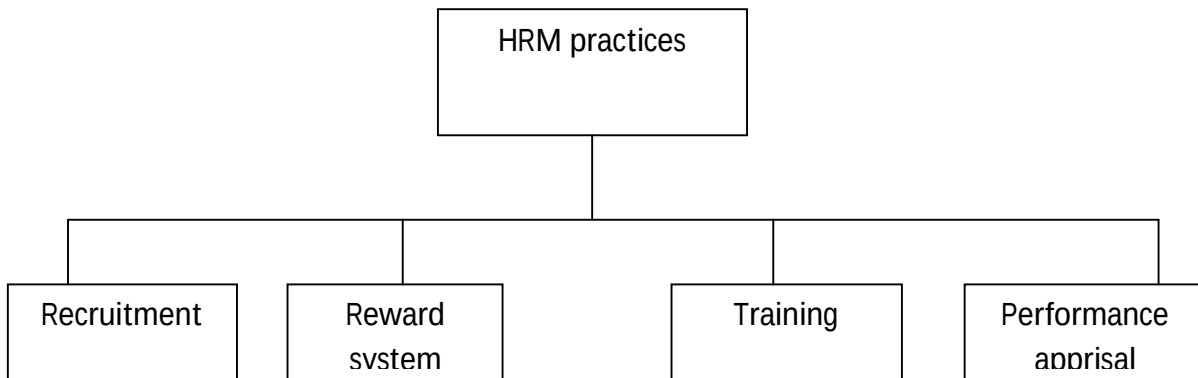
Human Resource Management defined:

A strategic and coherent approach to the management of an organization's most valued assets- the people working there who individually and collectively contribute to the achievement of its objectives (Armstrong, 2006)

2.3 Human Resource Management (HRM) Practice Defined

Human resource management practices have been defined in several aspects by different researchers. For instance, Schuler & Jackson (1987) defined as a system that attract, develops, motivates and retains employees to ensure the effective implementation and the survival of the organization and its member. Delery & Doty (1996) defined human resource practices as a set of internally consistent policies and practices designed and implemented to ensure that a firm's human capital contribute to the achievement of its business objectives. Likewise, Minbaeva (2005) viewed HRM practices as a set of practices used by organization to manage human resource through facilitating the development of competencies that are firm specific, produce complex social relation and generate organization knowledge to sustain competitive advantage. In relation to this Harter, Schmidt, & Hayes (2002), confirm that human resource management practice can generate increased knowledge, motivation, Synergy, and commitment of a firm's employees, resulting in a source of competitive advantage for the firm. Although the definition of all the above researchers about human resources management practices is indifferent aspect, all the definitions are about the importance HRM practice for the achievement of organizational objective through people in organization and to gain competitive advantage as well. The practices of human resource management also vary immensely in different organizations. For instance Session (1995) has commented as HR management is not a single homogenous occupation. Rather it involves a variety of roles and activity that differs from one organization to another and from one level to another. Likewise; different researchers have taken different practices on their study. For instance, Tan & Nasurdin (2011) Human Resource Management practice (Performance appraisal, career management, training, reward system and recruitment), Delery & Doty (1996) practices used on their study include; internal career opportunities, formal training system, result oriented appraises, employment security, participation, job descriptions, and profit sharing.

Conceptual frame of the study



Source-Armstrong (2006)

Figure 1

The above conceptual model shows the human resource management practices (recruitment, reward system, training, performance appraisal and electronic human resource management (e-HRM) that contribute to the achievement of organizational objective and competitive advantage if they are effectively implemented according to the principle of human resource management and the strategy of the organization. Recruiting Procedure, for example, that provide a large pool of qualified applicants, paired with a reliable and valid selection regimen, will have a substantial influence over the quality and types of skills new employee possess (Huselid, 1995). Many researchers' study confirmed that reward enhances innovation and creativity. For instance, Ryan & Deco (2000) study shows that the kind of creative behavior that underlies successful innovation is stimulated by some kind of rewards (financial & non financial. According to Schuler and Jackson (1987), training not only helps employee master knowledge but also enhances skill and ability which would contribute to innovation in terms of products, production process and management practice in daily operation. Performance appraisal also important to increase productivity. In relation to this, Huselid stated that, Performance appraisal that assess

individual or work group performance, linking this appraisals tightly with incentive and compensation system increase productivity.

2.3.1 Recruitment

Definition:

Recruitment is the process of generating a pool of qualified candidates from a particular job (Balkin & Bardi, 2003).

Recruitment involves employing and obtaining appropriate and competent candidates through external sourcing (Sparrow, Schuler & Jackson 1994)

To find new people to join a company, an organization, the armed forces. (Oxford advanced learner's dictionary 6th edition).

The objective of recruitment

The aim of recruitment is to attract qualified job candidates. The resource-based view of the firm suggests that a firm's pool of human capital can be "leveraged" to provide a source of competitive advantage (cf. Barney, 1991; Wright, McMahan, and McWilliams, 1992)

Sources of recruitment

Armstrong (2006) classified Recruitment into two sources; internal source and external source. Internal sources of recruitment is recruiting employee from within. And first consideration should be given to internal candidates and if there are no people available within the organization, the main sources of candidate will be external sources (advertising, the internet and outsourcing to consultants and agencies). Likewise, Balkin and Kadiy (2003), forwarded the following sources of recruitment as the most prominent.

Current employees many companies have a policy of informing current employees about openings before trying to recruit from other sources. Internal job posting give current employees the opportunity to move in to the firm's more desirable job.

Referral from current employees studies have shown that employees were hired through referral from current employees tended to stay with the organization longer and greater loyalty and job satisfaction than employee who are recruited by other means. However current employee tends to refer people who are demographically similar to themselves, which can create equal employment opportunity problem.

Former employees a firm may decide to recruit employees who privately worked for the organizations. Typically they are people who were laid off, although they may also be people who have worked seasonally (during summer vacation or tax season, for example).because the employer already has experience with these people.

Print Advertisements advertisement can be used both for local recruitment efforts (news papers) and for targeted regional, national, or international searches (trade or international publications).

Internet Advertizing and career sites employees are increasingly turning to the Web as recruitment tool because on-line advertisements are relatively cheap, are more dynamics, and can often produce faster result than news paper. In addition the reach of the internet has expanded dramatically, so company can connect with people all over the world who are looking for jobs.

Employment Agencies many organizations use external contractor to recruit and screen applications for position. Typically the employment agency is paid a fee based on the salary preferred to a new employee. Agencies can be particularly effective when the firm is looking for an employee with a specialized skill. Another advantage of employment agencies is that they often seek out candidate who are presently employed and not looking for a new job, which indicates that their current employer is satisfied with their performance.

College recruiting many large employees has college recruiting program that target certain colleges and universities/certain majors. Students whose majors are Accounting, Engineering, Computer programming, and Information system at the under graduate level and those with graduate degree in business and law are often considered the most desirable candidates because of the applied training they have received.

Customer- one innovation recruitment source is the organization's customers, who are already familiar with the organization and what it offers. These people, who must be happy with the organization or service because they have remained customers, may bring more enthusiasm to the work place than other applicants who are less familiar with the organization.

According to balkin and cardy (2003 p 170), the appropriateness of any source of recruitment is depends on the type of the job to be filled and the state of the economy. For instance, when the unemployment rate is high, company find it easy to attract qualified applicants. When it is low, organizations need to be more resourceful in locating qualified applicants. balkin and cardy Stated that Company evaluates the effectiveness of different source, by looking at how long

employees recruited from different sources stay with the company and studies shows that ,the employee who know more about the organization and have realistic expectation about the job tend to stay longer than other applicants. Hence, current employees, employee referrals, and former employees are likely to turn up applicants with realistic expectations of the job. Another way of evaluating recruitment sources is by its cost. The organization should carefully consider the most cost- efficient recruiting methods for a particular situation. Manager can increase the human resource departments by giving human resource personnel continuous feedback on the quality of the various recruitment sources.

2.3.2 Reward system

Pay for performance system also called incentive system, reward employee performance on the basis of three assumptions: first Individual employees and work teams differ in how much they contribute to the firm. Second, The firms overall performance depends to a large degree on the performance of individual and group within the firm. Third, to attract, retain, and motivate high performers and to be fair to all employees, the firm needs to reward employees on the basis of their relative performance. Employees who believe that rewards are allocated unfairly (perhaps on the basis of favoritism) are likely to lose respect for the organization. Pay policies should be perceived as fair by all employees. (Balkin & cardy, 2003)

Many researchers' study confirmed that reward enhances innovation and creativity. For instance, Ryan & Deco(2000) states that the kind of creative behavior that underlies successful innovation is stimulated by some kind of rewards but reduced by Others. Bohnet & Oberhlzer-Gee(2001) argued that, the increasingly wide spread practice of rewarding shop floor employees for putting forward suggestions for process improvements-such as by giving them a share of the cost saving—is likely to increase incremental innovation activity regardless of whether or not the firm has employed other organizational practices as well.

Performance based reward is needed to construct an “organizational culture” that is conducive to organizational innovation. Lau et al. (2004).

The challenges of reward system.

The following are the challenges facing organization and possible solution that went to adopt an incentive system forwarded by Balkin and Cardy(2003)

1. **“They do only what you get paid for” syndrome.** To avoid the charge that pay is distributed on the biases of subjective judgments or favoritism, pay –for performance- system tend to relay

on objective indicator of performance. This may lead some manager to use whatever “objective” data are available to justify pay decision. Unfortunately, the closer pay is tied to particular performance indicators, the more employees tend to focus pay is tied to on those indicators and neglect other important job components that are more difficult to measure.

2. Negative effect on the spirit of cooperation-Those who are receiving less than they feel they deserve may try to “get back” at those who are receiving more, perhaps by sabotaging a project spreading rumors. Internal competition may set off rivalries that lead to quality problems or even cheating.

3. Difficulty in measuring performance: accurate measure of performance is not easy to achieve, and trying pay to inaccurate measures is likely to create problems.

4. Lack of control: employee often cannot control all of the factors affecting performance. eg supervisors, performance of other work group members, the quality of the materials the employee working with, working conditions, the amount of support from management, and environmental factor.

5. Psychological contracts: - a set of expectations based on prior experience, and it is very resistant to change. Breaking a psychological contract can have damaging results such as massive employee protests, the resignation of several key managers, and a general lowering of employee morale.

6. The credibility gap:-Employees often do not believe that pay for performance are fair or that they truly reward performance, a phenomenon called the *credibility gap*.

7. Job dissatisfaction and stress-Pay-for-performance system may lead to greater productivity but lower job satisfaction. Some research suggests that more pay is tied to performance, the more the work unit begins to unravel and the more unhappy employees become.

8. Potential reduction of intrinsic drives-Pay for performance program may push employee to the point of doing whatever it takes to get the promised monetary reward and in the process stifle their talent and creativity. One expert argues that the more a firm stresses pay as an incentive for high performance, the less likely it is that employees will engage in activity that benefit the organization (such as overtime & extra special service) unless they are promised an explicit rewards.

Meeting the challenges of reward (pay –for-performance system)

According to Balkin & Cardy (2003), properly designed pay –for-performance system present managers with an excellent opportunity to align employee interest with those of the organization. The following recommendation can help to enhance the success of performance programs and avoid pitfalls discussed above.

- 1. Link pay and performance appropriately** There are a few cases in which managers can justify paying workers according to a pre established formula or measure. Traditional piece-rate systems, in which workers are paid per unit produced, represent the tightest link between pay and performance. Although many piece rate systems have been abandoned as they tend to create the kind of problem discussed earlier, there are situations in which piece rate plans are appropriate. The primary requirement is that the employee has complete control over the speed and quality.
- 2. Use reward system as part of broader HRM system-Reward systems** is not likely to achieve the desired results unless they are accompanied by complementary HRM programs. For instance, performance appraisals and supervisory training usually play a major role in the eventual success or failure of a reward plan.
- 3. Build employee trust**-Even the best conceived pay for performance program can fail if managers have a poor history of labor relations if the organization has a cutthroat culture.
- 4. Promote the belief “performance makes a difference”**-Unless an organization creates an atmosphere in which performance makes a difference, it may end up with a low achievement organizational culture.
- 5. Use multiple layer of reward since all reward system have positive and negative features,** providing different type of pay rewards for different situation likely to produce better result than relying on a single type of pay incentive.
- 6. Increase employee involvement**-When employee do not view a compensation plan as legitimate, they will usually do whatever they can to subvert the system-from setting maximum production quotas for themselves to shunning co workers who receive the highest reward. The best way to increase acceptance is to have employees participate in the design of the pay plan. Employee involvement will result in a greater understanding of the rationale behind the plan, greater commitment to the pay, and a better match between individual need and pay plan design.
- 7. Use motivation and non financial incentives**- Although manager’s biggest concern in administering incentive plans is financial awards, non financial rewards can be used effectively

to motivate employee performance and some people are more interested in the non financial aspects of their work. It includes public and & non public praise, honorary titles, expanded job responsibilities, paid and unpaid sabbatical leaves, mentoring programs, and 100 percent tuition reimbursements.

Types of Reward or pay- for- performance forwarded by Balkin & Cardy (2003)-The firm may use varieties of approaches to Rewards performance. Reward can be designed to reward the performance of the individual, team, business unit or plant, entire organization, or any combination of these.

1. Individual- based plans are the following

Merit pay: consists of an increase in base pay normally given once a year. Supervisions rating of employee' performance is typically used to determine the amount of merit pay granted. For instance, subordinate whose performance is rated "below expectations", □ achieved expectations", "exceeded expectation "and □ fair exceeded expectation" may received 0 percent, 3 percent, 6 percent and 9 percent pay rises respectively.

Bonus program :(are sometimes called lump sum payments) are similar to merit pay program but bonuses are given on a one- time basis and do not raise the employee's base payment as merit pay. A bonus is tending to be larger than merit pay increases.

Awards: bonus awards are one-time rewards' but tend to be given in the form of a tangible prize, such as a paid vacation.

Advantage of individual based plan

Performance that is rewarded is likely to reaped 2. Individual are goal oriented and financial incentives can share an individual's goals over time. 3. Assessing the performance of each employee individually helps the firm achieve individual equity4. Fit in with an individualistic culture.

Disadvantage of individual based performance are the following:

- ✓ Typing pay to goals may promote single mindedness;
- ✓ Many employees do not believe that pay and performance are not linked;
- ✓ Individual pay plan may work against achieving quality goals;
- ✓ Individual –based program promote inflexibility in some organization

Condition under which individual- based plans are most likely to succeed

When the contribution of individual employees can be accurately isolated, when the job demands autonomy, when cooperation is less critical to successful performance or when completion is to be encouraged

Team-based reward plan

Team –based pay plan normally reward all team members equally based on group out comes in the form of bonuses and non-financial awards.

Advantage of team based plan is; Focus group cohesiveness and aids of performance measurement.

Disadvantage of team-based plan are: -possible lack of fit with individualistic cultural value and The free-riding effect-those who contribute little to the team-either because of low effort or limited ability are said to be free-rider.to minimize this effect the solution is adjusting pay incentives to encourage individual performance within the team.

Condition under which team based plans are most likely to succeed when the following conditions are fulfilled:

- ✓ When work tasks are so intertwined that it is difficult to single out who did what;
- ✓ When the firms organization facilitates the implementation of team based incentives;
- ✓ When the objective is to foster entrepreneurship self-managed work group

Plant wide reward plan

Plant wide pay-for-performance rewards all workers in a plant or business unit based on the performance the entire plant or unit. It is generally referred to as **gain sharing** program because they return a portion of the companies cost saving the workers, usually in form of lump-sum bonus. In contrast to individual-based incentives plans, gain sharing dose not embrace the idea that Pay incentives motivate people to produce more. Gain sharing can provide a vehicle to elicit active employee input.

Disadvantage of plant wide plan

- ✓ Protect a low performance
- ✓ Problem with the criteria used to trigger rewards
- ✓ Management labor conflict

Condition under which plant wide pay for performance reward plan are most likely to succeed stated by Balkin & Cardy(2003)

- ✓ When the organization is small and medium sized
- ✓ Technology-when technology limits improvements in efficiency, gain sharing is less likely to be successful.
- ✓ Historical performance-when the firm has multiple plants with varying level of efficiency, the plant must take this variance in to account so that efficient plants are not penalized and inefficient plants rewarded.
- ✓ Corporate culture-when there is traditional hierarchy of authority, heavily depends on supervisors value system. That is antagonistic to employee participation.
- ✓ When the demand for the firms product or service is relatively stable.

Corporate wide reward plans

This plan is based on the entire corporation's performance. The most widely used program of this kind is profit sharing. In this plan no attempt is made to reward workers for productivity improvement and it is very mechanistic as well as profit distribution are used to fund employee's retirement plan. The other kinds of this plan is, employee stock ownership plan.

Advantages of corporate wide reward plan are; final flexible for the firm, increased employee commitment, and Tax advantage

Disadvantage of corporate wide reward plan are; employee may be at considerable risk, limited effect on productivity Long run financial difficulties.

Condition favoring corporate wide plan

- When the organization is large,
- when there is interdependent of different parts of the business
- when there are stable sales and
- when there are other incentives

2.3.3 Training

Training defined

Training has been defined by different scholars in different aspects. For instance, Bernard an(2009), defined it as any attempt to improve employee performance on currently held job or one related to it. This usually means changing the specific skills, attitude or behavior. Training should involve a learning experience, be planned organization activity and be designed to meet the goals of the organization while simultaneously meet the goals of individual employees. According to Mathis (2008), Training is a learning process that involves the acquisition of skills, concepts, rules or attitudes to increase the performance of employee. And it is a continuous process and should be managed by experts. moreover, Swanson and Holton (2001), Defined Training as the process through which skills are developed, and attributes are nurtured in order to help individual who work organizations to become more effective and efficient in their work. And it is necessary to help workers quality for a job, do the job, or advance, but it is essential for enhancing and transforming the job actually adds value to the enterprise.

Training is one of the most important strategies for organizations to help employees gain proper knowledge and skills needed to meet the environmental challenges (Goldstein and Gilliam, 1990) cited in Engda (2014).

Balky & cardy (2008) also explored that effective training can raise performance, employee morale and increase an organization's potential.

Although all the above scholars expressed the word training in different ways, they do have the same idea towards it. This is improvement of employee performance, skills, attitude, behaviors, so that the organization can achieve its objective and the goal of individual employee as well.

Objective of training

The objective of training is very essential because it determines the design and content of the program. However, (Decenzo and Robinson, 2003) cited in Engda (2014) stated that some organizations send their employees to training programs without identifying objectives and without knowing what the trainees would achieve by the time they come back from the program. From this we understand that knowing the objective of training and implementing accordingly is mandatory.

Schuler and Jackson (1987), training helps employee master knowledge, skill and ability which would contribute to innovation in terms of products, production process and management practice in daily operation. Hence, training develops the knowledge and skills, and ability of employee to perform effectively in their job that will lead to higher organizational innovation. In relation to this, Scott, clothier and Spiegel (1977) cited in Engda (2014), agree that training is the corner stone of sound management, for it makes employee more effective and productive. Generally, the following are some of the objective of conducting training program in organizations forwarded by most scholars (like Decenzo and Dobinson(2003) , Mathis(2008), Armstrong (2009), Aswathappa (2012) and others, cited in Engda (2014): To establish a sound relationship between the worker and their job; To upgrade skills and prevent obsolescence; To develop healthy attitude; To enhance employee confidence and moral To increase productivity ; To reduce cost of production; To minimize operational error; To improve product innovation.

Types of training

Training can be classified in to different type using different criteria by different scholars: For instance, Mathis (2008), Classified training based on the content of training or focus of the program such as; personal computer, team building, sexual harassment etc. likewise, Armstrong (2009), cited by Engda (2014),classified training program based on skills that the training provides as ; IT skills, team leader or supervisory training, management training, interpersonal skill e.g. leadership, team-building, group dynamics and others; Personal skills, e.g. assertiveness, coaching, communicating, time management; and organization procedures or practices, e.g. health and safety, performance management, policy and practice.

Process of training

According to Balky and Cardy(2008), poor, inappropriate, or inadequate training can be a source of frustrations for everyone involved. Hence, to maximize the benefits of training, management must monitor the training process which consists of three phases: Phase1 need assessment, phase 2 developments and conduct of training, and Phase 3 evaluation.

Assessment phase; contains three level of analysis:

Organizational analysis—analysis in broad factors such as culture, mission and business climate, long and short term goals and structure.

Task analysis—is an examination of the job to be performed. It focuses on the duties and tasks of the job throughout the organization to determine which job requires training.

Person analysis—determining which employee needs training by examining how well employee is carrying out the tasks that make up their job.

The second and the last phase of training are conducting and evaluating the training effectiveness respectively.

2.3.4 Performance Appraisal

Definition

Performance appraisal has been synonymous with performance review, performance evaluation, performance assessment, performance measurement, employee evaluation, personnel review, staff assessment, service rating. (Aggarwal and Thaquir, 2013).

According to balkin&cardy (2003), performance appraisal involves, the identification measurement, and management of human performance in organization.

1. identification-determining what area of work should be examining when measuring performance
2. Measurement-is the center piece of the appraisal system, entails making managerial judgments of how “good” or “bad” employee performance was. Good performance measurement must be consistent throughout the organization. That is all managers in the organization must maintain comparable rating standards.
3. Management-the overriding goal of any appraisal system should be more than a past-oriented activity that criticizes or praises workers for their performance in the preceding years. It must be future-oriented view of worker what workers can do to achieve their potential in their organization. Provide workers with feedback and coach them to higher level of performance.

Importance of performance appraisal

Many researchers' study explores the importance of performance appraisal. For instance, Tan and Nasurdin (2011) study indicated that, fair performance appraisal reinforced employee's motivation leading to increase in administrative innovation. Performance also important to increase productivity. In relation to this, Huselid (1995) stated that, Performance appraisal that assess individual or work group performance, linking this appraisals tightly with incentive and

compensation system increase productivity. Performance appraisal also can be used as a tool to measure the ability and indicator of quality of human resource management in an organization. (Blastakova ,2010, Aggrawal & Thakuar, 2013) .

Performance appraisal system is used in the organization to measure the effectiveness and efficiency of their employees. Aggarwal and thakur (2013).

Result oriented appraisal system provides substantial incentive for employees to work hard to accomplish their performance objectives. (Syed, Daniel & Gloria (2008).

Effectiveness of performance appraisal

According to balkin and cardy(2003,p 482)an effective performance appraisal system lets people know what is expected from them, how well they are meeting those expectations and what they can do to improve on their weaknesses. For Performance appraisal effectiveness, the following conditions should be fulfilled;

1. The performance appraisal criteria should set reasonable standards that employees understand and have some control over;
2. Supervisors should be encouraged to provide continuous feedback to subordinates. Many problems can be avoided with early intervention;
3. Performance evaluations for supervisors should place strong emphasis on their effectiveness at providing feedback and developing their subordinates;
4. Employee appraisal should be documented properly to protect employees against wrongful discharge or discrimination suits.

Techniques of performance appraisal

Performance appraisal can be broadly classified in to two categories: tradition and modern methods.

Traditional methods; Traditional methods are relatively older methods of performance appraisal. It is based on studying the personal qualities of the employees. It may include knowledge, initiative, locality, leadership and judgment.

Ranking method : according to Dessler et al. (2011) ranking method is ranking employees from best to worst on a particular trait, choosing highest then lowest, until all ranked.

Graphic rating scales: - Dessler (2011) states that graphic rating scales are a scale that lists a number of traits and a range of performance for each. The employee is then rated by identifying the score that best describes his / her level of performance for each trait.

Critical incident method: John Flanagan in 1954 becomes the landmark of critical incident technique, after his title entitled "the critical incident technique" appeared in the psychological bulletin. But first this method was formally codified by the works of Fitts and Jones in 1947 for classifying pilot error experience in reading and interpreting air craft instruments. Fitts and Jones used the term "error" rather than "critical incident". Flanagan (1954) defined the critical incident as a set of procedures designed to describe human behavior by collecting description of events having special significance and meeting systematically defined criteria. According to Dessler et al. (2011), critical incident method is keeping a record of uncommonly good or undesirable example of an employee's work related behavior and reviewing it with the employee at predetermined times.

Narrative essay: According to Jaffari, Bourouni and Amiri (2009), evaluator writes an explanation about employee's strength and weakness points, previous performance, positional and suggestion for his /her improvement at the end of evaluation time.

Modern Method of performance Appraisal

According to some scholars, modern methods were devised to improve the traditional methods. It attempts to improve the shortcomings of the old methods such as biasness, subjectivity, etc.

The following are modern methods forwarded by different scholars;

Management by objectives (MBO)

In 1954, Peter F. Drucker introduced "Management By objective". And it comprises of three building blocks; objective formulation, execution process and performance feedback.

Wehrich (2000) suggested a new model: the system approach to management by objective (SAMBO) which comprises the following seven elements: Strategic planning ; Setting objectives; Planning for action; Implementation of management by objective; Control and appraisal; Subsystems; Organizational and management development.

Behaviorally anchored rating scale (BARS): this technique was introduced by Smith and Kendal in 1963 with the attention of researchers concerned with the issue of reliability and validity of performance ratings. According to Elverfeldt (2005), behaviorally anchored rating scale help rater focus on specific undesirable incidents of work behavior which can serve as examples in discussing a rating. It uses behavioral statements or concrete example to illustrate multiple level of performance for each element of performance.

Human resource accounting: this method was first developed by Sir William Petty in 1691, but research in true human resource accounting began in the 1960s by Rensis Likert. According to Sharma and Shukla (2010), the main theory underlying the human resource accounting is: the people are valuable resources of an organization or enterprise, information on investment and value of human resource is useful for decision making in the organization.

Assessment center

The assessment center method in its modern form, came into existence as a result of management progress reported by Bray, Campbell and Grant in 1974. According to Ham (1986), common job stimulations used in assessment center are in-basket exercise, group discussions, stimulation of interview with "subordinate" or "clients", fact-finding exercise, analysis/decision making problems, oral presentation exercise and, written communication exercise.

360 degree performance appraisal technique

It is a popular performance appraisal technique that involves evaluation input from multiple level within the firm as well as external sources. 360 degree feedback relies on the input of an employee's superior, colleagues, subordinates sometimes customers, supplier, and spouses (Jafari, Bourouni and Amiri, 2009).

According to Elverfeldt (2005), 360 degree appraisal provides people with information about the effect of their action on others in the work place. It provides a notion of behavioral change might be elicited through a process of enhanced self awareness.

720 degree performance appraisal technique

Rick Galbreath became dissatisfied with 360 degree reviews. He started using 720 degree and defined it as a more, intense, personalized and above all greater review of the upper level management that brings in the perspective of their customers or investors, as well as subordinates. 360 degree appraisal is practiced twice. When 360 degree appraisal is done,

performance of the employee is evaluated and having a good feedback mechanism, the boss sits down with the employee again in a second time and gives him feedback and tips on achieving the set targets (sapra, 2012).

Other technique of performance appraisal

There are many other techniques such as 90 degree, 180 degree 270 degree, balanced scorecard, mixed standard scale, human resource costing and accounting, paired comparison, forced distribution method, behavioral observation scale, electronic performance monitoring, confidential reports etc. From this we conclude that there are many techniques that used for performance appraisal. It is very difficult to say that which technique is better than other technique because it depends up on the type and size of organization. (Aggarwal and mitra thakuar, 2013).

CHAPTER THREE

METHODOLOGY OF THE STUDY

INTRODUCTION

In this chapter Description of the organization, the research design used for the study, target population and sampling technique, data type, data source, data collection instruments, data collection procedure, data processing and analysis was discussed in detail.

3.1 Description of the organization

Awash Marble processing plant is found in the Afar region in Awash 7 kilo town 225 km away from Addis Ababa in the main road of Djibouti. It was established in 1993. It is a private limited company under the National Mining Corporation. The shareholder of this company is Shah Mohammed Hussein Ali Alahmudin and Shah Hassan Ali Alahmudin.

Awash Marble processing plant is a manufacturing enterprise which produces marble, Granite, Agglomerate, Limestone and gravel. The output of this factory satisfies both domestic and international market supply. The waste product is sold for the input of ink and soap factories of Ethiopia. The company supplies construction input for the construction industry of our country. In addition to domestic market, it is currently exporting marble to Italy, French, SAUDIARABIA, America, Bahrain, Djibouti and Kenya. It is become a source of employment opportunity for local people in particular and for the country in general. Due to sophisticated machine it has, currently the factory production capacity per year is 300,000 m².

3.2 Research Design

For this study the researcher adopted descriptive case study type of research design. The reason why the researchers choose case study is that it offers an opportunity to study a particular subject. e.g. one organization in depth. As well as, Case study research reveals a particular event in a real life context. In relation to this, Yin (1994) Argued that “ the case study allows an investigation to retain the holistic and meaningful characteristic of real life events such as individual life cycles, organizational and managerial processes” Yin also stated as Every study that has a case as the object of the study is a case study regardless of the methods used. And it is

particularly useful for practice-based problems (Lee 1989; Galliers, 1991). The reason for why descriptive is that it offers to describe current practice in detail (Collis & Hussey, 2003). And descriptive research is one of the types of case study (king 1985; Saunders 1981; Smith 1988; Yin 1989). Moreover, case study requires a theory to guide the collection of data and this theory should be openly stated in advance and be the subject of review and debate and latter serve as the 'design' for the descriptive case study.

3.3 Target population and sampling

3.3.1 Target population

The target population for this study involves all the human resources found in the Awash marble processing plant.

3.3.2 Sampling Method

The sampling method of this study was purposive. Here the sample was selected based on the objective of the study and as well as the design of the study, the researcher could select the audience that can provide reliable data to the study. Hence, the human resource department staff and the human resource manager were taken as a sample element (36 staff members and 1 human resource manager). It is this part of the organization that has confidential information about human resource management practice than any other. Moreover, the human resource manager and HRM staff is presumed to be knowledgeable about the human resource management practice of the firm under the study and can fully represents the firm. The reason that the researcher has taken the entire HRM staff member as a sample was, their number is limited and manageable and no need of sampling from them.

3.4 .Data type and Source

In this study mixed types of data (qualitative & quantitative) were used to analyze the data collected in the form of interview and questionnaire. The reason for the use of the mixed type of data was based on the nature of the objectives of the study and the type of research design used. The second reason for choosing the mixed type of data was, if a data missed for the qualitative data, it fulfilled by the quantitative data. In relation to this, Johansson (2004) stated that in a case

study type of research design, qualitative data normally used in combination with quantitative data.

In this study, primary and secondary sources of data were employed. For primary sources, the data was obtained from questionnaire and interview. For secondary data, it was collected from books, journals, abstracts and magazines. The reason for using primary data was because, it do have high reliability due to the fact that the data is collected by the concerned and reliable party and it is current and can better give a realistic view to the researcher about the topic under consideration. The main reason for choosing secondary data was, to save time, effort and money while adding value to the researcher study as well as the study requires theory to guide the collection of data.

3.5 Data Collection Method

For the purpose of this study, the following data collection instruments and structure were used:

3.5.1. Quantitative Data Collection Method

For quantitative data, questionnaire was employed. The reason why this data collection method was selected was because, primarily it provide relatively simple and straight forward approach to assess the human resource management practice. Secondly, it allows respondents relative freedom to give their answers.

3.5.2. Qualitative Data Collection Method

For qualitative data collection the following data collection instruments and structure were utilized.

Interview with human resource manager- The reason that has been chosen was that the interviewee had a freedom to give information freely and the collected data was reliable since the interviewer tactfully collected the data by cross examining the responder. More over Johansson (2004) forwarded the following strength for interview.

- ✓ Targeted:-the interview focuses on the case study topic
- ✓ Insightful:-It gives information from personal experiences

3.6 Data processing and Analysis

After the data collection work was finished, the data was verified, checked, Cleaned and was made ready to enter into the computer. If some inconsistencies had been found in the collected

data missed in the field editing unconsciously, would have been needed at office verification again to make uniformity with the developed questionnaires. After the collected data verified and cleaned at field as well as at office, the quantitative data was coded and entered in to SPSS software version 20 packages.

This part of the study was carried out after the questionnaire was distributed and then collected from the human resource department staff. Data analysis processing come to an end here. After the data were verified, the quantitative data was analyzed by the following method:

Descriptive statistics was weighted at frequencies to see percentage which was employed to analyze frequencies of variables that was replied on the questionnaire by human resource management staffs. The main reason why the researcher selected these was the research design and the data directly fit with the approach / model /. Besides, for qualitative data that were collected through interview were incorporated with qualitative method wherever necessary and integrated with quantitative data. Tables were used to clearly show frequencies and percentage and variables with their indicators. The indicators in the variable were put using likert scales which was commonly and suitably used to measure respondents' answer. Besides, the researcher also used calculated weighted mean in the analysis and compared with the table mean.

CHAPTER FOUR

RESULT AND DESCUTION

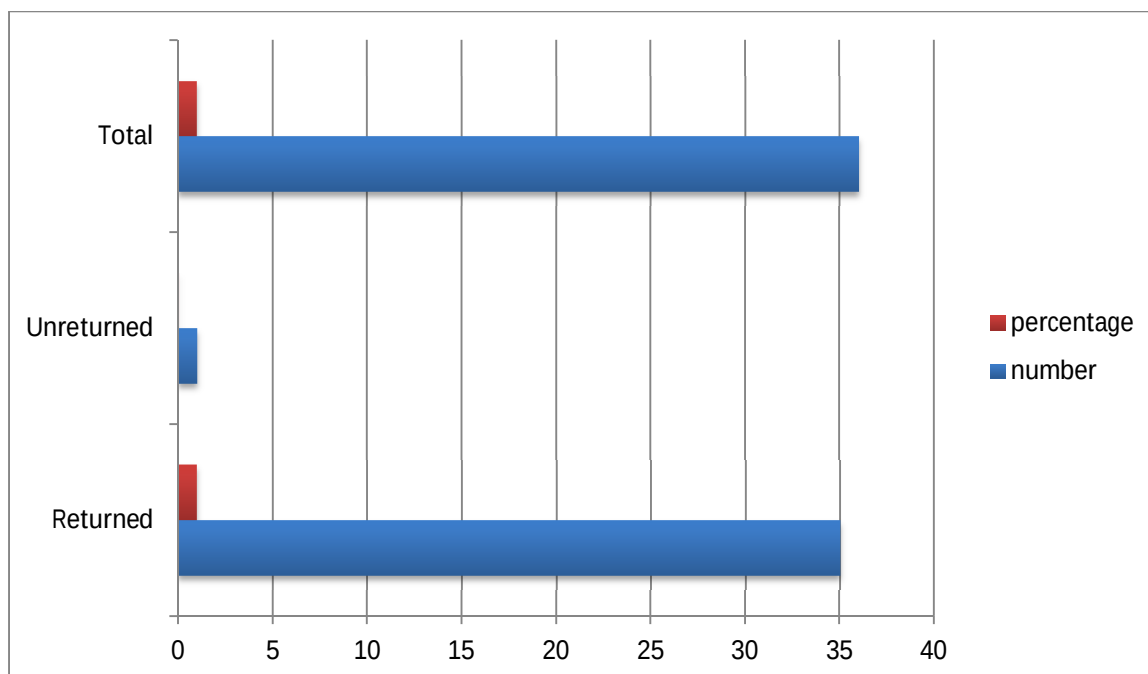
4.1 Respondent's Profile

As table 1 shows, the questionnaire were distributed to 36 employees of HRM department staff. Among these 35(97.2%) were kind enough to fill the questionnaires properly and return it on time. The rest 1(2.8%) were failed to complete and return the questionnaires. All the returned questionnaires were completed and used for the analysis.

Table 1 Response rate

Questionnaires	Number	Percentage
Returned	35	97.2%
Unreturned	1	2.8%
Total	36	100%

Table 1 source- researcher



4.2 Questionnaire Analysis

Table2 Distribution of Respondents by socio demographic characteristics

No	Variables		Frequency	Percentage
1a	Gender	Male	28	80%
		Female	7	20%
		Total	35	100%
1b	Age(Years)	Less than 20	2	5.7%
		21 – 35	18	51.4%
		36 – 50	12	34.3%
		51 – 65	3	8.6%
		More than 65	0	0%
		Total	35	100%
1c	Educational level	1-12complet	0	0%
		Certificate	16	45.7%
		Diploma	17	48.6%

		BA/BSC	2	5.7%
		MA/MSc	0	0%
		Total	35	100%
1d	Position	Senior manager	0	0%
		Manager	0	0%
		Staff	35	100%
		Total	35	100%
1e	Service year in the company	less than 1years	0	0
		2 to 5 years	1	2.9
		5 to 10 years	25	71.4%
		10 to 15 years	6	17.1%
		more than 15 years	3	8.6%
		Total	35	100%

Table 2

As it is shown in the above table, about 80% employees were male and the least amount, 20% staff were females.

The ages of majority employee were between 21 and 35 years old that accounts 51.4%.employee who were between 36 to 50 years are 34.3 % and from 51 to 65 years old were 8.6%%.This indicates that there is a potential advantage for working by young employees especially to achieve future objectives of the company's HRM strategy and practice. And the young employees are more eager to work.

When we saw the level of education, 48.6% of the respondents were diploma holders and 45.7% of the respondents are certificate and 5.7% were first degree. Here, we can conclude that 54.3% of the respondents are more than diploma holder. This implies that it is a good advantage for the company to implement human resource management practice effectively that lead to competitive advantage. Besides, all the respondents were expected to understand the questionnaire correctly. The highest number of respondents (71.4%) have the experience of 5 to 10years in the company.17.1% of the respondents had 10 to 15 years experience, 2.9% respondents had 2 to 5 year of experience and the rest 8.6% had more than 15 years of experience in the company. Long years experience shows that there is a relatively lower employee turnover as a result reduces cost

of hiring new employee and socialization and training this in turn leads to maximize company's profit.

Table 3 Respondents Response towards recruitment practice of the company

Item	Response					
1) My company gives priority to internal recruitment	Strongly Agree	Agree	Undecided	Disagree	Strongly Disagree	Total
Frequency	11	19	0	1	4	35
Weights	5	4	3	2	1	15
Percentage (%)	31.4	54.3	0	2.9	11.4	100
Weighted Frequency	55	76	0	2	4	137
Weighted mean						3.91
Table mean						3.0
2) My Company evaluates sources of recruitment by looking at how long employee recruited from different sources stay with the company						
Frequency	12	13	3	3	4	35
Weights	5	4	3	2	1	15
Percentage (%)	34.3%	37.1%	8.6%	8.6%	11.4%	100%
Weighted Freq	60	52	9	6	4	131

Weighted mean						3.7
3) My company considers the most cost efficient recruiting						
Frequency	13	12	0	3	7	35
Weights	5	4	3	2	1	15
Percentage (%)	37.1%	34.3%	0%	8.6%	20%	100%
Weighted Frequency	65	48	0	6	7	126
Weighted Mean						3.6
Table mean						3.0
4)There is good recruitment process in my company						
Frequency	12	16	0	3	4	35
Percentage (%)	34.3%	45.7%	0%	8.6%	11.4%	100%
Weighted Frequency	60	64	0	6	4	134
Weighted Mean						3.8

5)The recruitment process is linked with human resource planning						
Frequency	8	16	1	4	6	35
Percentage (%)	22.9%	45.7	2.9%	11.4%	17.1%	100%
Weighted mean						3.4

Table 3

Regarding to the company priority of sources of recruitment, as the above table shows, the maximum 19(54.3%) of the respondents agree and 11(31.4%) responded strongly agree and the weighted mean (3.9%) is greater than the table mean (3.0%). besides, 2.9% & 11.4% of the respondents answered disagree & strongly disagree respectively. This implies that the majority of the respondents witnessed that the company gives priority to internal recruitments .Furthermore, the manager also witnessed about the company's recruitment. He said that, first consideration is given to internal candidate, and it is only if there is no people is available, that the company is forced to recruit from outside.

As far as the evaluation of sources of recruitment concerned, 13(37.1%) of the respondents said agree and 12(34.3%) of them strongly agree. 3% of the respondents stay undecided, 8.6% and 11.4% of the respondents were said disagree and strongly disagree respectively. As well as the weighted mean is 3.7% which is greater than the table mean (3.0%). This shows that the largest portion (74.1%) of the respondents agree that the company looks at how long employee stay with the company to evaluate the effectiveness of sources of recruitment. Besides, the manager during the interview said that, Awash marble processing plant evaluates the effectiveness of sources of recruitment, using cost. It considers the most cost efficient recruiting methods for a particular situation.

Concerning item 3) of the above table, 13(37.1%) of the respondent said strongly agree, 34.3% said agree, 20% of the respondents answered strongly disagree and 8.6% disagree. The weighted mean is found to be 3.6. From this data, more than 70% of the respondents witnessed as the

company considers the most cost efficient recruiting method. The weighted mean also strengthen this idea (which is greater than the table mean).

When we come to item 4) 34.3% of the respondent said strongly agree, 45.7%, agree, 11.4% said strongly disagree where as 8.6% of the respondent were, those who have said disagree. This implies that 80% of the respondents witnessed the existence of good recruitment process in the company. Besides this, the weighted mean is 3.8 which are greater than the table mean. Hence, we can say that the company has good recruitment process.

Item5) in the above table, those who have said strongly agree and agree were, 22.9% and 45.7% of the respondents respectively and 11.4% of the respondents said disagree, 17.1% of them were those who have said strongly disagree. 2.9% of them was stay undecided. The weighted mean is 3.4 which is greater than the table mean 3.0. And more than half of the respondents (68.6%) were said strongly agree and agree. This indicates that the company aligned the recruitment process with the human resource planning. It is clear that there must be a linkage between human resource planning and the recruitment process for the achievement of any organization. Moreover, as the researcher got additional information from the interview of the human resource manager, the company recruiting is based on the job needs, as developed from the human resource planning.

Table 4 Respondent's Response towards the reward system of the company

Item	Content					
1)The reward system is performance based	Strongly agree	Agree	Undecided	Disagree	Strongly Disagree	Total
Frequency	3	15	1	12	4	35
Percentage	8.6%	42.9%	2.9%	34.3%	11.4%	100%
W. Frequency	15	60	3	24	4	106
W. mean						3.02
2) There are clear procedures of reward system.						
Frequency	7	19	1	3	5	15
Percentage	20%	54.3%	2.9%	8.6%	14.3%	100%

Weighted Frequency	35	76	3	6	5	125
Weighted mean						3.5
3) My company considers the reward system as part of broad HRM system.						
Frequency	7	11	2	7	8	15
Percentage	20%	31.4%	5.7%	20%	22.9%	100%
Weighted freq.	35	44	6	14	8	107
W. mean						3.05
4.there is high employee involvement in the design of reward plan						
Frequency	3	6	2	13	11	15
Percentage	8.6	17.1	5.7	37.1	31.4	100
Weighted freq.	15	24	6	26	11	84
Weighted freq.						2.3
5.implementation of non financial reward						
Frequency	2	4	2	12	15	35
Percentage	5.7	11.4	5.7	34.3	42.9	100
Weighted freq.	10	16	6	24	15	71
Weighted freq.						2.0

Table 4

As shown from table 4 above, regarding to question one, 15(42.9%) of the respondents said Agree and 8.6% of them said strongly Agree. Those who have said disagree and strongly disagree were 34.3% & 11.4% of the respondents respectively. From this the highest percentages aggregating strongly agree and agree accounts for 51.5% of the respondent. The weighted mean

is 3.02, which is greater than mean of weights. This implies that the company's reward system is somewhat performance based.

With respect to the existence of clear procedures of reward system, the analysis of the above table shows that the aggregate percentage of those who have said Strongly Agree and Agree is 74.3%. And 8.6% of the respondents have said disagree and 5(14.3%) of them said strongly Disagree. The weighted mean is 3.5, which is greater than the table mean. Since the largest percentage of the respondents agreed to the statement, and the weighted mean is greater than the table mean, we can say the company has clear procedures of reward system.

Regarding the company's consideration the reward system as part of the broad HRM system, 20% and 31.4% of the respondents have said Strongly Agree and Agree respectively. Whereas those who said disagree and strongly disagree was 20% and 22.9% respectively. 5.7% of the respondents said undecided. The weighted mean is 3.05 this implies that the company considers the reward system as part of broad HRM system.

Concerning the involvement of employee in the design of reward plan, the majority of the respondents (68.5) said disagree and strongly disagree to the statement. And the weighted mean is found to be 2.3(less than the table mean). This implies that the company is not involving the employee in the design of reward plan.

With respect to non financial reward implementation, 77.2%of the respondents (the majority) answered disagree and strongly disagree to the statement, and the weighted mean (2.0) is less than the table mean (3.0).This implies shows that the company do not implement non financial reward.

Table5 Respondent's Response towards the training practice of the company

Item	Content					
1)The goal of training is clearly stated	Strongly agree	Agree	Undecided	Disagree	Strongly Disagree	Total
Frequency	8	20	1	3	3	35
Percentage	22.9%	57.1%	2.9%	8.6%	8.6%	100%
Weighted freq.	40	80	3	6	3	132
Weighted mean						3.7

2)The company provides extensive training for employee						
Frequency	3	20	0	7	5	35
Percentage	8.6%	57.1%	0%	20.0%	14.3%	100
Weighted freq.	15	80	0	14	5	114
Weighted mean						3.2
3) My company makes need assessment before training is given.						
Frequency	9	14	0	7	5	35
Percentage	25.7%	40%	0%	20%	14.3%	100%
Weighted freq.	45	56	0	14	5	120
Weighted mean						3.4
4) There is a well designed training program.						
Frequency	8	13	1	5	8	35
Percentage	22.9%	37.1%	2.9%	14.3%	22.9%	100%
Weighted freq.	40	52	3	10	8	113
Weighted mean						3.2
5)The training program is designed from the company's strategic goal						
Frequency	1	19	2	8	5	35
Percentage	2.9	54.3	5.7	22.9	14.3	100
W. freq.	5	76	6	16	5	108

W. mean						3.08
6) My company evaluates the training program effectiveness.						
Frequency	3	11	1	9	11	35
Percentage	8.6%	31.4%	2.9%	25.7%	31.4	100
Weighted freq	15	44	3	18	11	91
Weighted mean						2.6

Table 5

As shown in the above table 5, concerning the goal of training, 20(57.1%) of the respondents said agree, 8(22.9) of the respondents said strongly agree and 2.9% of them said undecided. Those who said disagree and strongly disagree were equally accounted for 8.6%.from this analysis, the largest portion of the respondents (80%) were those who have said agree and strongly agree to the statement. Besides this the weighted mean (3.7) is greater than the table mean (3.0).This implies that the goal of training has been clearly stated in the company.

Regarding to the provision of extensive training, the largest percentage 20(57.1%) is from those who said agreed to the statement,8.6% of the respondents replied strongly agree. 20.0% & 14.3% of the respondents said Agree and strongly agree respectively. The weighted mean (3.2) is greater than the table mean (3.0).From this Analysis, we can say that the company provides extensive training for the employee. The manager also said that the company provides training in order to fill the knowledge and skill gap of the employee which led to productivity and development of moral of the employee.

Concerning need Assessment for training, the above table shows that 14(40%) of the respondents said Agree, 25.7% of the respondents said strongly agree, and 20% of the respondents said Disagree, and 14.3% of them said Strongly Disagree to the statement. The weighted mean is 3.4 and the table mean is 3.0 from this analysis, one can understand that since the weighted mean is greater than the table mean, and the largest portion of the respondents(65.7%) aggregating those

who said agree and strongly agree, witnessed that the company makes need assessment before training is given.

As far as the existence of well designed training program concerned, 8(22.9%) of the respondent said strongly agrees, 13(37.1%) said agree 2.9% of the respondents stay undecided. And those who have said disagree and strongly disagree were 14.3% and 22.9% respectively. The weighted mean is 3.4 and the table mean is 3.0. From this analysis, since the weighted mean is greater than the table mean and the aggregate percentage of the response- strongly agree and agree (60%) of the respondents confirmed that, the company has a well designed training program.

With respect to the alignment of the training program and the company strategic goal, 57.2% of the respondents aggregating those who said strongly agree and agree, which is relatively the largest proportion of the respondent witnessed that the company designed the training program, from the strategic goal. This can be also confirmed, by comparing the weighted mean with table mean. The weighted mean is 3.08 and the table mean is 3.0. As we can see it the weighted mean is greater than the table mean. This shows that there is alignment between the training program and strategic goal of the company.

When we come to the implementation of evaluation of the training program effectiveness, 8.6% of the respondents said strongly agree, 31.4% of the respondents said agree, and 2.9% of the respondent undecided, 25.7% of the respondent said disagree, and 31.4% of the respondents said strongly disagree. The weighted mean is 2.6 and the tables mean is 3.0. from this analysis we can say that majority of the respondents aggregating disagree and strongly disagree (accounted for 57.1%) disagree with the statement. And the weighted mean is less than the table mean. This implies that, there is implementation problem of evaluating training effectiveness after the training is given. It is clear that every company must evaluate the training that has been given in order to know whether the desired goal of the training is achieved or not.

Table 6 Respondent's Response towards Performance Appraisal practice of the company.

Item	Response					
1)There is good performance measurement	Strongly agree	Agree	Undecided	Disagree	Strongly Disagree	Total

Frequency	8	18	1	3	5	35
Percentage	22.9%	51.4%	2.9%	8.6%	14.3%	100%
Weighted freq	40	72	3	6	5	126
Weighted mean						3.6
2) There is reasonable performance measurement standard that all employees understand.						
Frequency	9	15	1	3	7	35
Percentage	25.7	42.9	2.9	8.6	20.0	100
Weighted freq.	45	60	3	6	7	121
Weighted mean						3.4
3) Employee appraisal is documented properly.						
Frequency	7	17	4	3	4	35
Percentage	20	48.6	11.4	8.6	11.4	100
Weighted Fre.	35	68	12	6	4	125
Weighted mean						3.5
4)The company provides continuous feedback to subordinate.						
Frequency	11	12	4	5	3	35
Percentage	31.4	34.3	11.4	14.3	8.6	100

Weighted frequency	55	48	12	10	3	128
Weighted mean						3.6
5)Performance appraisal is Practiced using quantifiable measurement						
Frequency	15	12	0	3	5	35
Percentage	42.9%	34.3%	0	8.6%	14.3%	100%
Weighted Freq	75	48	0	6	5	134
Weighted mean						3.8

Table 6

As it is shown in the above table 6, the analysis given regarding the existence of good performance measurement, 22.9% & 51.4% of the respondents said strongly agree and agree respectively. 8.6% & 14.3% of the respondent said disagree and strongly disagree respectively. The weighted mean is 3.6. From this data we can say that the majority (74.3) of the respondents supported the statement by saying strongly agree and agree. And the weighted mean (3.6) is greater than the table mean (3.0). This implies there is good performance measurement in the company.

Concerning the existence of reasonable performance measurement standard that all employees understand, 25.7% & 42.9% of the respondents said strongly agree and agree respectively and 8.6% & 20.0% of the respondents replied disagree and strongly disagree. 2.9% of the respondents stay undecided. The weighted mean is (3.4) is greater than the table mean. The majority of the respondents are those who said strongly agree and agree (68.6%). This implies that there is reasonable performance measurement standard that all employees understand.

In relation to proper documentation of employee appraisal, 20% of the respondents said strongly agree, 48.6% of the respondents said agree, 11.4% of them said undecided. Whereas 8.6% and 11.4% of the respondent responded strongly disagree and disagree respectively. The weighted mean is 3.5. Since most of the respondent (totaling 68.6%) is said agree and strongly agree, and

the weighted mean is greater than the table mean, it is possible to say that the company documented employee appraisal properly.

When we come to the statement about the provision of continuous feedback to subordinate, the weighted mean is 3.6 which is greater than the table mean (3.0) and those who said strongly agree and agree are 31.4 & 34.3% of the respondents respectively. 14.3% & 8.6% of the respondent said disagree and strongly disagree respectively. This shows that the majority respondent, totaling 65.7% showed their agreement to the statement. The weighted mean is also greater than the table mean. This implies that the company provides continuous feedback to subordinates.

Regarding to quantifiable measurement of performance appraisal practice, 42.9% of the respondent said strongly agree, 34.3% said agree, and 8.6% and 14.3% of the respondents are those who have said Agree and strongly agree respectively. The weighted mean is 3.8 which is greater than the table mean. From this data aggregating the percentage of those who said strongly agree and agree, the majority of the respondents (77.2%) witnessed that performance appraisal of the company is practiced using quantifiable measurement. The weighted mean also confirm this.

Hint:

- Weights: (in a 5 scale point likert, the weights are given from 5 to 1/from strongly agree to strongly disagree).
- Weighted frequency: calculated by multiplying each response by the weights.
- Weighted mean: Weighted frequency divided by total responses.
- Table mean: the sum of each Weights divided by five

4.3 Interview Analysis

To gather information about human resource management practice of Awash marble processing plant, interview question were forwarded to the human resource manager of the company. Accordingly the interviewee's responses to the questions are depicted briefly as follows. However, most interview response are presented and analyzed in the questionnaire analysis part as a supportive response.

1. Responses regarding company's evaluation of effectiveness of sources of recruitment.

As per the interviewee replied, recruiting is the term applied in the phase of personnel management that involves reaching out and attracting a supply of people from which to select qualified candidates for job vacancies. An effort is thus made to attract potential employees with the necessary characteristics and in the proper quantities for the job available. In this connection, Awash marble processing plant practice recruiting based on the job needs, as developed from personnel planning. And passes through three phases:

- Developing sources from which to seek potential employees
- Seeking out the needed people
- Evaluating the effectiveness of sources of recruitment.

The company evaluates its source of recruitment taking the following factors into consideration:

- ✓ Cost: the company uses the most cost efficient sources of recruitment
- ✓ Time: the company also evaluates the effectiveness of sources of recruitment by looking at how long the employee recruited from different sources stay with the company.

2. Bases of reward system of the company

Rewarding employee performance on the basis of three assumptions- first Individual employees and work teams differ in how much they contribute to the firm. Second, The firms overall performance depends to a large degree on the performance of individual and group within the firm. Third, to attract, retain, and motivate high performers and to be fair to all employees, the firm needs to reward employees on the basis of their relative performance. Likewise, the reward system of Awash marble processing plant is based on the performance of Employees. The Company motivates those who performed high.

3. The design of training program

As per the manager response, the training is designed in such a way that it can meet the goal of the organization as well as individual employees. Hence, in Awash marble processing plant the training program is designed from the company's strategic goal. The design and content of the

program is determined by the objective of the training. Thus, the company's training design consists of the following Four-stage model.

- Identify training needs
- Decide what source of training is required to satisfy these needs
- Use experienced and trainers to implement training.
- Follow up and evaluate training to ensure that it is effective

4. Responses related to the goal of training

The goal of training is very essential because it determines the design and content of the training program. As a production enterprise, Awash marble processing plant provides training to achieve the following goals;

- To reduce cost of production
- To increase productivity
- To develop skills and prevent obsolescence
- To establish a sound relationship between the worker and their job
- To improve product innovation
- To minimize operational error
- To enhance efficiency and effectiveness
- To improve the attitude of employee

From the above analysis it possible to say that the goal of training in Awash marble processing plant is clearly stated.

5. Response related to non-financial reward

There is no doubt that non financial reward can motivate employee performance if it used effectively. However Awash marble processing plant is not implementing widely, thinking that most of its employee are interested in the financial aspect of their work. But the company sometimes applies such non-financial rewards as expanded job responsibility and paid sabbatical leave for those who perform well.

CHAPTER FIVE

SUMMARY CONCLUSION AND RECOMMENDATION

5.1 Summary

The study tried to assess the human resource management practice of Awash marble processing plant that lead to more successful and competent in this turbulent environment. For business organization to get competitive advantage there must be practices that should be implemented in a sound manner.

The basic research questions that are raised in the study include:

- How human resource recruitment of Awash marble processing plant practiced?
- What the reward system of Awash marble processing plant looks like?
- What the human resource training practice of Awash marble processing plant looks like?
- What the performance appraisal practice of Awash marble processing plant looks like?

Related literature is reviewed to support the study and the targeted group contacted to collect the data was HR manager and HRM staff in giving response through interview and questionnaire. The data are analyzed quantitatively and qualitatively through tables and statements with the help of frequency percentage and mean. During the analysis, findings are investigated based on the information obtained through questionnaire and interview with HRM staff and HR manager respectively.

5.2 Conclusion

Based on the above summary and the preceding chapter of the research paper, the following conclusions are made.

- In recruiting practice companies must give priority to internal sources, to build employee morale, to reduce cost of hiring and training and socialization and increase productivity. In this regard, as shown in the analysis, Awash marble processing plant gives priority to internal recruitment. Concerning the evaluation of sources of recruitments, the finding shows that the company evaluates sources of recruitments, as any company does, by

considering how long employee recruited from different sources stay with the company and it also used the most cost efficient recruiting method, the finding also indicated that the company aligned the recruitments process with the human resource planning. Hence, it is possible to conclude that there is good recruitment process in the Awash marble processing plant.

- Another important finding in this study is that, the reward system of Awash marble processing plant is performance based, the procedure of the reward is clear and understandable by all employees, there is great consideration of the reward system as part of the broad HRM system. However, the finding, reviled weaknesses of the company, in involving the employee in the design of reward plan. Lack of implementing non financial reward is another weakness of the company.
- As far as training practice concerned, the finding shows that Awash marble processing plant has stated the goal of training clearly, provides extensive training for its employee, makes need assessment before training is given, has a well designed training program and aligned the training program with the strategic goal of the company. But the analysis indicates that there is implementation problem of evaluating the training effectiveness after the training is given.
- The finding in the analysis regarding to performance appraisal shows that there is good performance measurement and reasonable performance standard that all employee understand, proper documentation of employee appraisal, encouraged to provide continuous feedback, quantifiable measurement of performance appraisal. Hence, the performance appraisal practice of Awash marble processing plant is admirable.

5.3 Recommendation

On the bases of the finding and conclusion reached, the following recommendations are stated as vital action to be performed by the Awash marble processing plant so that it can minimize its weaknesses and enhance its competitive advantage.

- Companies that involve employee in the design of a plan can easily implement it and overcome the challenges that may face them. Because, it is clear that, peoples prefer to accept and implement their own plan than planned by others. However, Awash marble

processing plant do not involve employees in the design of reward plan. Hence, the researcher recommends the company to involve employee in the design of reward plan.

- Awash marble processing plant does not use non financial reward. Thus, it should use it to enhance the moral of high performer and satisfy employees whose interest is on the non financial side of the reward.
- Although Awash marble processing plant has a well designed program and provides extensive training to its employee, the finding indicates weakness in evaluating the training effectiveness after it has been given. Therefore, the researcher recommends the company to implement evaluation of the training effectiveness.
- Awash Marble processing plant Should have mission and vision statement.
- Lastly the researcher would like to recommend future researcher to assess the human resource management practice of the company by including other practices that had not been included on this research.

REFERENCE

- Armstrong, M. (2006) Human Resource Management practice. 10th ed London philadphias: Cogan page.
- Baird, L. & Meshoulam, I. (1988). Managing two fits of strategic human resource management. *Academy of management review*, 13; 116-128.
- Balkin,B.D., & Cardy, L.R. (2003). Managing human resource 3rd ed,printed hole of India.
- Bernardian,H.J.(2009) Human resource management. An experiential approach.3rd ed.newyork:McGrawhill.
- Blstakova.I.J (2010) “employees’ appraisal is an indicator of the quality of human resource management in organization in Slovakia”, mega trend review. *The international review of applied economics*, vol.7 (2).
- Byham,W.C. (1986) the assessment center methods and Methodology; *New applications & Methodologies, Development Dimensions International*.
- Delery, J.E., & Doty, H.H. (1996) modes of theorizing in strategic human resource management practices on perceptions of organizational performance. *Academy of management journal*, 39, 949-969.
- Dessler & Gary, human resource management, 10th ed,prentice hall,2011.
- Eisenhardt,K.M. (1989). Building theories from case study research”, *academy of management review*, 14(4), 532-550.
- Elverfeldt,A.V.(2005), performance appraisal how to improve its effectiveness, university of twenty,Enschede.
- Fellegi,I.(2006).Human resource & training, proceeding of the seminar sessions of the conferences of European statisticians. 13-15 June, Paris.

- Guba, E.G and Y.S. Lincoln 1994, "Competing paradigms in qualitative research" in Denzin and Lincoln (eds.), *Handbook of Qualitative research*, Sage Thousand Oaks.
- Hirschman, E.C. 1989, "Humanistic inquiry in marketing research: philosophy, Method, and Criteria", *Journal of marketing research*, Vol.23, pp.237-249.
- Huselid, A.M. (1995). The impact of human resource management practice on turnover, productivity and corporate finance performance. *Academy of management journal*, 38(3), 635-872.
- Jackson, S.E., & Schuler, R.S. (1995). Understanding human resource management in the context of organizations and their environment in M.R. Rosenzweig and Porter L.W. Porter (Eds.), *annual review of psychology*, 46:237-264 Palo Alto, CA: Annual reviews.
- Jafari, M., Bourouni, A. & Amiri, H.A. (2009). A new framework for selection of the best performance, *European Journal of social sciences*, 7(3).
- Johansson, .R. (2004). *Theory of Science and research methodology*, Stockholm.
- Lincoln, Y.S., & Guba, E.G. (1985), *Naturalistic inquiry*, Sage, Newbury Park.
- Mathis, J.H. (2008). *human resource management* 12th ed. USA: south west publisher.
- Merriam, S.B. (1988). *Case study research in education: a qualitative approach*, Jossey-Bass, San Francisco.
- Parry, E. (2011). An examination of e-HRM as a means to increase the value of the HRM function. *The international journal of human resource management*, 22(5), 1146-1162
- Rousseau, D.M., & Greller, M. (1994), "Human resource practices: Administrative contract makers", *Human resource management*, vol.33, No3, pp. 385-401.
- Sapra, N. (2012). current trends in performance appraisal. *IJRIM*, 2(2).
- Scandura, T.A. and Williams, E.A. (2000) 'research methodology in management: current practices, Trends and implications for future research', *Academy of management journal*, 43(6), 1248-64.

- Sharma,S.Z. & Shukla,R.K.(2010).Application of human resource accounting in heavy industries, ISSN, 1(2).
- Sparrow, p., Schuler, R.S. & Jackson, S.E. (1994). “Convergence or divergence: human resource practice and policies for competitive advantage world wide”, *the international journal of human resource management*, 5(2), 267-299.
- Stroehmeiers. (2007). Research in e-HRM: Review and implications. Human resource management Review, 17, 19-37.
- Tan, C.L., & Nasurdin, A.M.() Human resource management practices and organization innovation; assessing the mediating role of knowledge management effectiveness. *The electronic journal of knowledge management*, 9(2), 155-167.
- Weihrich,H.(2000). a new approach to MBO updating a time honored technique.

APPENDICES

Adama University

School of Business and Economics

MBA program

Interview Questions with Human Resources manager of Awash marble processing plant

Dear respondents;

The purpose of this interview Question is to enable me to carry out a research project for the partial fulfillment of masters' degree in business administration (MBA)).the research focuses on the Awash marble processing plant with the topic of "Assessment of human resource management practice". A human resource management interview questions are tools used to collect data from people regarding human resource. Hence, to gather information, I kindly seek your assistance in responding to the questions listed below. Any information you present will be kept utterly confidential and will be used only for academic purpose. Your cooperation and prompt response will be highly appreciated.

Thanks you in advance!

- 1, what is the company's main source of recruitment?
- 2, how does the company evaluate its sources of recruitment?
- 3, what is the basis of reward system in your company?
4. Does the company provide extensive training for the employee?
5. Is there a well designed training program in your company? How it has been designed?
6. What is the goal of training program in your company?

7. Is there any type of non- financial Reward practiced in your company?

Adama University

School of business and economics

MBA program

Questioners to be filled by employees of the human resource department of awash marble factory

Dear respondents;

The purpose of this questionnaire is to enable me to carry out a research for the partial fulfillment of master's degree in MBA. The research focuses on awash marble factory with the topic of "Assessment of human resource management practices". A human resource management questionnaires are tools used to collect data from people regarding human resource. Hence, to gather information, I kindly seek your assistance in responding to the questions listed below. Any information you present will be used only for academic purpose. Your cooperation and prompt response will be highly appreciated.

N.B:

•Writing your name is not necessary

•Put "√" for your choice in the box provided

• thank you in advance!

Section1. Background information

1. Gender: male ☐ female ☐

2. Age (in years): less than 20 ☐ 21-35 ☐ 36-50 ☐ 51-65 ☐ over 65 ☐

3. Education level: 1-12 complete ☐ certificate ☐ diploma ☐ BA/ BSC ☐ MA/

MSC

MBA ☐ PhD ☐

4. How long have you been employee of awash marble factory?

Less than one year ☐

2 to 5 year ☐

5 to 10 year ☐

10 to 15 year ☐

More than 15 year ☐

Section 2 human resource management practice questionnaires

In answering the questions in this section please use the scale in such a way that a scale of “1” would indicate strongly disagree, “2” disagree, “3” neutral, “4” agree and a scale of “5” would indicate Strongly agree to the statement.

1. recruitment

No	Statement	1	2	3	4	5
1.1	My company gives priority to internal recruitment.					
1.2	My company evaluates the effectiveness of different sources of recruitment by looking at how long employee recruited from different sources stay with the company.					
1.3	My company considers the most cost efficient recruiting method.					

1.4	There is good recruitment process in my company					
1.5	The recruitment process is linked with human resource planning					

2. Reward system

NO	Statement	1	2	3	4	5
2.1	The reward system in my company is performance based.					
2.2	There are clear procedures of reward system in my company.					
2.3	My company considers reward system as part of a broad human resource management system.					
2.4	There is high employee involvement in the design of the reward plan.					
2.5	My company uses non financial rewards.					

3. Training

NO	Statement	1	2	3	4	5
3.1	The goal of training program in my company is clearly stated.					
3.2	My company provides extensive training program for employees.					
3.3	My company makes need assessment before training is given.					
3.4	There is a well designed training program in my company.					
3.5	The training program in my company designed from the companies' strategic goals.					
3.6	My company evaluates the training program's effectiveness.					

4. Performance appraisal

4.1	There is good performance measurement in my company.	1	2	3	4	5
4.2	My company has reasonable performance measurement standards that all employees understand.					
4.3	Employee appraisal is documented properly					
4.4	My company encouraged to provide continuous feedback to subordinates					
4.5	Performance appraisal in my company is practiced using quantifiable measurement.	1	2	3	4	5