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Sciences

MAN 400

Human Resource Management
Performance Appraisal

Prepared By

Aysegul Krebs
991522- Bus Adm.

Supervisor
Serife Eyuboglu

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ABSTRACT

HUMAN RESOURCE MANAGEMENT

PERFORMANCE APPRAISAL

GRADUATION PROJECT

Human Resource Management is an approach to management of people in an organization. In our modern society , organizations are experiencing a rapid technological improvement , their effective management is the most important asset in an organization. Human Resource Management exist to serve employees and employers in their workforce.Organizations grow only through careful attention to the needs of employees and employers.

Aysegul Krebs

Supervisor : Mrs.Serife Eyuboglu

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I have studied systematically to show to contributions of Performance Appraisal in the organizations. I have discussed procedures,the methods and how it is applied in the organizations.

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1 INTRODUCTION

1.1 HUMAN RESOURCE MANAGEMENT

Human Resource Management is basically the function of staffing and it refers to the practices and policies one need in order to carry out the “people “aspect of a management position.

Human Resource Management is an approach to the management of people based on the five fundamental principles. These are planning, organizing, staffing, leading and controlling.

Planning involves establishing the objectives and standards and deciding how to achieve them. Organizing , the establishment of the structure and design the chain of command. Staffing, finding the best people for carrying the jobs of the organization to choose the correct people to get in the organization. Leading, guiding people to contribute to achievements of organizational objectives and finally controlling involves measuring the performance of the organization as a whole.

A Human Resource department must further its organization’s competitive advantage through human resource practices. An organization gains competitive advantage by using its people effectively. Effective means producing the goods and services on the way its society’s wants.

HRM developed with the Industrial Revolution. Machinery, human power to the machinery and the establishment of factories (in which a large number of people were employed) effected its development.

Frederick Winslow Taylor (1890-1950) , was the father of scientific management theory. He was adopted in his studies carefully measurement and specifications of activities and results.

Tasks were standardized as much as possible. Workers were rewarded or punished. This approach appeared to work well for organizations with assembly lines and other mechanistic , routinized activities.

After him Max Weber (1930-1950) , supported scientific management theory with his bureaucratic theory. It was focused on dividing organizations into hierarchies , establishing strong lines of authority and control. He suggested organizations develop comprehensive and detailed standard operating procedures for all routinized tasks.

Eventually , unions and government regulations to dehumanizing effects of these theories. More attention was given to individuals and their unique capabilities in the organization.

A major belief included that the organization would success if its workers succeed as well. HRM department were added to the organizations. The behavioral sciences played a strong role in helping to understand the needs of the workers and the needs of the organizations to be match them with each other.

Today , HRM face many challenges in dealing with people. The central challenge is to assist organization's in improving their effectiveness and efficiency in an ethical and socially responsible way. HRM department must be organized in a way to meet its objectives while serving the organization to meet this challenges.

HRM need to satisfy societal, organizational , functional and personnel objectives. These objectives are achieved through a variety of human resource activities such as :

- Planning
- Recruitment
- Selection
- Training & Development
- Performance Appraisal
- Compensation & Benefits

- Safety & Health
- Employee Relation

The common element in all organizations is people. The main task of any organization is to make its people better. If the employee's are up to date, organization's gains the achievement. Organizations who are carrying effective Human Resource Management are the most successful organizations. That is why , HRM is very important to the organizations. As two writers said :

Critical to a corporation's growth and prosperity is gaining and retaining competitive advantage. Although corporations may pursue many paths to this end, one that is frequently not recognized is capitalizing on superior human resource management. Currently , many companies recognize the growing importance of their human resources , but few are conceptualizing them in strategic terms , in ways to gain a competitive advantage. As a result , many companies forego the opportunity to seize competitive advantage through human resource practice initiatives.

It is also very important for HRM department to be pro-active. HRM can not always wait for feedback before responding. Organization's may damage seriously if HRM is re-active. Effective and efficient human resources seek pro-active solutions , which means to take the necessary actions , before problems arises. In short , a pro-active approach of HRM is very useful to organizations in the way of generate superior financial performance and enhance the productivity.

1.2 Performance Appraisal

Performance appraisal is the process of evaluating and managing both the behaviour and outcomes in the workplace. It involves determining and communicating to employee how he or she is performing on the job and establishing plan of improvement.

Performance appraisal can be defined as system of review and evaluation of an individual's or team's job performance. It also provides discipline of managing employee performance on a daily basis, as well as how to effectively appraise and assess performance by properly reviewing past goals, establishing future goals, identifying development opportunities, and pinpointing areas for improvement. For survival and success, it is important organization's remain competitive. Potential mechanism for this growth is the Performance Appraisal.

Performance appraisal is a periodic evaluation of an employee's work performance conducted by the immediate supervisor. The use of a performance appraisal form is a total system. It is not an end or a beginning; it is a continuous cycle.

Supervisors and managers need to evaluate performance in order to what actions to take. Detailed and specific feedback enables them to better guide employee performance and needed training.

Specific feedback also better enables members of management to make comparative judgement about pay increases, promotions and other placement decisions.

Human Resource department also use the information gathered through performance appraisal. Patterns of good or bad evaluations give feedback about the success of recruitment, selection, orientation, placement, training, and other activities.

1.3 Objective of the Study

The object of this study is to analyze Human Resource Management and to understand the positive contribution. This function makes to organization perfect.

The reason to choose this study is to show, how performance appraisal affect the success of an organization by giving the related information to the businesses such as on the performance improvement , Compensation adjustments , Placement decisions , Training and development needs , Career planning and development , Staffing process deficiencies , Informational inaccuracies , Job design errors , Equal employment opportunity , External changes , Feedback to human resources.

II. OBJECTIVES OF PERFORMANCE APPRAISAL

2.1 Evaluate Objectives

Primary purposes of performance appraisal is looking to the past performance of employees. Evaluate objectives concern ;

- ✓ Compensation decisions
- ✓ Staffing decisions
- ✓ Evaluate selection system

Compensation decisions includes employee bonuses and other increases in wage. staffing decisions concern on promotions and termination.

Performance appraisal can be used to evaluate the recruitment , selection and placement system. The effectiveness of these functions can be measured by comparing employees.

2.2 Developmental Objectives

Developmental objectives are developing employee skills and motivation for future performance. Performance feedback is primary development need because all employees want to know how their supervisor feel about their performances.

Developmental performance appraisal is focused on giving employee's direction for future performance. Feedback shows the strengths and the weaknesses of the employee's in past performance, so managers can determine what direction should be taken to improve employees performance.

There was no formal performance appraisal system until the mid of 1960's. The only method was to talk directly to other managers who knew person rather than to search out performance – related information from the Human Resource Management and it was not very effective. Therefore, Human Resource Management has to develop a system that would be a measurement perspective but also provide a common language for describing the performance of professional and managerial employees.

Finally system has developed which has three basic components such as ;

- ✓ Focuses on tasks
- ✓ Performance and Review focuses on method
- ✓ Salary and Placement review focuses on administrative decision making

This process is called Management by Objectives. MBO is widely acceptable by the managers , because it makes the performance review process, the feedback of performance results and less emotional and threatend which is difficult to them .

The performance management system had to be accepted and used properly for to be effective. Managers attend a few day educational program to carry out the performance development and review system. MBO divided into two as performance development & review and salary view. Three separate interviews with a subordinate like lecture, discussion and experience based training techniques are used in programs.

An effective appraisal system needs ;

- ✓ To be relevant
- ✓ To be sensitive
- ✓ To be reliable
- ✓ To be acceptable
- ✓ To be practical

Relevant refers the relation between the performance standards for a particular job and the organization's goals. In short, relevancy is the answer of " What makes difference between success and failure in an organization."

Sensitivity refers the difference between effective and ineffective performance. If the best employees are rated same with the worst employees, appraisal system can not be use effectively in the organization. Because it will not help employee development, it will also decrease the motivation of supervisor.

Reliability refers to have an enough opportunity to see what the employee has done and under which conditions he or she has done it. Because rater's may see the same employee's job performance very differently.

Acceptability refers to define clearly the type and the level of job behaviour desired of employees. It is very important for a manager to know , what they want from an employee and to state that to employee by doing this.

Practicality refers to make appraisal tools easy for managers and employees for to have better understanding and us

2.3 Who should evaluate the performance ?

Performance appraisal requires a standard against that to compare employee performance to be fairly. Thus , the first step in effectively managing employee performance is to review existing standards and to develop new ones if needed.

The identification of the job tasks and duties can be differ for employee and for the supervisor. To avoid that , performance should contain two basic information for the employee's and supervisor's benefit like " What is to be done and how well it is to be done."

The most fundamental requirement for any rater is that he or she has an adequate opportunity to observe the rater's job performance over a reasonable period of time. This suggests several raters such as ;

- ✓ Immediate supervisor
- ✓ Peers
- ✓ Subordinates
- ✓ Self-appraisal
- ✓ Clients served
- ✓ Computers

Immediate supervisor : Appraisal is done mostly by this person because he or she is probably the most familiar person with the employee's job performance. In the most jobs he or she has the chance to observe the performance.

Peers : Peers can provide a perspective on performance which is different from the immediate supervisor because in some jobs such as outside sales , law enforcement and teaching , immediate supervisor can not observe an employee's actual job performance very often. That's why peers is better to judge the performance.

Subordinates : Subordinates know for an employee how she or he communicates from the first hand .Appraisal by subordinates is used in large organizations where the managers have many subordinates.

Self-appraisal : Employees give marks for their own performance, since the employees tend to give higher marks for themselves than the supervisor , self-appraisals are not very developmental for the organization's.

Client served : Consumers can provide a unique perspective on the job performance. Although the clients objectives can not be fit with the organization objective completely, the information clients provide can be useful for personnel decision such as promotion , transfer and training.

Computers : Computer software can also monitor employee performance. Different performance appraisal can be used by using less time. It is also relevant to appraisal is the attitudes who will be affected by the system. Computer's can provide a frequent performance as much as other appraisals.

Traditionally formal appraisal is done once in the year. The most frequently rating schedules are the semi-annual or the annual ones. New employee's are rated more often than the olders. But it is not wise to apply very frequently because performance appraisal need a performance period to have a relevant result plus, it will be just time and effort consuming.

2.4 Past Oriented Appraisal Methods

2.4.1 Rating Scales

There is two forms can be given as Graphic Rating Scales and Non-Graphic Rating Scales. First one is the employee-rate on some standards or attribute of work. It is very popular with managers because they can be filled out quickly and require little training. Second one is usually more valid than a graphic scale because the former contains a brief description of each point on a scale rather than simply low and high points of scale. The rater give more accurate descriptions of employee's behaviour on a particular attribute because description clarifies each level of rating scale. In both graphic and non-graphic rating scales are quickly, easy and less difficult for supervisors to use.

2.4.2 Checklist

In the checklist method, the rater makes yes –no responses to a serious of questions concerning the employee's behaviour. Checklist can also weights assigned to each question. Checklist method is time-consuming to assemble the questions for each job category, separate listing of questions must be developed for each different job category and the checklist questions can have different meanings to different raters.

2.4.3 Forced Choice Method

Forced Choice methods requires the rater to choose the most descriptive statement in each pair of statement about the employee being rated .Often both statements in the pair are positive or negative.It eliminates central tendency and leciency biases.Forced Choise is easy to administer and fits a wide variety of jobs.

2.4.4 Critical Incident Method

Critical Incident appraisal method requires the evaluator to keep a written record of incidents.The incidents recorded should involve job behaviours that both satisfactory and unsatisfactory performance of the employee being rated.The incidents recorded over time provide basis for evaluating performance and providing feedback to the employee.

2.4.5 Behaviorally Anchored Rating Scales

The most popular approaches are called behavioral expectation scales and behavioral observation scales. Behavioral expectation scales use specific , named behaviours as benchmarks to help the rater.This method attempts to reduce some of the subjectivity and biases found in other approaches to performance measurement. Behavioral expectation scales are expressed in terms with which the rater and the employee are familiar.Since these scales are anchored by specific behaviors within each category, supervisor can be able to provide specific feedback to each employee.Behavioral observation scales use specific named behaviours as benchmark and require the rater to report the frequency of these behaviors.

Behavioral observation scales concerned with defining poor to superior performance.Behaviorally anchored rating scales are complex to develop and apply because of its cost and time spending.They must be developed for each job too.

2.4.6 Field Review Method

In this method, a skilled person from Human Resource department goes to field or to department to assist supervisor with their ratings, prepares an evaluation based on this information. The evaluation is sent to the supervisor for review, changes, approval and discussion with the employee who was rated. However, the use of skilled person make this approach costly and impractical, since the primary source is supervisor, bias can still remain.

2.4.7 Performance Tests and Observations

Performance appraisal can be applied as test of knowledge or skills. The test can be applied the paper and pencil variety or an demonstration of skills. Test must be reliable and validity for to be useful. If the cost of test development or administrations are too high, practicality may fail.

2.4.8 Comparative Evaluation Methods

Comparative evaluation approaches are a collection of different methods that compare one worker's performance with the others. Comparative appraisals are conducted mostly by the supervisor. Because this appraisals can result in a ranking of employees from best to worst. They are useful for deciding merit pay increases, promotions, and organizational rewards. The most common forms of comparative evaluations are the ranking method, forced distributions, the point allocation method and the paired comparisons.

2.4.8.1 Ranking Method : Rater place all the employees from best to worst. This method is subject to halo and recency effect, although bias can be decreased by using two or more rater.

2.4.8.2 Forced Distributions : Rater classify employees into different classifications. This method can be used for other performance criteria, such as reliability and control of costs. It does overcome the biases of the error of central tendency, leniency and strictness.

2.4.8.3 Point Allocation Method : Rater allocate a fixed number of points among employees in the group , good performers are given more points than poor performers. The advantage of this method is rater can realise the differences between employees.

2.4.8.4 Paired Comparisons: The basis for comparison is usually for overall performance. Raters compare each employee with the all others who are being rated in the same group. This method overcomes the error of central tendency, leniency and strictness because some employees must be rated better than the others.

2.5 Future Oriented Appraisal Methods

2.5.1 Self Appraisals

This method can help to users for to set personal goals for the future. There is risk that with any employee will be too lenient or too critical for their performance. The important dimension of this appraisal is the employee's involvement and the commitment to the improvement process.

2.5.2 Management by objectives

Using this approach, superior and employee can establish mutual performance goals for the future. When future objectives are set, employees gain the motivational benefit of specific target toward to organize and direct their efforts. Objectives also help the employee and the supervisor discuss the specific development needs of the employee that can make future training and development efforts more relevant. MBO can face with difficulties, because objectives can be too narrow or too ambitious and this may result employees frustrated.

2.5.3 Psychological Appraisals

Some organizations employ industrial psychologists for evaluations of appraisals. They assess an individual's future potential. The appraisal consist of interviews, psychological tests, discuss with supervisors and a review of other evaluations. Psychologist writes an evaluation of the employee's intellectual, emotional, motivational and the other work related characteristics to predict employee future performance. Disadvantage of this method is, it is costly and slow.

2.5.4 Assessment Centers

Assessment Centers are a standardized employee appraisal technique that relies on multiple types of evaluation and multiple raters. The members of assessment group often meet first at a hotel or training place. During their stay, they are individually evaluated. Assessment Centers are both time consuming and costly, because employees get away from their jobs and company pays all the expenses.

2.6 Performance Appraisal Problems

2.6.1 Legal Issues in Performance Appraisal

According to Title VII of the Civil Rights Act , a performance appraisal must contain ;

- ✓ A job analysis to determine the characteristics necessary for successful job performance.
- ✓ Regardless of the method used , provide written standards to all raters , such as graphic rating scales.
- ✓ Train supervisors to use the rating instruments properly , including how to apply performance standards when making judgements.
- ✓ Provide some form of performance counseling or corrective guidance to assist poor performance.
- ✓ Document the appraisal and the reason for any termination decision.

Organizations should consider these steps to avoid legal difficulties.

2.6.2 Rater Biases

It is usually caused by raters who fail to remain emotionally detached while evaluating employee performance. The most common rater biases are :

The Halo Effect

Halo effect occurs when the rater's personal opinion affects the rater's measurement of performance. If a supervisor likes or dislikes an employee, that opinion may distort estimates of the employee's performance. This problem can be very severe if the rater evaluates his/her friends or those who he/she strongly dislikes.

The Error of Central Tendency

Some raters do not like to rate employees as effective or ineffective so ratings are distorted to make each employee on average. This distortion causes to avoid checking very poor or excellent performance.

The Leniency and Strictness Bias

The leniency bias results when the rater tends to be easy in evaluating the performance of employee. Such raters see all the employees as good and rate them favorably. The strictness bias is the just opposite. Raters see all the employees as bad and rate them unfavorably.

Cross-cultural Biases

It occurs when people are expected to evaluate others from different cultures, they may apply their cultural expectations to someone who has a different set of beliefs.

Personal Prejudice

A rater can dislike a group or class of people may distort the ratings. Where the Halo bias affects one's judgement of an individual, personal prejudice affects all the group. When prejudice affects the ratings of protected class members, this form of discrimination can lead to equal employment violations.

The Recency Effect

Ratings are affected strongly by the employee's recent actions, when measuring employee performance. Recent actions, good or bad are more likely to be remembered by the rater.

2.6.3 Reducing Rater Biases

Biases can be reduced by training, feedback and the proper selection of performance appraisal techniques. Training for raters should involve three steps. First biases and their causes must be explained. Second the role of performance appraisals in employee decisions should stress the need for impartiality and objectivity. Finally raters should apply performance appraisals as a part of their training.

III . PA In Some Logistic Companies

3.1 Historical Background of UPS (United Postal Service)

UPS Founded in 1907 as a messenger company in the United States, UPS has grown into a USD 30 billion corporation by clearly focusing on the goal of enabling commerce around the globe. Today UPS, or United Parcel Service Inc., is a global company with one of the most recognised and admired brands in the world.

As the largest express carrier and package delivery company in the world, UPS is also a leading provider of specialised transportation, logistics, capital, and e-commerce services. UPS is delivering to more than 200 countries and territories; delivering 11.5 million packages and documents a day for more than one million regular customers. The Company provides Export, Import Customs Brokerage and international transportation services to its customer.

In the year 1999, UPS offered shares of its stock to the public for the first time. it acquired the capacity of being an air cargo agency. It gained a incorporated company status in which it redefined its field of activities covering export, import customs brokerage and international transportation(air, land and sea).

UPS work activities includes the following services ;

3.1.1 Import Customs Brokerage Services

All the importation procedures from the first step to the end is being followed by the customer representatives in head-office and customs law and regulations department is ready for the questions about the customs regulations.

- ✓ Identifying the Identification of customs tariff the goods when required.

- ✓ Obtaining Pre-Permissions when required.
- ✓ Getting the endorsement of Bill of Ladings following the receipt of import documents.
- ✓ Taking the Delivery Order Sheet.
- ✓ In case goods are being suspected; to inaugurate them prior to arranging Customs Declaration Papers to TR Customs Administration.
- ✓ Inspection of goods starting from customs acceptance and certification procedures.
- ✓ If there is missing, damaged parts or something wrong with the goods, recording the case and informing related offices; completing procedures by paying guarantees.
- ✓ Delivering the goods to the address stated by the customer.
- ✓ Finalising the Incentive files and resolving the assurances if there is any.
- ✓ Calculating the customs tax and informing clients about the total expenses.
- ✓ Draw the blocked cheques to the name of official authorities for the payment of custom taxes and duties.
- ✓ Carrying out the transit and fictive warehouse processes.
- ✓ Providing entrance of goods for temporary importation; then exporting them on time in accordance with the permissions received and with the instructions of client.
- ✓ Ensuring delivery of documents, such as Copy of the Customs Declaration, Receipts and etc.
- ✓ Fullfilling other necessary procedures on time in order to complete importation.

3.1.2 Export Customs Brokerage Services

- ✓ Completing the membership registration procedures to related exports associations according to the description of the goods.
- ✓ Within the frame of export legislation and related regulations; obtaining pre-permission from official authorities; carrying out procedures about providing special

documents (such as health certificate, Control Document, Certificate of Origin, Consulate approvals required by some countries).

- ✓ In accordance with the company's instruction and complying with the conditions of exportation, delivering goods the consignee as will be advised by the customs consultant.
- ✓ After the completion of all documentation, arranging the Customs Export Certificates; getting acceptance and approvals from related customs offices and having inspection and descriptions.
- ✓ Completing the customs formalities of loaded truck.
- ✓ In accordance with the company's requirements, handing over the documents to the transportation company which will accompany the goods.
- ✓ To close the declaration after exporting goods abroad and arriving to customs.
- ✓ Giving the export copy of closed customs declaration to the client.
- ✓ Completing the temporary exportation procedures.

3.1.3 Air Cargo Agency Services

Air Cargo Department provides freight services starting from a kg up to a full aircraft. Textiles, ready made garments (including racked shipments), machines and machine parts, high value cargo like gold-silver and jewelery, food stuff, hazardous goods, carpet-rugs, art products and similars could be carried by air cargo.

- ✓ From Airport to Airport (Port To Port)
- ✓ From Airport to Door (Port To Door)
- ✓ From Door to Airport (Door To Port)
- ✓ From Door to Door (Door To Door)

3.1.4 Land Freight Agency Services

UPS. is an international land freight forwarder rendering services of Customs brokerage,handling as well as fulfilling all formalities at ports through its Agency Network.

- ✓ Warehouse To Warehouse
- ✓ Warehouse To Door
- ✓ Door To Warehouse
- ✓ Door To Door

3.1.5 Ocean Freight Agency Services

- ✓ Port To Port
- ✓ Port To Door
- ✓ Door To Port
- ✓ Door To Door

3.1.6 Motorised Courier Services

In order to speed the daily procedures and keep them under control, UPS arranges document circulation within, Istanbul from table to table, by using its motorised courier service team.

All couriers are equipped with wireless and coordinated by the central office.

3.2 Performance Appraisal Activities in UPS

UPS is not conducting Performance Appraisal yet. They are using classic methods in employee performance. Mr. Mehmet Acar (Human Resource Manager) declared that ; They will start to conduct performance appraisal professionally in the first part of 2004, Human Resource department concluded all the necessary studies and preparations on performance appraisal in 2003. The main reason of Performance Appraisal should be conducted is to determine employee's general performance, decreasing defects ,customer relations , working procedures (pay , vacations , delays and etc...)

UPS will perform appraisal semi-annually and will improve a system based on performance results, which will reflect to employee's wages. Human Resource Department studied on performance appraisal step by step , they had written all the Job Description and Job Specifications one by one according to needs of employees and the needs of management. UPS is assuming to have benefit from Performance appraisal as providing necessary information for the management level to see if employee's are below the standards and to take the necessary action to carry employee to the standard level.

UPS bought a software program for to support their human resource management in the beginning of this year. Performance appraisal will be done inside of the company, because of their limited budget and appraisal forms will be prepared according to rank and work position. Supervisors will take place in judgement by using their daily work experiences and contribute judgement in that way too.

Mr.Acar - Human Relation Manager of UPS is stating as ;

“We can’t be successful in discontect working condition , employee’s need to be motivated , they should understand that we are doing a team work here , if one may fail in his or her part, this will affect all other part of team too . This does not mean , employee’s can not fail , our efford is to decrease these defects as much as we can by using performance appraisal methods to see where and how should employee must be supported. We will conduct Performance Appraisal to have information about how well our employee’s know their responses and how do they carry it out ,if appraisal will tend to be positive as the way we want ,we will reward them with our pay , if it will tend to be negative , this will reflect to their payment again”.

Finally,Human Resource Manager of UPS is assuming that performance appraisal will show employee’s working skills and motivation in the organization and management level can take their decision by using this appraisals. UPS had started to study on Performance appraisal since the day they have seen that classic performance methods are not enough to have better and detailed information about employee’s performance .

3.3 Historical Background Of FedEx (Express Cargo)

FedEx was founded in 1958 in Memphis .Federal Express Corporation ("FedEx Express") is the world's largest express transportation company, providing fast and reliable delivery to every U.S. address and to more than 210 countries. FedEx Express uses a global air-and-ground network to speed delivery of time-sensitive shipments, usually in one to two business days .

Coneks has worked with FedEx Express in the Turkey express delivery market since September 1994.

In 7 years Coneks has become one of the largest and most respected express delivery companies in Turkey and now serves over 800 cities and towns across the entire country. Precise modern tracking technology and control over the delivery process from door to door ensure quick, high-quality delivery services.

FedEx work activities includes the following services in Turkey ;

3.3.1 FedEx International Priority

An express time definite, door-to-door customs-cleared express delivery service for documents and dutiables to over 214 countries worldwide, designed for shipments of any weight where individual pieces may weigh as much as 32 kg.

- ✓ Delivery to the USA and North America by 10:30 am next business-day
- ✓ Delivery to most of Western Europe on the next business-day
- ✓ Free packaging
- ✓ Free shipping software product

- ✓ Effective & fast customs clearance systems
- ✓ Real-time worldwide tracking information
- ✓ Proof of delivery for every shipment and on every invoice
- ✓ To use shipment paperwork

3.3.2 FedEx International Priority Euro-1 Service

This offer Istanbul shippers next business-day document delivery to most of Europe Cities at no extra charge, with later pickup times.

3.3.3 FedEx International Priority Plus

FedEx International Priority Plus is a time-definite, door-to-door, customs-cleared delivery service for shipments of documents and packages. Maximum size and weight limits are 70 lbs. per piece, 108" in length and 130" in length.

3.3.4 Full Carpet Services Worldwide

This service offers customers a complete shipping solution for carpet purchases. Turkey's world famous hand made carpets and have it delivered to your home with one price covering all shipping, customs and delivery charges.

3.3.5 FedEx 10/25 Kilogram Box

A convenient flat-priced service solution for items weighing up to 10 kg. and 25 kg. This service provides an enhancement to International Priority Service, allowing customers to use FedEx packaging for their heavier IP shipments. An express time definite, door-to-door customs-cleared express delivery service to over 214 countries worldwide.

3.3.6 FedEx Istanbul Saturday Services

To better serve the hard-working Istanbul business community and for private customers, FedEx is open on Saturdays for delivery, courier pickup, and dropoff of your shipments in the main office.

3.4 Performance Appraisal Activities in FedEx

FedEx is conducting Performance appraisal since few years in all their departments. Human Resource Department is very careful on that and they are paying great attention. FedEx is servicing with 1.250 employee in logistic sector in Turkey, 30 % of these stuff are working in Istanbul head office. FedEx Human Resource Department is applying performance appraisal according to two different rank as white and blue collar workers. Performance appraisals forms and appraisal criteria's are changing according to department and to rank. Performance appraisal is done semi-annually ,inside of the company. High cost and the activities, they carry is disabling to take appraisals out of company .

Mrs. Ilknur Uysal is stating ; “ It would be better if we could have chance to go out of company during the appraisals but because of our huge employee number, our budget is not available to do so, beside we are working in a service sector which is running 24 hours and 7 days in week. We can't let our business all alone and go out for appraisal, even when we are applying inside of the company, we can't appraise all workers in once, we do appraisals partly or shifting the workers in appraisal procedure for avoiding to lose our working performance. Both reason are making us apply performance appraisal procedures inside of the company”.

FedEx , Human Resource Department taking appraisals as a training tool and they are applying appraisals to see weak side of their personnel and to make these weaker sides stronger. Performance appraisal is done very systematically in the case of replacing managers and appraisals records are playing very important role on not to lose personnel informations. Mrs. Uysal giving an example for this situation as “ We were losing all information about the employee's in the case of replacing manager, because we didnt keep records as we do now.

We were increasing our employee's wage basing the manager decision , with the inflation raise ratio. So, manager replacement was difficult and loss time for company. But since the company has appraisals records , we have decreased such problems to the minimum in our company”.

The other beneficial reason of keeping record is protection of company toward laws and government in the case of termination of employee. FedEx is applying performance appraisal for both employee's and employer's benefit and fair in the way of be more productive and capable in logistic sector.

IV. CONCLUSION AND RECOMMENDATIONS

New and faster technology redifend values and shifting consumer demands are changing the way of business in the 21st century. Human Resources and business leaders are facing with the challenge of redefining their strategies on leadership and talent , while evaluating their operational effectiveness. Most organizations and their managers realise the importance of maintaining good human relations. Motivation is just one part of human relations, a climate of openness and trust , encourages better performance and more loyalty from employees. Productivity usually improves when employees well carry out the component of their jobs.

Human Resource Management is reflecting the importance of a well-chosen and well-managed workforce in organization. Human Resource Management is becoming more complex in the 2000's and it's role is increasingly viewing as a milestone in the organizations. Changes in technology have already created important mismatches between employee's skills and employer's needs. Furthermore these changes are taking place within a social environment such as ; employee's rights, privacy, health and etc...

Human Resource staff members plan how to meet a company's human resources needs, recruit and select employees, train and develop employees and managers, and finally appraise employee performance.

Human Resource Management figure out how to attract qualified employees, how to train less educated or poorly skilled employees, how to keep experienced employees when they have opportunities for advancement, and how to lay off employees equitably when it is necessary.

Many companies developing performance appraisal systems to evaluate employees according to set of criterias. When performance appraisal are used , the standards are written down , so

both employee and supervisor understand what is expected and therefore able to determine whether the work is being done adequately or not.

Most formal systems require regular , written evaluations of each employee's work. These evaluations provide a record of the employee's performance , which may protect the company in case of termination too .

The biggest problem with performance appraisal is finding a way to measure performance. Productivity is the ultimate criterion, but it is not easy to measure. Therefore rating of the organization by customer , job knowledge ,motivation and skills are needed to judge employee performance.

Performance appraisal is important management task, Human Resource Management does not deal only with staff problems , it also brings significant beneficial economic result to the organizations. The result of stress , illness , absenteeism , low motivation or poor work directly effect company's profitability. Companies can avoid failures and losses by using appropriate performance appraisal and increase organizational success.

As a result of my studies , I have seen that ,when large scale organizations are applying a very detailed and improved , Performance appraisal programs, smaller companies are just dealing with employee verbally when a failure emerged in Turkish companies. Large scale companies are regularly spending time and money for to improve their productivity and reduce their failures like FedEx (Express Cargo) do.

FedEx is applying appraisals for the purpose of training their employee's , but UPS is for the purpose of adjusting wages.

FedEx have keeping its own Human Resource Management Department with its own staffs inside of the company , they are giving a great importance and pay large amount of money by doing this and as the result shows FedEx is keeping its dominant place in all logictic sector in Turkey.UPS is having experience newly on performance appraisal , they developed well organized Human Resource Department and buy some extra software programs for supporting their working standards.FedEx and UPS , both are playing an important role in logistic sector in Turkey.They gained the trust of people.People are using both company in trade and for their private needs.

Finally, Human Resource Management is the most important issue and has a critical role in an organization.The important thing is the match the goals of the management by the goals of the personnel.It is hard to achieve that , but if it can be arraged a suitable working condition and increased performance may benefit to all.

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APPENDIX

APPENDIX A

APPENDIX B

APPENDIX C

APPENDIX D

APPENDIX E

APPENDIX F

APPENDIX G

APPENDIX H

APPENDIX I

APPENDIX

QUESTIONNAIRE

1. Do you conduct PA in your company ?
2. Who is the responsible for PA ?
3. Why do you conduct PA in your company ?
4. What reason caused you to use PA ?
5. Is the PA done routinely or when it is necessary ?
6. Where does PA take place ? Inside or Outside of company ?
7. Does PA done in same way for all ranks ?
8. Do you conduct an additional questionnaire after PA ?
9. What are the benefit of PA ?

Performance Appraisal Form

Social Security No.

Name:

Job Title:

College:

Div/Dept:

How Long The Employee Has Been In This Position:

Appraisal Period From to

Part I GOALS

Goals Specific to the Individual During the Assessment Period

1. Goal

- a. extent of accomplishments and achievements
- b. areas for growth and/or improvement

Future Goals for the Individual

1. Goal

- a. objective of the goal
- b. resources and support required (i.e., course work, other training, equipment, supervisor access or funding)

Part II PERFORMANCE CATEGORIES

1. WORK QUALITY

Standard: Provides accurate, thorough, professional work regularly.

2. JOB KNOWLEDGE

Standard: Well-informed and educated in performing to the level expected for the job.

3. NEW KNOWLEDGE

Standard: Seeks new knowledge, applies it to the job and shares it with others.

4. ORGANIZATION & PLANNING

Standard: Organizes, plans, and forecasts work skillfully to meet job needs.

5. ANALYSIS & JUDGMENT

Standard: Analyzes problems skillfully; uses logic and good judgment to reach solutions.

6. DEPENDABILITY & CONSISTENCY

Standard: Personally responsible, steadfast and can be called upon for difficult and pressured challenges.

7. COMMUNICATION

Standard: Communicates knowledge clearly, accurately and thoroughly.

8. LISTENING SKILLS

Standard: Listens attentively and responds thoughtfully to needs, goals and aspirations.

9. INTERPERSONAL SKILLS

Standard: Works well with others; gets things done with people, and keeps information lines open at all levels.

10. INITIATIVE

Standard: Helps to determine the needs of the work place; helps all to meet the goals.

11. TEAMWORK

Standard: Coordinates own work with others, seeks opinions, values working relationships.

12. RESOURCE USE

Standard: Effectively uses human resources and funds available to accomplish the job.

13. SERVICE-CENTERED WORK

Standard: Regularly seeks to provide quality service to achieve customer satisfaction.

14. AFFIRMATIVE ACTION & DIVERSITY SUPPORT

Standard: Demonstrates a responsible commitment to affirmative action and diversity.

15. ATTENDANCE & PUNCTUALITY

Standard: Regularly present and punctual.

16. SAFETY & HEALTH OBSERVANCE

Standard: Regularly attentive to safety and health regulations.

Part III OVERALL COMMENTS

Comments

1. Supervisor's Overall Comments:

Satisfactory____ Unsatisfactory____ (required only for employees represented by collective bargaining agreement)

Print Supervisor's Name: _____

Supervisor's Signature: _____

Date: _____

2. Reviewer's Comments:

Print Reviewer's Name

Reviewer's Signature

Date

3. Employee's Comments:

Print Employee's Name

Employee's Signature*

Date

A Communication

Standard: Encourages an open exchange of ideas. Conducts fair, timely, and constructive performance appraisals. Demonstrates active listening skills. Accessible to staff and meets on a regular basis.

Performance Appraisal of Supervisors

Name:

GOALS

1. Goal Specific to the Individual Supervisor Related to Building Supervisory Skills During the Assessment Period

a. extent of accomplishments and achievements

b. areas for growth and/or improvement

2. Future Goal for the Individual Supervisor in Building Supervisory Skills

a. objective of the goal

b. resources and support required (i.e., Delivery Service & Development coursework, other training, or funding)

SUPERVISORY PERFORMANCE CATEGORIES

1. Respectful Employee Relations

Standard: Treats all people with respect. Values diverse perspectives. Provides constructive feedback maintaining respect for the individual.

2. Collaboration

Standard: Shares information broadly. Facilitates discussion before decision-making process is complete when appropriate. Seeks consensus when appropriate.

3. Communication

Standard: Encourages an open exchange of ideas. Conducts fair, timely, informative, constructive performance appraisals. Demonstrates active listening skills. Generally accessible to staff and meets on a regular basis. Demonstrates good facilitation skills.

4. Conflict Resolution

Standard: Resolves conflicts quickly and fairly by implementing appropriate procedures which lead to positive outcomes.

5. Leadership/Accountability/Ownership

Standard: Takes personal responsibility for unit's success and leads to achieve. Honest and ethical in all responsibilities entrusted to him/her.

6. Employee Advancement

Standard: Fosters employee advancement. Encourages individual and unit training and development of staff members. Supports staff participation in governance, service committees. Respects aspirations of people within the unit.

7. Affirmative Action and Diversity Support

Standard: Takes personal responsibility for hiring decisions that support the advancement of women and a multicultural community. Participates in diversity training opportunities both for self and encourages staff. Provides a supportive work environment for a multicultural workforce.