331.11 P35

2001

THE PERFORMANCE APRRAISAL SYSTEM OF FETA FREIGHT SYSTEM PHIL, INC.

CASE STUDY

JR DIMAPILIS PEN

GOLLEGE OF ECONOMICS, MANAGEMENT
AND DEVELOPMENT STUDBES

Cavite State University

Indang, Cavite

April 2001

THE PERFORMANCE APPRAISAL SYSTEM OF FETA FREIGHT SYSTEMS (PHILS.), INCORPORATED

A Case Study
Submitted to the Faculty of the
Cavite State University
Indang, Cavite

In partial fulfillment
of the requirements for the degree of
Bachelor of Science in Business Management
(Major in Marketing)



00001103

The Performance appraisal system of FETA Freight Systems (Phils.), Inc. 331.11 P35 2001 CS-347

JR DIMAPILIS PEJI April 2001

ABSTRACT

PEJI, JR, DIMAPILIS. "The Performance Appraisal System of FETA Freight Systems (Phils.), Incorporated" Undergraduate Case Study. Bachelor of Science in Business Management major in Marketing, Cavite State University, Indang, Cavite, April 2001. Adviser: Mr. Adonis N. Meñez.

A two-month case study was conducted to analyze and evaluate the performance appraisal system of the company. Specifically, it aimed to describe the organization and management of the company; describe the guidelines in evaluating employees performance; describe the activities done by the company in appraising the performance of the employees; and, identify the problems encountered and recommend possible solutions to the problems identified.

The study covered mainly the performance appraisal of the company. The limitation of the study was its selection of the five criteria in terms of performance quality, dependability, ability, mental capacity and loyalty/dedication as described in the performance appraisal such as employees performance, job description, appraisal interview, evaluation interview and constructive feedback.

The company's performance appraisal helped the employees to improve their work performance by providing feedback. It also motivated the employees since this served as a means of recognizing jobs which are properly done. FFSi practiced performance appraisal in making personnel decisions such as promotions, transfer and termination. As revealed by some employees, the performance evaluation process can be considered as sources of stress and dissatisfaction for both employees and the supervisor.

The different managers avoid arguments with their employees regarding the results of the evaluation.

The firm experienced a shortage of manpower in the operation department to monitor the arrival of shipment from abroad. To solve this problem, the company should conduct yearly manpower forecasting to determine the number of employees to be hired particularly in the operation department. Another problem pertains to the unavailability of trucks used by the operation department. To solve the problem, the company should have a fix contract with different trucking companies to avoid delay of deliveries.

TABLE OF CONTENTS

	Page	
BIOGRAPHICAL DATA		
ACKNOWLEDGMENT	iv	
ABSTRACT	vii	
LIST OF TABLES	xi	
LIST OF FIGURES	xii	
LIST OF APPENDICES	xiii	
INTRODUCTION		
Importance of the Study	2	
Objectives of the Study	3	
METHODOLOGY		
Time and Place of the Study	4	
Collection of Data	4	
Method of Analysis	4	
Scope and Limitation of the Study	4	
DESCRIPTION OF THE FIRM	5	
Historical Background	5	
Organization and Management	6	
Management Policies and Practices	11	
Motivation and Incentives	13	
Human Resource Management and Practices	14	

Changes of Employee's Status	17
Human Resource Management Functions	18
Performance Appraisals	18
Job Description	24
Appraisal Interview	24
Evaluation Interview	25
Constructive Feedback	25
Future Plans	25
Problems Encountered_	26
ANALYSIS OF THE FIRM	27
Organization and Management	27
Recruitment of Employees	27
Performance Appraisals	28
Appraisal Interview	29
SWOT Analysis	30
SUMMARY, CONCLUSION AND RECOMMENDATION	.33
Summary	33
Conclusion	34
Recommendation	35
BIBLIOGRAPHY	37
APPENDICES	38

LIST OF TABLES

Table	I	Page
1	Percentage criteria used in evaluating employees' performance	23
2	Performance evaluation and its corresponding actions	23

LIST OF FIGURES

7	igure	Pa	age
	1	Location map of FETA Freight Systems (Phils.), Incorporated	7
	2	Office lay-out of FETA Freight Systems (Phils.), Incorporated	8
	3	Organizational chart of FETA Freight Systems (Phils.), Incorporated	9
	4	Organizational chart of Human Resource Department of FETA Freight Systems (Phils.), Incorporated	12
	5	Recruitment process in FETA Freight Systems (Phils.), Incorporated	15
	6	Percentage distribution of performance evaluation (rank and file employees)	20
	7	Percentage distribution of performance evaluation (Technical Position)	21
	8	Percentage distribution of performance evaluation (Professional level)	22

LIST OF APPENDICES

Appendix		Page
1	SWOT analysis	39
2	Application form and overtime sheet	. 42
3	Leave form	47
4	Recommendation letter for the desire to be regular employees	49
5	Memorandum of regulations on vacation and sick leave	53
6	Memorandum of regulations on absences and tardiness.	55
7	Memorandum of guidelines and procedures on overtime work	57
8	Suspension letter	60
9	Resignation letter	62
10	Clearance for resignation	. 64
11	Health care agreement	66
12	About the company	80
13	Constitution and By-laws of FETA Freight Systems (Phils.), Inc.	95

THE PERFORMANCE APPRAISAL SYSTEM OF FETA FREIGHT SYSTEMS (PHILS.), INCORPORATED $^{1\prime}$

JR D. PEJI

½ A case study report presented to the faculty of Department of Management, College of Economics, Management and Development Studies, Cavite State University, Indang, Cavite, in partial fulfillment of the requirements for graduation with the degree of Bachelor of Science in Business Management (major in Marketing) with Contribution No. C - 2001 - BM - 010. Prepared under the supervision and guidance of Mr. Adonis N. Meñez.

INTRODUCTION

Employees are one of the factors that helps an organization to be more efficient in terms of operations. They are the hands of every company. Without these people working for the organization, there would be no company that would exist for such a long period of time. Being one of the factors that makes an organization work, employees must be given attention for them to be efficient and effective in performing their job.

One of the ways to motivate employees to do their best and be more responsible is by assessing and evaluating their work performance. It helps if employees know their standing with regards to performance. The assessment of performance helps to improve a person in his job and identify weaknesses.