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**AN ANALYSIS OF BANK BRANCH PERFORMANCE MANAGEMENT
PROCESS
(Case Study Of Bank Nagary)**

SKRIPSI



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THESIS

An Analysis of Bank Branch Performance Management Process

(Case Study of Bank Nagari)

By:

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An Analysis of Bank Branch Performance Management Process

(Case Study of Bank Nagari)

(By Wila Sandi Refita, Accounting Department, Andalas University, pages)

ABSTRACT

In the last five years from 2004 until 2008, it can be concluded that financial performance of Bank Nagari is significantly higher than banking performance generally, because of achievement of the indicators of its financial such as business growth, asset quality and also profitability. It can be concluded that the achievement cannot be separated from its performance management process. By providing the analysis on the performance management, it is expected to improve the performance of bank in the future.

This study aims to understand how Bank Nagari implements the performance management process and the differences between Bank Nagari branches in performance management process.

In this research, the data is analyzed by using qualitative data analysis. This research is conducted at 3 branches: Bank Nagari Prime Branch Padang, Bank Nagari Pasar Raya Padang and Bank Nagari Padangpanjang. Based on Kruskal Wallis Test, it was found that there was significant difference in three branches regarding the performance management process. The lowest rank in performance management process was Bank Nagari Prime Branch Padang and the highest rank in performance management process was Bank Nagari Padangpanjang. For all the three branches, there are many recommendation and evaluation for better performance management process.

Keywords: *Performance Management Process, Bank Nagari*

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CHAPTER I

INTRODUCTION

I.1 Background to the Study

Currently, the economy grows and develops with the various kinds of financial institutions. One of those financial institutions which seem to be a big role in the economy is a bank. At this time, the banking industry in Indonesia looks growing up, both government and also private banks. A Bank is a financial intermediary between the parties that need funding, as well as an institution which is functioning to facilitate traffic of payment (Dendrawijaya, 2000, p. 25)

These banks compete with each other to open its branches in some corner of the city in Indonesia and also in the territory of the regions up to the district level. Therefore, it will make competition between banks extremely tight, to attract the attention of prospective customers in order to obtain the input of funds and distribute it as much as possible in hopes to gain an optimal profit.

In running a financial institution like bank, there are so many things that should be considered include vision, mission, strategy and also the performance of bank. It is very useful in achieving the bank's objectives. The performance of Bank can not be separated from its element, such as stakeholders, top, middle, lower level managers, shareholders and also

customers. Therefore, every bank needs measurement and evaluation the performance management of its human resource.

Performance management process has become a vital part of a bank operation. It came from the need of banks to monitor how it performs certain actions and operations that aims to reach its goals. Performance management process was the prime motivator for bank to focus not only on business measures. Businesses have seen the effects to the company of relying too much on business measures. It leads to downfall of the bank. To check the performance level of the banks it needs to use various methodologies and techniques.

Developmental bank embrace performance management processes that enable employees to become their greatest asset. When managers function as performance coaches, they become trainers, confronters, mentors, and counselors, providing positive feedback and reinforcement to improve skills and competencies that ultimately enhance overall employee performance. Performance management functions as an integral part of a comprehensive development strategy, although too few banks subscribe to this philosophy (Gilley & Maycunich, 2000).

A bank does not need managerial supermen to build a high performance management system; the system performs because its design enables ordinary people to deliver extraordinary results consistently. High

performance does, however, require managers who understand, use and improve the system. Most banks already have the building blocks in the form of management approaches and capabilities; they just stop short of linking what they have into a continuous cycle, which can amplify the performance of the whole. It is this connecting the dots and getting all parts working together that permanently boosts management effectiveness performance (Stankard, 2002).

In the last five years from 2004 until 2008, it can be concluded that financial performance of Bank Nagari is significantly higher than banking performance generally, because of achievement of the indicators of its financial such as business growth, asset quality and also profitability. It can conclude that the achievement that achieved by Bank Nagari is can not be separated from its performance management process. By providing the analysis on the performance management, it is expected to improve the performance of bank in the future.

This thesis explores performance management process by scrutinizing the experiences of Bank Nagari. The study helps us understanding the dynamics as performance management process implementation at the banking sector.

I.2 Problem Definition

Based on the background above, the proposed issue can be formulated as follow:

1. How does Bank Nagari implement the performance management process?
2. What are the differences between Bank Nagari branches in performance management process?

I.3 Research Objective

Measurement of performance is one important factor in the company. The performance of management can also use the company's performance measurement as a tool to evaluate the past period.

Generally, the purpose of the research is to evaluate the performance management process in Bank Nagari. Shortly, the purposes are as follows:

1. To evaluate existing performance management process
2. The compare performance management process among Bank branches.

I.4 Research Benefits

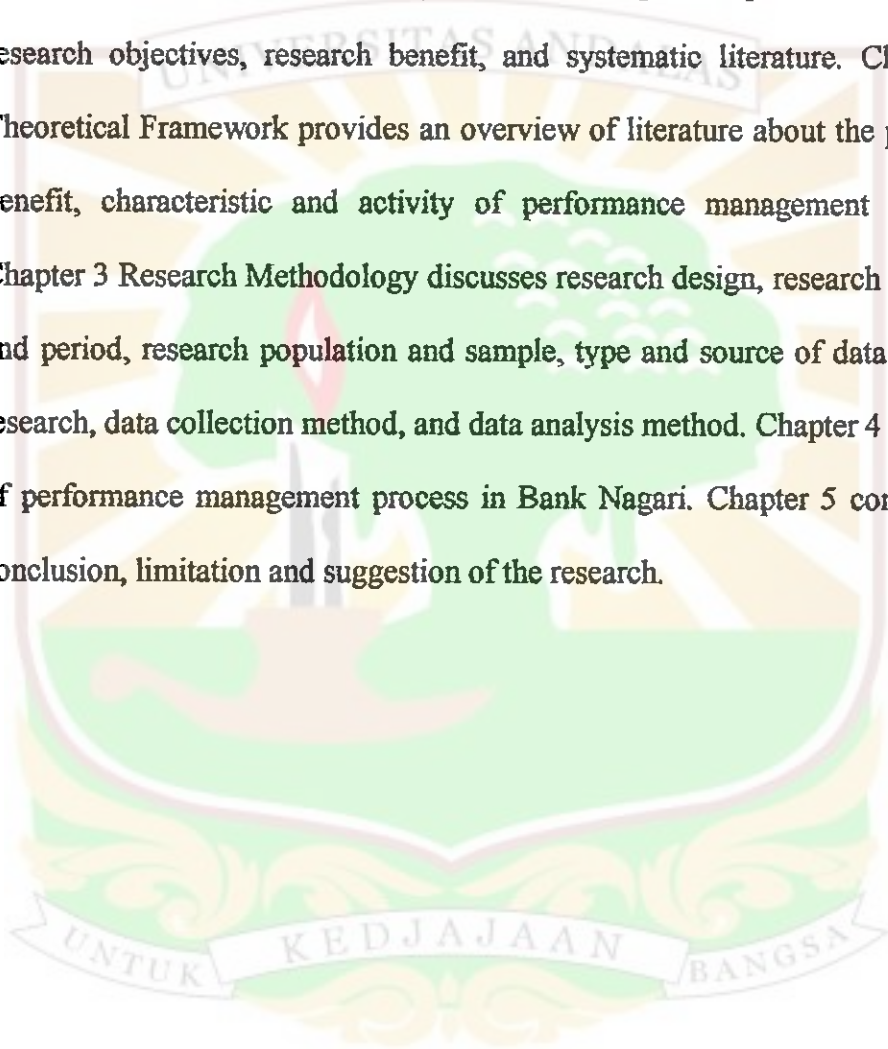
By writer, useful in deepening the knowledge of management accounting and can be useful to know more about performance appraisal and the effective ways in improving performance management that can be used and implemented in company.

By Bank Nagari, this study can be used as an information also description for the company how well they use performance management process in improving performance management and suggestion in evaluating the performance measurement.

By Another party, this research is expected to be a reference in subsequent studies similar.

1.5 Writing Systematic

The writing systematic of this study is as follows: Chapter 1 is Introduction that will give description about background, problem definition, research objectives, research benefit, and systematic literature. Chapter 2 Theoretical Framework provides an overview of literature about the purpose, benefit, characteristic and activity of performance management process. Chapter 3 Research Methodology discusses research design, research location and period, research population and sample, type and source of data used in research, data collection method, and data analysis method. Chapter 4 consists of performance management process in Bank Nagari. Chapter 5 consists of conclusion, limitation and suggestion of the research.



CHAPTER II

THEORETICAL FRAMEWORK

This chapter presents theories and literature related to performance management process. It comprises of definition of performance, performance management, performance management process, benefit of performance management, characteristic of a successful performance management, activity of performance management process and responsibility accounting system. The chapter is ended by reviewing previous literatures related to performance management process.

2.1 Performance

2.1.1 Definition of Performance

Performance is the result of work that can be achieved by a person or group of people within an organization, in accordance with the authority and responsibility of each, within the framework of efforts to achieve the goals of the organization is legally relevant, not breaking the law and in accordance with the moral and ethics (Prawirosentono, 1999).

According to Cormick and Tiffin (1980) (Sutrisno 2010: 172) performance is the quantity, quality and time spent in performing their duties. The quantity is the result of which can be calculated to what extent one can successfully achieve those objectives. Quality is how a person in carrying out

its duties, namely about the many mistakes made, discipline and punctuality. Miner (1990) argued in general can be stated four aspects of performance, is as follows:

1. The quality of the output, and explain about the number of errors, time, and accuracy in performing tasks.
2. The quantity produced, is pleased with how the number of products or services that can be generated.
3. Working time, describes the absent, late, and years of service who have undertaken the individual employee.
4. Working together, will explain how to help or inhibits individuals from.

Individual is said to have performed well when he managed to meet all four aspects are in accordance with the targets or plans established by the organization.

2.1.2 Types of Performance Indicators

Input, output, and efficiency indicators are relatively familiar to program managers.

- a) Input: Input data indicate the amount of resources you applied in delivering a service.
- b) Output: Output data show the quantity of work activity completed. A program's outputs are expected to lead to desired outcomes, but outputs do

not by themselves tell you anything about the outcomes of the work done.

To help identify outcomes that you should track, you should ask yourself what result you expect from a program's outputs.

- c) **Outcomes:** Outcomes do not indicate the quantity of service provided, but the results and accomplishments of those services. Outcomes provide information on events, occurrences, conditions, or changes in attitudes and behavior that indicate progress toward achievement of the goals and objectives of the program. Outcomes happen to groups of customers (e.g., students or elderly persons) or to other organizations (e.g., individual schools and/or businesses) who are affected by the program or whose satisfaction the government wishes to attain.
- d) **Efficiency and Productivity:** These categories relate the amount of input to the amount of output (or outcome). Traditionally, the ratio of the amount of input to the amount of output (or outcome) is labeled "efficiency." The inverse, which is the ratio of the amount of output (or outcome) to the amount of input, is labeled "productivity."

2.2 Performance Management

The role of HR in the present scenario has undergone a sea change and its focus is on evolving such functional strategies which enable successful implementation of the major corporate strategies. In a way, HR and corporate strategies function in alignment. Today, HR works towards facilitating and

improving the performance of the employees by building a conducive work environment and providing maximum opportunities to the employees for participating in organizational planning and decision making process. Today, all the major activities of HR are driven towards development of high performance leaders and fostering employee motivation. So, it can be interpreted that the role of HR has evolved from merely an appraiser to a facilitator and an enabler.

Performance management is the current buzzword and is the need in the current times of cut throat competition and the organizational battle for leadership. Performance management is a much broader and a complicated function of HR, as it encompasses activities such as joint goal setting, continuous progress

Review and frequent communication, feedback and coaching for improved performance, implementation of employee development programmes' and rewarding achievements. The process of performance management starts with the joining of a new incumbent in a system and ends when an employee quits the organization. Performance management can be regarded as a systematic process by which the overall performance of an organization can be improved by improving the performance of individuals within a team framework. It is a means for promoting superior performance by communicating expectations, defining roles within a required competence

framework and establishing achievable benchmarks.

According to Armstrong and Baron (1998) Performance Management is both a strategic and an integrated approach to delivering successful results in organizations by improving the performance and developing the capabilities of teams and individuals. The term performance management gained its popularity in early 1980's when total quality management programs received utmost importance for achievement of superior standards and quality performance. Tools such as job design, leadership development, training and reward system received an equal impetus along with the traditional performance appraisal process in the new comprehensive and a much wider framework. Performance management is an ongoing communication process which is carried between the supervisors and the employees throughout the year. The process is very much cyclical and continuous in nature. A performance management system includes the following actions.

- Developing clear job descriptions and employee performance plans which includes the key result areas (KRA) and performance indicators.
- Selection of right set of people by implementing an appropriate selection process.
- Negotiating requirements and performance standards for measuring the outcome and overall productivity against the predefined benchmarks.

- Providing continuous coaching and feedback during the period of delivery of performance.
- Identifying the training and development needs by measuring the outcomes achieved against the set standards and implementing effective development programs for improvement.
- Holding quarterly performance development discussions and evaluating employee performance on the basis of performance plans.
- Designing effective compensation and reward systems for recognizing those employees who excel in their jobs by achieving the set standards in accordance with the performance plans or rather exceed the performance benchmarks.
- Providing promotional/career development support and guidance to the employees.
- Performing exit interviews for understanding the cause of employee discontentment and thereafter exit from an organization.

A performance management process sets the platform for rewarding excellence by aligning individual employee accomplishments with the organization's mission and objectives and making the employee and the organization understand the importance of a specific job in realizing outcomes. By establishing clear performance expectations which includes results, actions and behaviors, it helps the employees in understanding what exactly is expected out of their jobs and setting of standards help in

eliminating those jobs which are of no use any longer. Through regular feedback and coaching, it provides an advantage of diagnosing the problems at an early stage and taking corrective actions.

To conclude, performance management can be regarded as a proactive system of managing employee performance for driving the individuals and the organizations towards desired performance and results. It's about striking a harmonious alignment between individual and organizational objectives for accomplishment of excellence in performance.

2.3 The Performance Management Process

To be able to define what the PM-process is, it is helpful to describe the differences between performance measurement and performance management. According to Bititci et al. (1997, p. 524) is: "The performance measurement system (...) seen as the information system which enables the performance management process to function effectively and efficiently." This can be illustrated in figure 1 :



Figure 1: The performance management process and the position of the performance measurement system (Source: Bititci et al., 1997, p. 525)

2.3.1 Defining Performance Management Proses

The performance management process is a method of management design to ensure the organization and all of its components are working together to optimize the organizations goals. Organization components include departments, employees, processes, teams, and other aspects of an organization. To achieve this design, performance management process must address the overall organization performance in conjunction with the components.

The performance management process requires several ongoing activities. This include identifying and prioritizing goals, defining what constitutes progress towards goals, setting standards for measuring results, and tracking progress toward goals. Other activities include exchanging feedback among organizational components, regularly reviewing progress, reinforcing effective goal-oriented activities, and intervening to create improvements when needed. Business performance management software is a performance management tool that is often used to organize performance management processes.

While the activities in the performance management process are similar to other management methods such as strategic planning and

management by objectives, the performance management process focuses on overall results. Great importance is placed on measuring results, maintaining ongoing feedback about results, and developing plans to improve results. While other management processes often focus on the results themselves, this process places greater importance on the methods used to achieve results.

The steps in the performance management process can vary from one organization to another. Most programs include certain core activities working from the highest level of the organization down to the smaller components. The first step is to review the overall organizational goals and prioritize by quantity, quality, cost or timeliness.

The next step is to specify which goals apply to which parts of the organization's components. Once the goals are identified by component, the goals must be evaluated to ensure they contribute to the success of the entire organization. Managers must then prioritize the goals of the organization's components.

Once goals of the whole organization and goals of its components are identified and priorities, managers will identify measures to be taken towards the desired goals. They will then set standards to identify the quality of the activities' results. Managers must determine if goal-oriented activities are below expectations, meet expectations or exceed expectations. Once the goals are understood and the measures toward progress are identified, managers will

create and document a performance plan. This plan will outline the goals, measures and the standards by which success will be evaluated.

With a complete plan in place, managers will conduct ongoing observation, measure performance and track the results. The information will be exchanged with organizational components to secure ongoing feedback about performance. A performance appraisal or performance review will be conducted to identify and document the quality of results. Finally, managers will reward performance that meets or exceeds expectations or intervene and alter measures that have not produced the expected results. The process of evaluating the plan, altering measures and rewarding success will continue until all objectives in the plan have been met.

2.4 Benefit of Performance Management

Some benefits of performance management are (McNamara, 2000):

1. PM focuses on results, rather than behaviors and activities. A common misconception among supervisors is that behaviors and activities are the same as results. Thus, an employee may appear extremely busy, but not be contributing at all toward the goals of the organization. An example is the employee who manually reviews completion of every form and procedure, rather than supporting automation of the review. The supervisor may conclude the employee is very committed to the organization and works very hard, thus, deserving a very high performance rating.

2. Aligns organizational activities and processes to the goals of the organization. PM identifies organizational goals, results needed to achieve those goals, measures of effectiveness or efficiency (outcomes) toward the goals, and means (drivers) to achieve the goals. This chain of measurements is examined to ensure alignment with overall results of the organization.
3. Cultivates a system-wide, long-term view of the organization. Richard A. Swanson, in *Performance Improvement Theory and Practice* (Advances in Developing Human Resources, 1, 1999), explains an effective performance improvement process must follow a systems-based approach while looking at outcomes and drivers. Otherwise, the effort produces a flawed picture. For example, laying off people will likely produce short-term profits. However, the organization may eventually experience reduced productivity, resulting in long-term profit loss.
4. Produces meaningful measurements. These measurements have a wide variety of useful applications. They are useful in benchmarking, or setting standards for comparison with best practices in other organizations. They provide consistent basis for comparison during internal change efforts. They indicate results during improvement efforts, such as employee training, management development, quality programs, etc. They help ensure equitable and fair treatment to employees based on performance.

15 Other Benefits of Performance Management (McNamara, 2000):

1. Helps you think about what results you really want. You're forced to be accountable, to "put a stake in the ground".
2. Depersonalizes issues. Supervisor's focus on behaviors and results, rather than personalities.
3. Validates expectations. In today's age of high expectations when organizations are striving to transform themselves and society, having measurable results can verify whether grand visions are realistic or not.
4. Helps ensure equitable treatment of employees because appraisals are based on results.
5. Optimizes operations in the organization because goals and results are more closely aligned.
6. Cultivates a change in perspective from activities to results.
7. Performance reviews are focused on contributions to the organizational goals, e.g., forms include the question "What organizational goal were contributed to and how?"
8. Supports ongoing communication, feedback and dialogue about organizational goals. Also supports communication between employee and supervisor.
9. Performance is seen as an ongoing process, rather than a one-time, shapshot event.
10. Provokes focus on the needs of customers, whether internal or external.

11. Cultivates a systems perspective, that is, focus on the relationships and exchanges between subsystems, e.g., departments, processes, teams and employees. Accordingly, personnel focus on patterns and themes in the organization, rather than specific events.
12. Continuing focus and analysis on results helps to correct several myths, e.g., "learning means results", "job satisfaction produces productivity", etc.
13. Produces specificity in commitments and resources.
14. Provides specificity for comparisons, direction and planning.
15. Redirects attention from bottom-up approaches (e.g., doing job descriptions, performance reviews, etc., first and then "rolling up" results to the top of the organization) to top-down approaches (e.g., ensuring all subsystem goals and results are aligned first with the organization's overall goals and results).

2.5 Characteristics of a Successful Performance Management

An effective Performance Management program requires a structured process that includes:

- Setting objectives
- Clearly defining performance criteria
- Assessing performance
- Providing ongoing feedback and coaching

- Having an annual formal performance review linking rewards and recognition to performance
- Having a career development plan in place

It is also crucial to ensure a high degree of fit between individual performance, group or department goals and organizational objectives and mission. Feedback is also an important factor to a successful program. The program must include feedback that is timely, accurate, and specific. Feedback must also be collected and provided from multiple sources including the boss, peers, team members, subordinates, and customers, as appropriate.

Two final characteristics include having the training and tools to facilitate the complete process, and conducting periodic monitoring and program evaluation as business needs change and evolve.

2.6 Activity of Performance Management Process

Performance management process ensures that the goals and aspirations are met. It focuses on individual employee performance, performance of a process or activity, performance of a department and the performance of the organization as a whole. The process of managing performance in an organization is a continuous process and goes on so long as the organization exists and involves the following activities:

- Planning Performance
- Managing Performance
- Reviewing Performance
- Rewarding Performance

2.6.1 Planning Performance

Planning is essential in any kind of management process, and performance management process is no exception. There is the need for management to state a management plan this plan can be made into a document and made available to managers and supervisors.

Objectives of the plan must be clearly stated in the plan document as well as why it is being introduced after which a management system is designed. The design is a direct derivative of the organization's mission and visions and these are gradually broken down at each stage until it finally gets to the individual employee. Another way of doing the design is to start from the individual objectives and work them out to derive the organizational objectives. In setting performance management objectives, the SMART approach is most useful and is as follows:

- Specific
 - Measurable
 - Achievable
 - Result-Oriented
 - Time Related

2.6.2 Managing Performance

Performance management process does not end at defining the plan, but the performance plan has to be managed. This involves taking action on the plan agreed on and may include ensuring that all employees understand the plan, providing support and adequate resources to personnel who are to help implement the plan and aligning organizational priorities and goals to the performance plan.

Managing performance also emphasizes that results are important than the processes that yield the results and requires that, each individual takes direct responsibility for their actions. For instance, emphasis should be on how much work is performed by an employee in a day than how many hours he spent in the office that day.

2.6.3 Reviewing Performance

When managing performance process, it is crucial to conduct periodic reviews to ensure that the performance plan is being followed and that it is producing results. In most firms, performance review is done by appraisals, which is in the form of interviews with a superior. Appraisals are done annually and are mostly used for promotions and salary increment purposes. It is sometimes also used to measure how fast an employee is learning and developing on the job and to determine if he needs any additional training.

A good appraisal should take into consideration every aspect of the job; available as against required resources and do appropriate rating. One mistake that management make when performing appraisals is that they leave objectivity out and sometimes they let their personal problems with the person overshadow the appraisal. In a case like this, they can ask another manager to do the appraisal for that person.

2.6.4 Rewarding Performance

Conducting performance appraisals is not enough in the performance management process. Hard work and productivity must be rewarded. Rewards encourage employees to work harder as they know their efforts are appreciated. It also sets as an example to those who did not work so hard to do same so as to earn a reward. This reward can be in the form of financial, words of praise, promotion or recommendation for a training program, which is paid for by the company.

No serious organization can do without performance management process as it will determine the productivity of the company. The performance plan states what they wish to achieve then they work towards that.

2.7 Responsibility Accounting System

2.7.1 Definition and Types of Responsibility Accounting

As the firm grows, top management typically creates areas of responsibility, which are known as responsibility centers, and assigns subordinate managers to those areas. Responsibility accounting is a system that measures the results of each responsibility center and compares those results with some measure of expected or budgeted outcome. (Hansen & Mowen, 2006).

There are four major types of responsibility centers:

1. Cost center

A responsibility center in which a manager is responsible only for costs.

2. Revenue center

A responsibility center in which a manager is responsible only for sales.

3. Profit center

A responsibility center in which a manager is responsible for both revenues and costs.

4. Investment center

A responsibility center in which a manager is responsible for revenues, costs, and investments.

Responsibility accounting is closely allied to the structure and decision-making authority of the firm. In order to increase overall efficiency, many companies choose to decentralize. The essence of decentralization is decision-making freedom. In a decentralized organization, lower-level

managers make and implement decisions, whereas in a centralized organization, lower-level managers are responsible only for implementing decisions. We can conclude that the decentralization is the practice of delegating or decentralizing decision-making authority to the lower levels.

There are some reasons for decentralization:

1. Better access to local information
2. Cognitive limitations
3. More timely response
4. Focusing of central management
5. Training and evaluation of segment managers
6. Motivation of segment managers
7. Enhanced competition

2.7.2 Responsibility Accounting Model

Responsibility Accounting Model is a fundamental tool of managerial control and is defined by four essential elements (Hansen & Mowen, 2006):

1. Assigning responsibility
2. Establishing performance measures or benchmarks
3. Evaluating performance
4. Assigning rewards

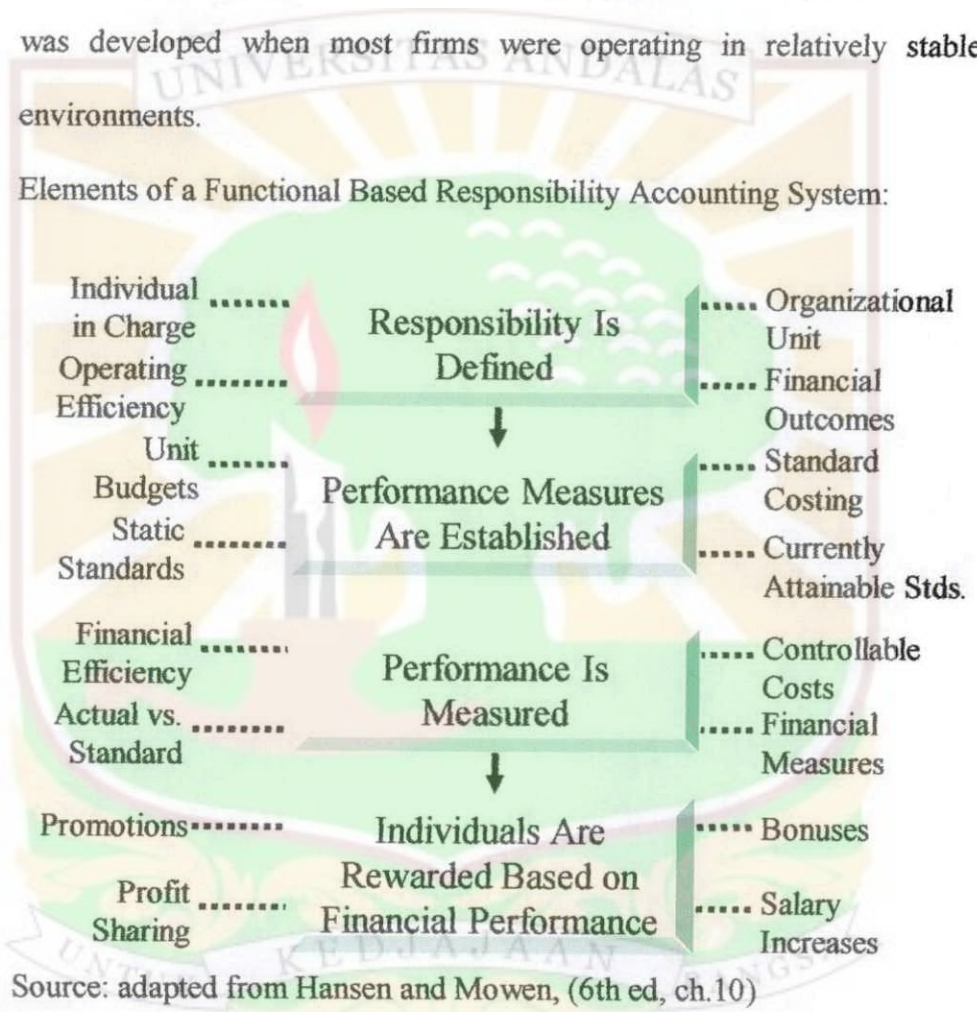
The objective of responsibility accounting is to influence behavior in such a way that individual and organizational initiatives are aligned to achieve

a common goal or goals. Management accounting offers the following three types of responsibility accounting:

1. Functional Based Responsibility Accounting System

Assigns responsibility to organizational units and expresses performance measures in financial terms. It is the responsibility accounting system that was developed when most firms were operating in relatively stable environments.

Elements of a Functional Based Responsibility Accounting System:

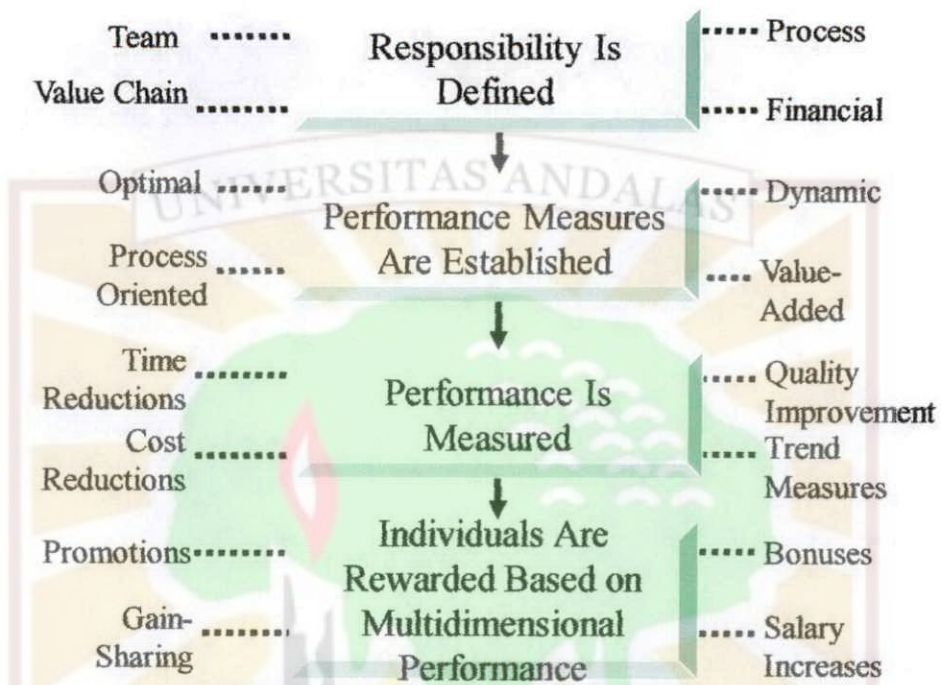


2. Activity Based Responsibility Accounting System (process-based)

Assigns responsibility to processes and uses both financial and nonfinancial measures of performance. It is the responsibility accounting

system developed for those firms operating in continuous improvement environments.

Elements of an Activity Based Responsibility Accounting System:



Source: adapted from Hansen and Mowen, (6th ed, ch.10)

3. Strategic Based Responsibility Accounting System (Balance Scorecard)

Translates the mission and strategy of an organization into operational objectives and measures for four different perspectives:

- 1.) The financial perspective
- 2.) The customer perspective
- 3.) The process perspective
- 4.) The infrastructure (learning and growth) perspective



2.8 Previous Research

Helena Forslund (Spring, 2009), "Performance management process at Wica Cold AB - towards an improved performance in the order-to-delivery process - ". This research explained the current PM-process only has a few measures and it is not communicated to the employees very well. The performance in the order-to-delivery process is satisfying but can in many ways be improved. The PM-process can develop with some new measures and some small changes and additions in the current measures. One main aspect in this regard is to measure the amount of guarantee claims and percentage of orders delivered on time instead of only costs for backorders and guarantee claims. The measures should be published on a

board on the shop floor as a way to make use and take action based on the measures. Meetings every other week should be in place to discuss ideas from employees and the value-added time. This improves performance since it highlights important aspects and common problems and a way to improve that performance can be found. The characteristics of a SME are taken into consideration for instance by limiting the amount of measures used and by making them simple and easy to collect.

Yessi Yunelia Rahmi (2011), "The Evaluation of Branch Manager Performance Evaluation System (Case Study at Bank Nagari Padang)". This research discussed about the evaluation of Bank branch performance management process that is applied by Bank Nagari still uses traditional performance measurement system. The system of branch manager performance evaluation used by Bank Nagari by using these five financial elements they are total assets, loan distribution, non performing loan, third party fund and profit before tax in measuring as the basis for evaluation is not completely enough. Bank Nagari has reward system to appreciate its branch manager performance.

CHAPTER III

RESEARCH METHOD

This research applies case study method by employing research questionnaire as data collection method at three branches of Bank Nagari. The nature of this research is a descriptive case research with the goal is to explain an object, mind system, condition, and practice qualitatively. Descriptive method can help researcher to find out the fact of the research and then analyze the collected data. This chapter depicts the chosen research method in elaborating the research problems. To reiterate, this research aims at analyzing performance management process at Bank Nagari.

3.1 Research Location and Period

This research is conducted at the Regional Development Bank of West Sumatera (hereafter Bank Nagari) of its 3 branches: Bank Nagari Prime Branch, Padang (Jl. Pemuda No. 21), Bank Nagari Pasar Raya Padang and Bank Nagari Padangpanjang. The research surveys the perception of employees towards performance management process in its particular branch and headquarters and one branch is located outside Padang city. This research is conducted during 2010-2011 performance year.

3.2 Research Population, Sample and Response Rate

The population of this study is employees of the three branches of Bank Nagari. The researcher uses random sampling as the sampling method. Random sampling refers to taking a number of independent observations from

the same probability (Wikipedia, 2009).The population and sample of the research are presented in Table 3.1.

Table 3.1
Research Population and sample

Branch	Population	Sample	Response	Response Rate
Prime Branch - Padang	180	50	50	100%
Pasar Raya Branch Padang	132	30	30	100%
Padang Panjang Branch	43	30	30	100%
Total	355	110	110	100%

Source: Field survey, (2011)

Based on Table 3.1, the total samples of the research are 110 respondents with 100% responses rate. The high response rate is due to researcher directly distributed questionnaire to the respondents and constantly checked the progress. The total respondents in Prime Branch of Padang are 50, while for Pasar Raya Padang and Padangpanjang are 30 each.

3.3 Type and Source of Data

3.3.1 Primary Data

Primary data is obtained directly from respondents. The researcher uses the questionnaires and semi interview techniques to collect the data. This instrument of data collection has been chosen in order to enable the author reduce the problems that usually occur in the process of data collection and

ensure validity and reliability. The questions are designed for all bank's staff and it is simple and logically arranged for easy understanding.

3.3.2 Secondary data

Secondary data is obtained from companies publication such as annual reports, company's website.

3.4 Data Collection Method

This research uses a primary data and secondary data from object's research. The data collection techniques used in this research are:

1. Literature (documentation) study

Literature study learns about all materials and theories that related to performance management process.

2. Questionnaire

A questionnaire is a reformulated written set of question to which respondents record their answer usually within rather closely defined alternatives (Sekaran, 2003). The use of questionnaire is an information gathering technique that allows analysts to study knowledge, attitude, belief, behavior, and characteristics of several key people in the organization that may be affected by the current and proposed system. Surveyor adopts the questioner by World Bank – performance management process.

3. Semi Interview

Semi interview is information gathering method by using direct conversation with a specific purpose. The objectives of this interview are to assess the related condition with the research variable and to verify secondary data from literature study.

3.5 Data Analysis Method

In this research, the data will be analyzed by using qualitative data analysis.

3.5.1 Questionnaire

The questionnaires are processed with SPSS 15 software. The questioners are divided into 2 parts, the first part consists of 9 questions for variable performance management process and the second part is qualitative in which 5 questions are for variable looking for the future. Variable performance management process uses scoring system: 1 strongly disagrees, 2 disagree, 3 neither agree nor disagree, 4 agree, and 5 strongly agree. The descriptive statistics is used to analyze the perception of the respondent with regard to performance management process at Bank Nagari. In order to examine differences amongst the three branches, Kruskal-Wallis are used (Pallant, 2007).

3.5.1.1 Validity and Reliability test

Validity testing is used to measure the precision and accuracy questioners which are distributed to respondents. Validity testing is done by the method of Pearson product moment correlation where the testing is done

by looking at the correlation coefficient (r_{xy}) which states the relationship between scores grains questions and a total score (item-total correlation).

Grain is said valid if $r_{count} > r_{table}$. Testing criteria are:

- $r_{count} > r_{valid\ critical}$
- $r_{count} < r_{critical}$ is invalid, where $r_{critical}$ is 0.3 (Sekaran, 2003)

Results from the pilot tests indicate that all items are valid questions.

Table 3.2
Validity Test Result

No	Questions	Item-Total Correlation	R critical	Note
1	Manager clearly laid out the work expectations for 2011 performance year	0.46	0.3	Valid
2	Employee understand how the work program supports unit's business objectives	0.57	0.3	Valid
3a	Manager provides timely feedback throughout the fiscal year	0.53	0.3	Valid
3b	Manager provides useful suggestions and ideas on how to perform more effectively	0.57	0.3	Valid
3c	Manager shares the perceptions of strengths and areas for development	0.44	0.3	Valid
3d	Manager compliments and/or recognizes when i have performed effectively	0.34	0.3	Valid
4	Employee initiates performance conversations, including informal chats with manager for better understanding about the work	0.33	0.3	Valid
5	Manager clearly explains the basis of employee performance ratings	0.6	0.3	Valid
6	Employee satisfy with the time of manager to discuss the performance, achievements, strengths and areas for the improvement and future development needs	0.54	0.3	Valid

Source: Primary Data Processed (2011)

Reliability testing are analyzed using Cronbach's Alpha techniques contained in the computer program SPSS 15. Sekaran (2003) states that the closer the coefficient alpha value of 1 means the grains of the statements in the coefficient is more reliable. A statement/question in the questionnaire is reliable or unreliable to say if it meets the following criteria:

- *cronbach alpha* value > 0.60, then the statements is reliable.
- *cronbach alpha* value < 0.60, then the statements is reliable.

Based on the data processing which has been done, the reliability of each variable used in research studies is known, as shown in the table below:

Table 3.3
Reliability Test Result

Variable	Cronbach Alpha	Parameter	Note
Performance management process(x1)	.787	0.6	Reliable

Source: Primary Data Processed (2011)

So it can be concluded that all variables used in this study is *cronbach alpha* value > 0.60, where the variable is a variable that has a high reliability and can continue to be used at the stage of hypothesis testing.

3.5.2 Semi Interview

Semi Interview is conducted by the author with the management of Bank Nagari. Interviews are used throughout the data gathering process, but interview is perhaps most useful during the performance analysis stage, to

determine what the real performance management process in Bank Nagari. Although the process is time-consuming, interview is useful because we can gather specific information and ask follow-up questions to get more details on items of particular interest.

Research respondent for semi interview is manager of Corporate Research and Development Strategic Planning Division and manager of Corporate Human Resource Division for each branch, Bank Nagari Prime Branch Padang, Bank Nagari Pasar Raya and Bank Nagari Padangpanjang. It is done to get clear and complete information about the research.

3.5.3 Kruskal-Wallis Test

The Kruskal-Wallis Test (sometimes referred to as the Kruskal-Wallis Test H Test) is the non-parametric alternative to a one-way between groups analysis of variance (Pallant, 2007). It allows you to compare the scores on some continuous variable for three or more groups. Scores are converted to ranks and the mean ranks for each group are compared. This research compares three of branches that are Bank Nagari Prime Branch Padang, Bank Nagari Pasar Raya and Bank Nagari Padangpanjang.

CHAPTER IV

RESULTS AND DISCUSSION

This chapter presents the results of the survey. It comprises of five sections. Section One describes a brief profile of Bank Nagari. Section Two describes respondent profile of 3 branches. Section Three present the result of performance management process in 3 branches. Section Forth examines the comparison of three branches. Section Five aims to discuss the finding of the research.

4.1 Profile of Bank Nagari

4.1.1 Brief History of Bank Nagari

In the early sixties both local governments and private entrepreneurs figures, are equally aware that in order to make local infrastructure moving being faster in West Sumatra, it is needed a financial institution in the form of a bank that specifically assist the government in implementing infrastructure in the local.

Because of that reasons, then on March 12, 1962, reporting to the Notary Hasan Qalby in Padang, West Sumatra Provincial Government represented by Soelamat Dipowardojo and private parties are represented by the Hadis Didong to confirm the establishment of West Sumatra Regional Development Bank. Then, Notary of Hasan Qalby make the deed No. 9 dated March 12, 1962 as the legal basis for the establishment of West Sumatra Regional Development Bank under the name "PT. SUMATRA WEST

REGIONAL DEVELOPMENT BANK". On April 25, 1962 by the First Deputy Minister for Finance of the Republic of Indonesia issued a business license of PT. West Sumatra Regional Development Bank through Decree No. BUM/9-44/II to start PT. West Sumatra Regional Development Bank to do business with the position at the Padang.

With the release later Law No. 13 of 1962 on Basic Provisions for the Regional Development Banks, so the legal basis for the establishment of Regional Development Banks should be replaced by regional regulation. In relation to that requirement, the West Sumatra Regional Development Bank can only be fulfilled in the year 1973, with the existence of regulation of Provinces of West Sumatra Province No. 4 of 1973 dated November 8, 1973 on West Sumatra Regional Development Bank. Because of this law, PT. Regional Development Bank converted into West Sumatra Regional Development Bank.

In order to improve the public service, especially overseas transactions, it is based on the Decree of Bank Indonesia No.23/60/KEP/DIR January 17, 1991 West Sumatra Regional Development Bank is being a foreign exchange bank. To improve the performance of the company, in 1992 issued Regional Regulation of the Province of West Sumatra No. 15 Years in 1992 which approved by the Minister of the Interior No.584.23-407 dated March 23, 1993 and promulgated in No. 3 Series D.1 of 1993. Under Regulation No. 15 of 1992, the investment bank's capital from third parties is

possible with the provision of at least 51% of paid in capital represents the investment from the Local Government Level I and Level II.

In order to anticipate an era of globalization and free trade, West Sumatra Regional Development Bank as a tool of regional autonomy is necessary to increase the competitive ability among foreign exchange banks by expanding the operation area to other regions of West Sumatra in accordance with prevailing regulations, by publishing the Regional Provincial Regulation Level I West Sumatra No. 2 of 1996 which among other things, about the mentioning of changes or calling of West Sumatra Regional Development Bank of the West Sumatra BPD to be Bank Nagari and implemented the improvement of the basic capital of Rp 50 billion to Rp.150 billion.

In accordance with the development and more flexibility in running the business, August 16, 2006 Legal status of West Sumatra Regional Development Bank changed from the Regional Company (PD) to be Limited Liability Company (PT) through Perda No. 3 of 2006 which was approved by the Minister of Justice and Human Rights No. W3-00 074-TH.2007 HT.01.01 April 4, 2007. Then, dated January 25, 2007 there is an endorsement of basic budget about the changes of Bank Law Statutory from the Regional Company (PD) to be Limited Liability Company (PT).

At the date of October 11, 2007 in accordance Decree of Indonesia Bank Governor Deputy No.9/20/KEP.DpG/2007, PT. West Sumatra Regional Development Bank have get permission to operate as foreign exchange bank.

Currently, Bank Nagari continued to strengthen its tradition of good corporate governance, full compliance with regulations, better risk management and commitment to customers and is ready to continue to expand market share and participate in improving the function of financial intermediation in an effort to support national economic growth. The top changes (moment of change) Bank Nagari in West Sumatra, was marked by launching a new logo along with a new vision and mission of the Regional Development Banks on November 27, 2008.

4.1.2 Vision and Mission of Bank Nagari

Vision

“Being a Regional Development Bank of the leading and most trusted Indonesia”.

Bank Nagari has a vision of the future for the well-known and prominent in Indonesia, with the vision, the Bank Nagari will maintain the reputation and continues to expand its wings. Bank Nagari will maintain trust by running the principles of good corporate governance, provide satisfactory service and compliance with regulations with honesty.

Mission

1. Giving contribution in promoting economic growth and social welfare.

Reflect the basis or background of the establishment of the Bank as mandated by the deed of establishment, which helped build a strong economic activity to improve the welfare of the community.

2. Fulfilling and maintaining the importance of stakeholders in a consistent and balanced.

It means that Bank will always run with the principle to fulfill responsibilities to the owners, customers, employees and communities.

- a. Keeping these banks to grow and develop well and healthy
- b. Providing excellent service
- c. Giving adequate profits for shareholders
- d. Providing maximum benefit to society
- e. Fostering Together Building Home Affairs Images.

4.1.3 Corporate Culture of Bank Nagari

Corporate culture is developed from the core value of Bank Nagari which is shortly called "NAGARI", Good Intention, Innovation, Accuracy, Responsibility and Integrity (Niat Baik Apresiasi Gagasan Akurasi Responsibilitas and Integritas). The values that live and obeyed by all of the elements in Bank Nagari which are included in the NAGARI value create the corporate culture of Bank Nagari as follow:

1. PT. Bank Pembangunan Daerah Sumatera Barat is Bank which focus on its customers and its services.

2. PT. Bank Pembangunan Daerah Sumatera Barat is Bank that has working climate and environment that encourage the appearance, creativity, motivation and the high spirit of togetherness.

4.1.4 Product and Service of Bank Nagari

There are some products offered by Bank Nagari, they are: Demand Deposit of Bank Nagari, Syariah Demand Deposit, Sikoci Saving, Simpeda Saving, Tahari Maburur, Tabanas of Bank Nagari, Tabunganku, Sikoci Syariah Saving, Tahari Syariah Saving, Deposit term, Syariah Deposit term, Personal Loan, Working Capital Loan for Contractor, Loan for BPR, Multi Purposes KPR, Multi-Purposes Working Capital Loan, Multi Purposes Investment Loan, Checking Accounts Loan, Informal Small Business Loan, Society Business Loan, Syariah Financins and Automatic Teller Machine. For the services, Bank Nagari service its customers by providing the Transfer Service, Inkaso, Western Union of Money Delivery, Bank Reference, Safe Deposit Box, BPD net online, SMS banking, Payment for Electricity, Water, Telephone and taxes, Salary Payment, Acceptance of College Fee, New College Student Registration, Acceptance of BPIH Payment, Zakat Payment through ATM, Pasca Payment for Halo card paymeny.

4.2 Respondent's Profile

4.2.1 Respondent Gender

Table 4.1 shows the distribution of respondent by gender. As can be seen from the Table, the majority of the respondent for Bank Nagari Prime Branch Padang and Bank Nagari Padangpanjang are female with the

percentage of 82% and 73% while for Bank Nagari Pasar Raya Padang, the majority's respondent is male accounted for 60%.

Tabel 4.1
Respondent Gender

Gender	Bank Nagari Prime Branch		Bank Nagari Pasar Raya		Bank Nagari Padangpanjang	
	Amount	%	Amount	%	Amount	%
Male	9	18%	18	60%	8	27%
Female	41	82%	12	40%	22	73%
Total	50	100%	30	100%	30	100%

Source: field survey (2011)

4.2.2 Respondent Age

Table 4.2 below shows the respondents group of age for 3 branches which shows the average age starts from 20 to 40 years. The age 41-50 years of respondent is not more than 20%, only 14% for Bank Nagari Prime Branch Padang, 10% for Bank Nagari Pasar Raya and 3% for Bank Nagari Padangpanjang.

Tabel 4.2
Respondent Age

Group of age (years)	Bank Nagari Prime Branch		Bank Nagari Pasar Raya		Bank Nagari Padangpanjang	
	Amount	%	Amount	%	Amount	%
20-30	20	40%	15	50%	19	63%
31-40	23	46%	12	40%	10	33%
41-50	7	14%	3	10%	1	3%
Total	50	100%	30	100%	30	100%

Source: field survey (2011)

4.2.3 Respondent Education

Their educational characteristics are shown in Table 4.3. The data expresses the variety of respondent educational background, they are senior high school, diploma, bachelor degree and master degree. Mostly, the staff education backgrounds are Bachelor degree for 3 branches.

Table 4.3
Respondent Education

Respondent Education	Bank Nagari Prime Branch		Bank Nagari Pasar Raya		Bank Nagari Padangpanjang	
	Amount	%	Amount	%	Amount	%
Senior High School	0	0 %	0	0 %	0	0%
Diploma	11	22 %	8	27 %	5	17%
Bachelor Degree	39	78%	19	63%	21	70%
Master Degree	0	0 %	3	10%	4	13%
Total	50	100 %	30	100 %	30	100%

Source: field survey (2011)

4.2.4 Respondent Working Experiences

Based on working experiences, respondent questioners are mostly for staff of Bank Nagari. The period is divided into 4 classifications, less than 2 years, 2 until less than 5 years, 5 until 10 years and last more than 10 years. The percentages will be shown in table 4.4. The majority of respondents have worked at Bank Nagari for 2 up to 10 years.

Table 4.4

Respondent Working Experiences

Respondent Working Experiences	Bank Nagari Prime Branch		Bank Nagari PasarRaya		Bank Nagari Padangpanjang	
	Amount	%	Amount	%	Amount	%
Less than 2 years	6	12%	5	17%	2	7%
2 - less than 5 years	29	58%	13	43%	12	40%
5 – 10 years	12	24%	7	23%	9	30%
More than 10 years	3	6%	5	17%	7	23%
Total	50	100%	30	100%	30	100%

Source: field survey (2011)

4.3 Results

4.3.1 Perceptions of Respondents of Bank Nagari Prime Branch Padang on Performance Management Process

The table 4.5 below means to analyze the answer of respondent about the performance management process at Bank Nagari Prime Branch Padang.

Table 4.5
Perceptions Respondents of Bank Nagari Prime Branch Padang

No	Variable	N	Frequency Perceptions of Respondent (in percentage)				
			Strongly Agree	Agree	Neither agree or disagree	Disagree	Strongly Disagree
1	Manager clearly laid out the work expectations for 2011 performance year	50	4	44	44	4	4
2	Employee understands how the work program supports unit's business objectives	50	30	36	32	2	0
3a	Manager provides timely feedback throughout the fiscal year	50	2	48	40	10	0
3b	Manager provides useful suggestions and ideas on how to perform more effectively	50	2	48	42	6	2
3c	Manager shares the perceptions of strengths and areas for development	50	4	40	40	16	0
3d	Manager compliments and/or recognize when employee performs effectively	50	10	36	38	16	0
5	Manager clearly explains the basis of employee performance ratings	50	0	12	56	30	2
6	Employee satisfy with the time manager to discuss the performance, achievements, strengths and areas for improvement and future development needs	50	4	26	54	10	6

Source: field survey (2011)

No	Variable	N	Frequency Perceptions of Respondent (in percentage)				
			Consistently	Often	Periodically	Seldom	Never
4	Employee initiates performance conversations, including informal chats, with manager for better understanding about the work	50	6	34	36	24	0

Source: field survey (2011)

The results obtain the responses of questionnaires from 50 respondents for the variables in the table of performance management process, as follows as:

- **Planning Performance**

Variable includes two activities of planning performance with the statement are; first, Employee initiates performance conversations, including informal chats with manager for better understanding about the work. As much as 6% of respondents or three people have expressed consistently, 34% of respondents or as many as 17 people are often, 36% of respondents or as many as 18 people have expressed periodically, 24% of respondents or a total of 12 respondents or as many people claim as seldom, and none has expressed never. Second, Manager clearly laid out the work expectations for 2011 performance year as much as 4% or as many as 2 of respondents who expressed strongly agree, 4% of respondents or as many as 22 people are agree, 44% of respondents or as many as 22 people state they are neutral, 44% of respondents or as many as 2 people claim not agree, and 4% of respondents state or 2 people strongly disagree.

- **Managing Performance**

Variable for managing performance with the statement are; Employee understands how the work program supports unit's business objectives of 30% of respondents or 15 people have expressed strongly agree, 36% of respondents or in increments of 18 people are agree, 32% of respondents or as many as 16 states are neutral, 2% of respondents or a total of 1 those states

disagree, and none of respondents expresses strongly disagree and manager provides me with timely feedback throughout the fiscal year of 2% of respondents or 1 person has expressed strongly agreed, 48% of respondents or as many as 24 people are agree, 40% of respondents or as many as 20 people state neutral, 10% of respondents or as many as 5 people have expressed disagree, and 0 or as much as one person states strongly disagree and also manager provides me with useful suggestions and ideas on how to perform more effectively as much as 2% or as much as a person who states strongly agree, 48% of respondents or as many as 24 people are agree, 42% of respondents or as many as 21 people state neutral, 6% of respondents or as many as 3 people claim not agree, and 2% or as much as one person states strongly disagree.

- **Reviewing Performance**

Variable for reviewing performance with the statement are; manager shares with me his/her perceptions of my strengths and areas for development of 4% of respondents or 2 people have expressed strongly agree, 40% of respondents or as many as 20 people are agree, 40% of respondents or as many as 20 people state neutral, or as much as 16% of respondents 8 people expressed do not agree, none expresses strongly disagree. Manager clearly explains the basis of my performance ratings as much as 0 person states strongly agree, 12% of respondents or as many as six people are agree, 56% of respondents as many as 28 people state they are neutral, 30% of respondents or as many as 15

people have expressed no agree, and 2% person or one person expresses strongly disagree and employee satisfies with the time manager to discuss the performance, achievements, strengths, areas for improvement and future development needs as much as 4% of respondents have claimed as many as 2 or strongly agree, 26% of respondents or as many as 13 people are agree, 54% of respondents as many as 27 people state they are neutral, 10% of respondents or as many as 5 people declares not agree, and 6% or 3 peoples respondents state strongly disagree.

- **Rewarding Performance**

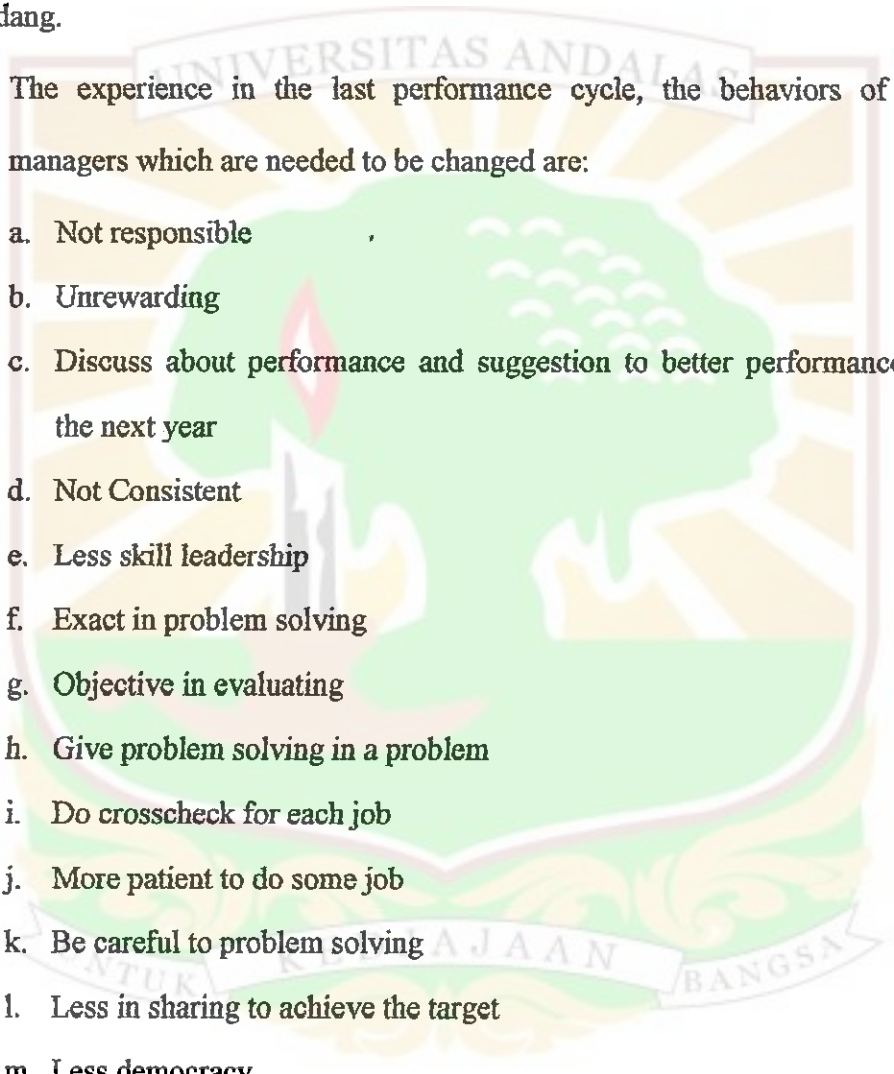
Variable for rewarding performance with the statement are; Manager compliments and/or recognizes when employee performs effectively, 10% of respondents or 5 people have expressed strongly agree, 36% of respondents or as many as 18 people are agree, 38% of respondents or as many as 19 people state neutral, 16% of respondents or as many as 8 people state do not agree, and none has expressed strongly disagree.

4.3.1.2 Recommendations for Better Performance Management in Bank Nagari Prime Branch Padang; Employee's Perspective

By using questionnaire, recommendation that respondent gives to, some of them have the same idea, in conclusion are as follows: As a result of questionnaires spread out to 50 respondents, the general staff of Bank Nagari Prime Branch Padang are able to participate in activities that fulfill their

learning and development planning and happen in their own evaluation process.

Below, explaining about the recommendation and evaluation for better performance management according to the staff of Bank Nagari Prime Branch Padang.

- 
- I. The experience in the last performance cycle, the behaviors of the managers which are needed to be changed are:
 - a. Not responsible
 - b. Unrewarding
 - c. Discuss about performance and suggestion to better performance in the next year
 - d. Not Consistent
 - e. Less skill leadership
 - f. Exact in problem solving
 - g. Objective in evaluating
 - h. Give problem solving in a problem
 - i. Do crosscheck for each job
 - j. More patient to do some job
 - k. Be careful to problem solving
 - l. Less in sharing to achieve the target
 - m. Less democracy
 - n. Less communication
 - o. Less in understand the staff
 - p. Discipline

II. The top things that is important for a successful performance evaluation system in branch.

- a. Target achievement
- b. Efficiency and Effective
- c. Give feed back in the last year
- d. Basic rating fairly
- e. Objective and transparency
- f. Carefulness
- g. Exact and fast in finish the job
- h. Re-check the working
- i. Based on SOP conduct
- j. Discipline
- k. Motivation
- l. Democracy
- m. Team work

Then, with the top things above, the staff mostly happens in their own evaluation process.

III. In the end of period. A number of staff notes that: 1) managers are not committed to the process and people with lack of management skills, and 2) there is a lack of a continuous feedback and transparency.

Respondent's solution to the above issues are:

- a. Workshop
- b. Evaluation and some suggestion to do the next job
- c. Still run the relation with the appropriate manner

IV. Training capability building need for a better performance management process:

- a. The maximal service to increase the quality and performance to customer and also internal of Bank
- b. Develop the quality of human resource development to give the best service
- c. Skill improvement
- d. Personality improvement
- e. Increase the service to customer by the support of good infrastructure
- f. Strategy to win the market
- g. Improvement in servicing the customer

4.3.2 Perceptions of Respondents of Bank Nagari Pasar Raya Padang on Performance Management Process

The table 4.6 below means to analyze the answer of respondents about the performance management process at Bank Nagari Pasar Raya Padang.

Table 4.6
Perceptions Respondents of Bank Nagari Pasar Raya Padang

No	Variable	N	Frequency Perceptions of Respondent (in percentage)				
			Strongly Agree	Agree	Neither agree or disagree	Disagree	Strongly Disagree
1	Manager clearly laid out the work expectations for 2011 performance year	30	43	37	17	0	3
2	Employee understands how the work program supports unit's business objectives	30	30	53	17	0	0
3a	Manager provides timely feedback throughout the fiscal year	30	23	37	33	3	3
3b	Manager provides useful suggestions and ideas on how to perform more effectively	30	27	50	20	0	3
3c	Manager shares the perceptions of strengths and areas for development	30	13	50	33	0	3
3d	Manager compliments and/or recognizes when employee performs effectively	30	10	47	40	3	0
5	Manager clearly explains the basis of employee performance ratings	30	0	57	40	3	0
6	Employee satisfy with the time manager to discuss the performance, achievements, strengths and areas for improvement and future development needs	30	3	40	53	0	3

Source: field survey (2011)

No	Variable	N	Frequency Perceptions of Respondent (in percentage)				
			Consistently	Often	Periodically	Seldom	Never
4	Employee initiates performance conversations, including informal chats with manager for better understanding about the work	30	10	20	40	23	7

Source: field survey (2011)

The results obtained from the responses of questionnaires from 30 respondents for the variables in the table of performance management process are as follows:

- **Planning Performance**

Variable includes two activities planning performance with the statement are; first, Employee initiates performance conversations, including informal chats with manager for better understanding about the work as much as 10% of respondents or three people have expressed consistently, 20% of respondents or as many as 6 people are often, 40% of respondents or as many as 12 people have expressed periodically, 23% of respondents or 7 respondents or as many people claim as seldom, and 7% of respondents or 2 people has expressed never and second, Manager clearly laid out the work expectations for 2011 performance year as much as 43% or as many as 13 of respondents who expressed strongly agree, 37% of respondents or as many as 11 people are agree, 17% of respondents or as many as 5 people state they are neutral, no one claim not agree, and 3% of respondents state or 1 people strongly disagree.

- **Managing Performance**

Variable for managing performance with the statement are; Employee understands how the work program supports unit's business objectives of 30% of respondents or 9 people have expressed strongly agree, 53% of respondents or in increments of 16 people are agree, 17% of respondents or as many as 5

states are neutral and none of respondents expresses disagree and strongly disagree and Manager provides me with timely feedback throughout the fiscal year of 23% of respondents or 7 person has expressed strongly agreed, 37% of respondents or as many as 11 people are agree, 33% of respondents or as many as 10 people state neutral, 3% of respondents or as many as 1 people have expressed disagree, and none expressed strongly disagree and also manager provides me with useful suggestions and ideas on how to perform more effectively as much as 27% or as much as 8 person who states strongly agree, 50% of respondents or as many as 15 people are agree, 20% of respondents or as many as 6 people state neutral, none respondents claim not agree, and 3% or as much as one person states strongly disagree.

- **Reviewing Performance**

Variable for reviewing performance with the statement are; manager shares with me his/her perceptions of my strengths and areas for development of 13% of respondents or 4 people have expressed strongly agree, 50% of respondents or as many as 15 people are agree, 20% of respondents or as many as 6 people state neutral, none expressed do not agree, 3% or a people expresses strongly disagree. Manager clearly explains the basis of my performance ratings as much as 0 person states strongly agree, 57% of respondents or as many as 17 people are agree, 40% of respondents as many as 12 people state they are neutral, 3% of respondents or as many as one people have expressed no agree, and none expresses strongly disagree and employee satisfies with the time manager to discuss the performance,

achievements, strengths, areas for improvement and future development needs as much as 3% of respondents have claimed as many as 1 or strongly agree, 40% of respondents or as many as 12 people are agree, 53% of respondents as many as 16 people state they are neutral, none declares not agree, and 3% or 1 peoples respondents state strongly disagree.

- **Rewarding Performance**

Variable for rewarding performance with the statement are; Manager compliments and/or recognizes when employee performs effectively, 10% of respondents or 3 people have expressed strongly agree, 47% of respondents or as many as 14 people are agree, 40% of respondents or as many as 12 people state neutral, 3% of respondents or as many as 1 people state do not agree, and none has expressed strongly disagree.

4.3.2.1 Recommendations for Better Performance Management in Bank Nagari Pasar Raya Padang; Employee's Perspective

By using questionnaires, recommendation that respondent gives to, some of them have same idea, in conclusion are as follows: As a result of questionnaire spread out to 30 respondents, the general staff of Bank Nagari Pasar Raya Padang was able to participate in activities that fulfill their learning and development planning and happen in their own evaluation process.

Below is explaining about recommendation and evaluation for better performance management according to the staff of Bank Nagari Pasar Raya Padang.

I. The experience in the last performance cycle, the behaviors did their managers exhibit that need to be changed are:

- a. Manager should be wise and smart
- b. Understand with the job description
- c. Give direction to employee
- d. Periodically meeting
- e. Creative
- f. Proactive
- g. Consistent
- h. Ontime
- i. Achieve target
- j. Understanding regulation
- k. More flexible

II. The top things that are important for a successful performance evaluation system in branch.

- a. High technology
- b. Good quality human resource
- c. Do changes and responsible
- d. Good planning



- e. Teamwork
- f. Have one goal
- g. Good

Then, with the top things above, the staff mostly happens in their own evaluation process.

III. In the end of period. A number of staff noted that: 1) managers are not committed to the process and lack people management skills, and 2) there is a lack of a continuous feedback and transparency. Respondent's solution to the above issues are:

- a. Keeping to direct, controlland also do periodically evaluation
- b. Monitoring and controlling
- c. Do training to evaluate how about the performance management
- d. Good management and right position
- e. Create the good environments, even in office or social
- f. Personal approach
- g. Do informal chat
- h. Consistency
- i. Discipline
- j. Tight
- k. More transparency

IV. Training capability building need for a better performance management process:

- a. Evaluation the staff, how well she/he know the procedure
- b. Understanding and Implementing SOP
- c. How to create good performance
- d. How to be a good staff
- e. Plant the feeling of family
- f. Management and evaluation of performance
- g. Leadership
- h. Coffe morning
- i. Achieving target
- j. Briefing

4.3.3 Perceptions of Respondents of Bank Nagari Padangpanjang

The table 4.7 below means to analyze the answer of respondent about performance management process at Bank Nagari Padangpanjang.



Table 4.7
Perceptions of Respondents of Bank Nagari Padangpanjang

No	Variable	N	Frequency Perceptions of Respondent (in percentage)				
			Strongly Agree	Agree	Neither agree or disagree	Disagree	Strongly Disagree
1	Manager clearly laid out the work expectations for 2011 performance year	30	43	37	17	0	3
2	Employee understands how the work program supports unit's business objectives	30	40	60	0	0	0
3a	Manager provides timely feedback throughout the fiscal year	30	30	40	17	10	3
3b	Manager provides useful suggestions and ideas on how to perform more effectively	30	30	47	20	0	3
3c	Manager shares the perceptions of strengths and areas for development	30	20	47	27	3	3
3d	Manager compliments and/or recognizes when employee performs effectively	30	17	53	27	3	0
5	Manager clearly explains the basis of employee performance ratings	30	0	63	33	3	0
6	Employee satisfy with the time manager to discuss the performance, achievements, strengths and areas for improvement and future development needs	30	3	57	37	0	3

Source: field survey (2011)

No	Variable	N	Frequency Perceptions of Respondent (in percentage)				
			Consistently	Often	Periodically	Seldom	Never
4	Employee initiates performance conversations, including informal chats with manager for better understanding about the work	30	10	20	43	17	10

Source: field survey (2011)

The results obtained responses to questionnaires from 30 respondents for the variables in the table of performance management process, as follows as:

- **Planning Performance**

Variable includes two activities planning performance with the statement are; first, Employee initiates performance conversations, including informal chats with manager for better understanding about the work as much as 10% of respondents or three people have expressed consistently, 20% of respondents or as many as 6 people are often, 43% of respondents or as many as 13 people have expressed periodically, 17% of respondents or a total of 5 respondents or as many people claim as seldom, and 10% of respondent or three people has expressed never and second, Manager clearly laid out the work expectations for 2011 performance year as much as 43% or as many as 13 of respondents who expressed strongly agree, 37% of respondents or as many as 11 people are agree, 17% of respondents or as many as 5 people state they are neutral, none claim not agree, and 3% of respondents state or 1 people strongly disagree.

- **Managing Performance**

Variable for managing performance with the statement are; Employee understands how the work program supports unit's business objectives of 40% of respondents or 12 people have expressed strongly agree, 60% of respondents or 18 people state agree, none of respondents expresses neutral, disagree and strongly disagree and manager provides me with timely feedback throughout the fiscal year of 30% of respondents or 9 person has expressed strongly agreed, 40% of

respondents or as many as 12 people are agree, 17% of respondents or as many as 5 people state neutral, 10% of respondents or as many as 3 people have expressed disagree, and 3% or as much as one person states strongly disagree and also manager provides me with useful suggestions and ideas on how to perform more effectively as much as 30% or as much as 9 person who states strongly agree, 40% of respondents or as many as 14 people are agree, 20% of respondents or as many as 6 people state neutral, none claim not agree, and 3% or as much as one person states strongly disagree.

- **Reviewing Performance**

Variable for reviewing performance with the statement are; manager shares with me his/her perceptions of my strengths and areas for development of 20% of respondents or 6 people have expressed strongly agree, 47% of respondents or as many as 14 people are agree, 27% of respondents or as many as 8 people state neutral, 3% of respondents or as many as 1 people expressed do not agree, as much as 3% or one person expresses strongly disagree. Manager clearly explains the basis of my performance ratings as much as 0 person states strongly agree, 63% of respondents or as many as 19 people are agree, 33% of respondents as many as 10 people state they are neutral, 3% of respondents or as many as 1 people have expressed no agree, and none expresses strongly disagree. Employee satisfies with the time manager to discuss the performance, achievements, strengths, areas for improvement and future development needs as much as 3% of respondents have claimed as many as 1 or strongly agree, 57% of respondents or as many as 17 people are agree, 37% of respondents quite as many as 11 people state they are

neutral, none declares not agree, and 3% or 1 peoples respondents state strongly disagree.

- **Rewarding Performance**

Variable for rewarding performance with the statement are; Manager compliments and/or recognizes when employee performs effectively, 17% of respondents or 5 people have expressed strongly agree, 53% of respondents or as many as 16 people are agree, 27% of respondents or as many as 8 people state neutral, 3% of respondents or as many as 1 people state do not agree, and none has expressed strongly disagree.

4.3.3.1 Recommendations for Better Performance Management in Bank Nagari Padangpanjang; Employee's Perspective

By using questionnaire, recommendation that respondent gives to, some of them have the same idea, in conclusion are as follows: As a result of questionnaires spread out to 30 respondents, the general staff of Bank Nagari Pasar Raya Padang are able to participate in activities that fulfill their learning and development planning and happen in their own evaluation process.

Below, explaining about the recommendation and evaluation for better performance management according to the staff of Bank Nagari Pasar Raya Padang.

- I. The experience in the last performance cycle, the behaviors did their manager exhibit that need to change:
 - Keep friendly
 - Always help to solve the problem and give the solution

- Good leader always motivate their staff
- Good knowledge
- More attention to aspect-aspect in performance of Bank
- Informal chat

II. The top things that is important for a successful performance evaluation system in branch.

- Motivation
- Synergy
- System performance measurement must consistent
- Evaluation each working
- Give output after evaluation
- Repeat evaluation
- Reward and punishment
- Spirit of staff
- Willingness of staff

Then, with the top things above, the staff mostly happens in their own evaluation process.

III. In the end of period. A number of staff noted that: 1) managers are not committed to the process and lack people management skills, and 2) there is a lack of a continuous feedback and transparency. Respondent's solution to the above issues are:

- Find the problem
- Analyze the problem

- Find the way to solve the problem
- Commit with the regulation that already plan
- Evaluation and review about performance
- Solution for each problem
- Give feedback continuously
- Report the performance and suggestion from the staff

IV. Training capability building need for a better performance management process:

- Topics which can synergy between all business units in one branch.
- Topics which can unite their vision and mission of Bank.
- How important to saving.
- Improve the analysis skill
- Customer satisfaction (marketing)
- Create income statement pembentukan laporan keuangan
- Performance management training
- Implement performance system implementasi sistem kinerja
- Self development and motivation
- Skill development
- Total service quality

4.4. The Comparison between Performance Management Process in Bank Nagari Padang, Bank Nagari Pasar Raya and Bank Nagari Padangpanjang

Table 4.8, 4.9, 4.10 are the output for the comparison of Bank Nagari Prime Branch Padang, Bank Nagari Pasar Raya and Bank Nagari Padangpanjang.

Table 4.8

Descriptive Statistics

Variable	N	Mean	Std. Deviation	Min	Max
Manager clearly laid out the work expectations for 2011 performance year	110	3.85	.921	1	5
Employee understands how the work program supports unit's business objectives	110	3.99	.772	2	5
Manager provides timely feedback throughout the fiscal year	110	3.65	.851	1	5
Manager provides useful suggestions and ideas on how to perform more effectively	110	3.77	.842	1	5
Manager shares the perceptions of strengths and areas for development	110	3.55	.797	1	5
Manager compliments and/or recognizes when employee performed effectively	110	3.53	.821	1	5
Employee initiates performance conversations, including informal chats with manager for better understanding about the work	110	3.20	.984	1	5
Manager clearly explains the basis of employee performance ratings	110	3.21	.731	1	4
Employee satisfy with the time manager to discuss the performance, achievements, strengths and areas for improvement and future development needs	110	3.32	.789	1	5

Table 4.9
NPar Test Kruskal-Wallis Test

No	Variable	Branch	N	Mean Rank
1	Manager clearly laid out the work expectations for 2011 performance year	Prime Branch	50	39.98
Pasar Raya		30	67.47	
Padangpanjang		30	69.40	
2	Employee understands how the work program supports unit's business objectives	Prime Branch	50	47.73
Pasar Raya		30	60.65	
Padangpanjang		30	63.30	
3	Manager provides timely feedback throughout the fiscal year	Prime Branch	50	47.14
Pasar Raya		30	58.83	
Padangpanjang		30	66.10	
4	Manager provides useful suggestions and ideas on how to perform more effectively	Prime Branch	50	42.48
Pasar Raya		30	63.50	
Padangpanjang		30	69.20	
5	Manager shares the perceptions of strengths and areas for development	Prime Branch	50	46.90
Pasar Raya		30	61.43	
Padangpanjang		30	63.90	
6	Manager compliments and/or recognizes when employee performs effectively	Prime Branch	50	47.82
Pasar Raya		30	58.77	
Padangpanjang		30	65.03	
7	Employee initiates performance conversations, including informal chats with manager for better understanding about the work	Prime Branch	50	63.37
Pasar Raya		30	50.55	
Padangpanjang		30	47.33	
8	Manager clearly explains the basis of employee performance ratings	Prime Branch	50	38.12
Pasar Raya		30	68.45	
Padangpanjang		30	71.52	
9	Employee satisfy with the time manager to discuss the performance, achievements, strengths and areas for improvement and future development needs	Prime Branch	50	48.12
Pasar Raya		30	58.37	
Padangpanjang		30	64.93	

Table 4.10
Test Statistics^{a,b}

	X1.1	X1.2	X1.3	X1.4	X1.5	X1.6	X1.7	X1.8	X1.9
Chi-Square	24.431	6.405	8.068	18.286	7.933	6.813	6.281	32.300	6.734
df	2	2	2	2	2	2	2	2	2
Asymp. Sig.	.000	.041	.018	.000	.019	.033	.043	.000	.034

a. Kruskal Wallis Test

b. Grouping Variable: Branch

The main pieces of information needed from this output are Chi-Square value, the degrees of freedom (df) and the significance level (presented as Asymp. Sig.). If this significance level is a value less than 0.05, then you can conclude that there is statically significant difference in your continuous variable across the three groups. You can then inspect the Mean Rank for the three groups presented in the first output. This will tell which of the groups has the highest overall ranking that corresponds to the highest score on the continuous variable.

In the output presented above, the significance level is less than 0.05. There are less than the alpha level of 0.05, therefore these results suggest that there are difference in each variable across the different branch. An inspection of the mean ranks for the group suggests that Bank Nagari Prime Branch in Padang has the lowest performance management overall, with Bank NagariPadangpanjang reports the highest performance management process overall.

- For manager clearly laid out the work expectations for 2011 performance year Bank Nagari Prime branch in Padang has the lowest score, with Bank Nagari Padangpanjang has the highest score.
- For employee understands how the work program supports unit's business objectives Bank Nagari Prime branch in Padang has the lowest score, with Bank Nagari Padangpanjang has the highest score.
- For manager provides timely feedback throughout the fiscal year Bank Nagari Prime branch in Padang has the lowest score, with Bank Nagari Padangpanjang has the highest score.
- For manager provides useful suggestions and ideas on how to perform more effectively Bank Nagari Prime branch in Padang has the lowest score, with Bank Nagari Padangpanjang has the highest score.
- For managers hares the perceptions of strengths and areas for development Bank Nagari Prime branch in Padang has the lowest score, with Bank Nagari Padangpanjang has the highest score.
- For manager compliments and/or recognizes when I perform effectively Bank Nagari Prime branch in Padang has the lowest score, with Bank Nagari Padangpanjang has the highest score.
- For performance conversations, including informal chats with manager for better understanding about the work Bank Nagari Padangpanjang has the lowest score, with Bank Nagari Prime branch in Padang has the highest score. It means that Bank Nagari Prime branch in Padang is consistently do informal chat

between manager and employee while Bank Nagari Padangpanjang is periodically do that either in office or other place.

- For manager clearly explains the basis of employee performance ratings Bank Nagari Prime branch in Padang has the lowest score, with Bank Nagari Padangpanjang has the highest score.
- For satisfy with the time manager to discuss the performance, achievements, strengths and areas for improvement and future development needs Bank Nagari Prime branch in Padang has the lowest score, with Bank Nagari Padangpanjang has the highest score.

4.5 Discussion

4.5.1 The Critical Issued Of All Variables among Three Branches

The Critical issued that need to be attention in each branches are:

- In Bank Nagari Prime Branch Padang found that manager didn't clearly explains the basis of employee ratings, only 12% stated agree. In this case, one of the reasons is low communication and time. And the second lowest are employee satisfy with the time manager to discuss the performance, achievement, strengths and areas for improvement needs around 30% stated agree and neutral 54%. Because of the communication not running well in Bank Nagari
- In Bank Nagari Pasar Raya
In Bank Nagari Pasar Raya the lowest percentage are employee satisfy with the time manager to discuss the performance, achievement, strengths and areas for improvement needs around 43% stated agree and neutral 53% and the second lowest

are manager didn't clearly explains the basis of employee ratings same with manager compliments and/or recognizes when employee performs effectively each of the statement are 57% stated agree. Similar issued with Bank Nagari Prime Branch Padang but Bank Nagari Pasar Raya better. Bank Nagari Pasar Raya must improve communication between employees and managers.

➤ In Bank Nagari Padangpanjang

In Bank Nagari Padangpanjang the lowest but better than other manager didn't clearly explains the basis of employee ratings, 63% stated agree. In this case, communication in Bank Nagari Padangpanjang was running well. And the second are employees satisfy with the time manager to discuss the performance, achievement, strengths and areas for improvement needs around 60% stated agree.

4.5.2 The Way of Bank Nagari Evaluate the Performance Management Process about Reward and Punishment System of Bank Nagari

Top management will appreciate their manager's performance by giving reward and compensation. From the achievement and score of the five financial elements obtained, board of directors and division leaders will get an overview and results of how was branch manager performance in the past, whether achieved the target or not. Reward is in the form of compensation received by employee including branch manager as compensation. The types of reward given by Bank Nagari can include financial and non financial. Financial reward may be given in the form of salaries and bonuses. While non-financial reward is related to the compensation, it can be provided in the form of benefits – annuity.

In giving rewards, it is highly influenced by the performance of branch manager of Bank Nagari. The reward system for branch manager performance of Bank Nagari depends on the total scores from the five financial elements that already explained before; they are total assets, loan distribution, non performing loan, third party fund and profit before tax. From this total achievement, board of directors and division leaders will rank which branch office that has highest point which means that branch office has performed well. Furthermore, board of directors and division leaders will appreciate its branch manager performance by giving reward in accordance with the score obtained.

Types of reward that provided by Bank Nagari:

1. Salary increasing, bonuses
2. Promotions and Mutations

In contrast of reward, Bank Nagari also has punishment system for its branch manager. Punishment is defined as an action given for its branch manager and employee who has dysfunctional behaviors and inappropriate attitudes coordinated by corporate human resource division. The punishment given consists of warnings until firing the employees from top management policies regarding to the dysfunctional behaviors made.

CHAPTER V

CONCLUSIONS

The preceding chapter has provided the results of analysis and conclusions drawn from the findings and discussions presented in the previous chapter.

5.1 Conclusion

This research found, firstly the majority of the respondents stated that there is still unclear explanation from the managers regarding works performance expectation at the three branches Bank Nagari. Second, informal chat between managers staff has been concluded periodically thought it is not consistent or often during the planning stage of performance management. Thirdly, the respondent at Bank Nagari Prime Branch Padang rated low percentage in regard to the support by managers to unit's business objective and timely feedback of employees' performance. Conversely, the respondent at Bank Nagari Padang panjang rated higher percentage with regard the way managers manage performance management process. In reviewing performance, Bank Nagari Prime Branch Padang was good enough but Bank Nagari Pasar Raya and Bank Nagari Padangpanjang was good whereby managers shared their perceptions of strengths and clearly explained the basis of performance ratings and also satisfied with the time of manager to discuss the performance, achievements, strengths and areas for improvement and future development needs. Fifthly, in rewarding for performance, Bank Nagari Prime Branch Padang was still low. Bank Nagari Pasar Raya Bank Nagari Padangpanjang was good in rewarding for

performance. Sixthly, Based on Kruskal Wallis Test, it was found that there was significant difference in three branches regarding the performance management process. The lowest rank in performance management process was Bank Nagari Prime Branch Padang and the highest rank in performance management process was Bank Nagari Padangpanjang. Seventhly, for all the three branches, there were still many recommendation and evaluation for better performance management process. The behaviors of managers which needed to be changed such as managers were not responsible, unrewarding, and not consistent, less skill leadership, less democracy, less communication and manger should be wise and smart. Top things that were important for a successful performance evaluation system in branch were target achievement, efficiency and effective, give feed back in the last year, basic rating fairly, objective and transparency, high technology, synergy. Then, with the top things above, the staff mostly happens in their own evaluation process. Interactive workshops to help all of staff or more effective and productive performance management process are the maximal service to increase the quality and performance to customer and also internal of bank for developing the quality of human resource development to give the best service, skill improvement, personality improvement, evaluation and review about performance. If managers were not committed to the process and lack people management skills, and there will be a lack of a continuous feedback and transparency. Some employees solve the issues with workshop, evaluation and some suggestion to do the next job, still run the relation that already appropriate and compliance with the standard of operational procedure(SOP), coffee morning, total service quality.

5.2 Limitation of the Research

This research is a perception based view of the respondents. Triangulation method by combining perception based data with hard and quantitative data could improve the validity of the conclusion.

5.3 Recommendation

Based on the conclusions above, some suggestions could be given for Bank Nagari Padang an analysis of bank branch performance management process, including:

1. The behaviors of managers which needed to be changed such as managers were not responsible, not consistent, less skill leadership, less democracy, less communication and Manger should be wise and smart.
2. Managers are required to provide reasonable time to discuss with the employees about the performance, achievement, strengths, areas for improvement needs and explains the basis of employee ratings time of employee.
3. Communication between managers and its employees must be improve for a good performance management process, for example by increasing the frequency of informal data or using emails or other way.
4. Bank Nagari has to implement performance based payment as a tool for rewarding good performers.
5. Bank Nagari is recommended to holding various workshops for a good performance management process, targeting employees as participants.

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Nomor : SF/708/SDM/UM/12-2011
Lampiran : ---
Perihal : Persetujuan Pengambilan Data

Padang, 13 Desember 2011


Kepada Yth.
**Ketua Jurusan Akuntansi Fakultas Ekonomi
Universitas Andalas**
di -

TEMPAT

Sehubungan dengan surat dari Jurusan Akuntansi Fakultas Ekonomi Universitas Andalas Nomor 2063/J.16.5/PP-2011 tanggal 06 Desember 2011 Hal Pengantar Menyebarkan Quesioner dalam rangka penyusunan skripsi mahasiswa atas nama WILA SANDI REFITA NO. BP 07153116 Jurusan Akuntansi dengan judul skripsi "*The Evaluation of Bank Branch Performance Management Process Case Study at Bank Nagari Padang*", dengan ini disampaikan bahwa pada prinsipnya permohonan permintaan data tersebut dapat disetujui sepanjang data yang diminta tidak menyangkut rahasia Bank dan Jabatan.

Untuk maksud di atas diharapkan yang bersangkutan dapat menghubungi PT. Bank Pembangunan Daerah Sumatera Barat Kantor Cabang Utama.

Demikianlah kami sampaikan agar dapat dimaklumi dan atas perhatiannya diucapkan terima kasih.

γ. Divisi Sumber Daya Manusia, 


MUHAMMAD IRSYAD

Pjs. Pemimpin

Tembusan:

- Cabang Utama



Nomor : SR/017/SDM/UM/01-2012
Lampiran : --
Perihal : Persetujuan Pengambilan Data

Padang, 10 Januari 2012

Kepada Yth.
Ketua
Jurusan Akuntansi Fakultas Ekonomi
Universitas Andalas
di -

TEMPAT

Sehubungan dengan surat dari Jurusan Akuntansi Fakultas Ekonomi Universitas Andalas Nomor 2063/H16.5/PP/2011 tanggal 06 Desember 2011 Perihal Surat Permohonan Permintaan Data dalam rangka penyusunan skripsi mahasiswa atas nama **WILA SANDI REFITA NO. BP 07153116** Jurusan Akuntansi dengan judul skripsi "*The Evaluation of Bank Branch Performance Management Process Case Study at Bank Nagari Padang*", dengan ini disampaikan bahwa pada prinsipnya permohonan permintaan data tersebut dapat disetujui sepanjang data yang diminta tidak menyangkut rahasia Bank dan Jabatan.

Untuk maksud di atas diharapkan yang bersangkutan dapat menghubungi PT. Bank Pembangunan Daerah Sumatera Barat Kantor Cabang Pasar Raya dan Cabang Padang Panjang.

Demikianlah kami sampaikan agar dapat dimaklumi dan atas perhatiannya diucapkan terima kasih.

Divisi Sumber Daya Manusia, *


MANAR FUADI
Pemimpin

Tembusan :

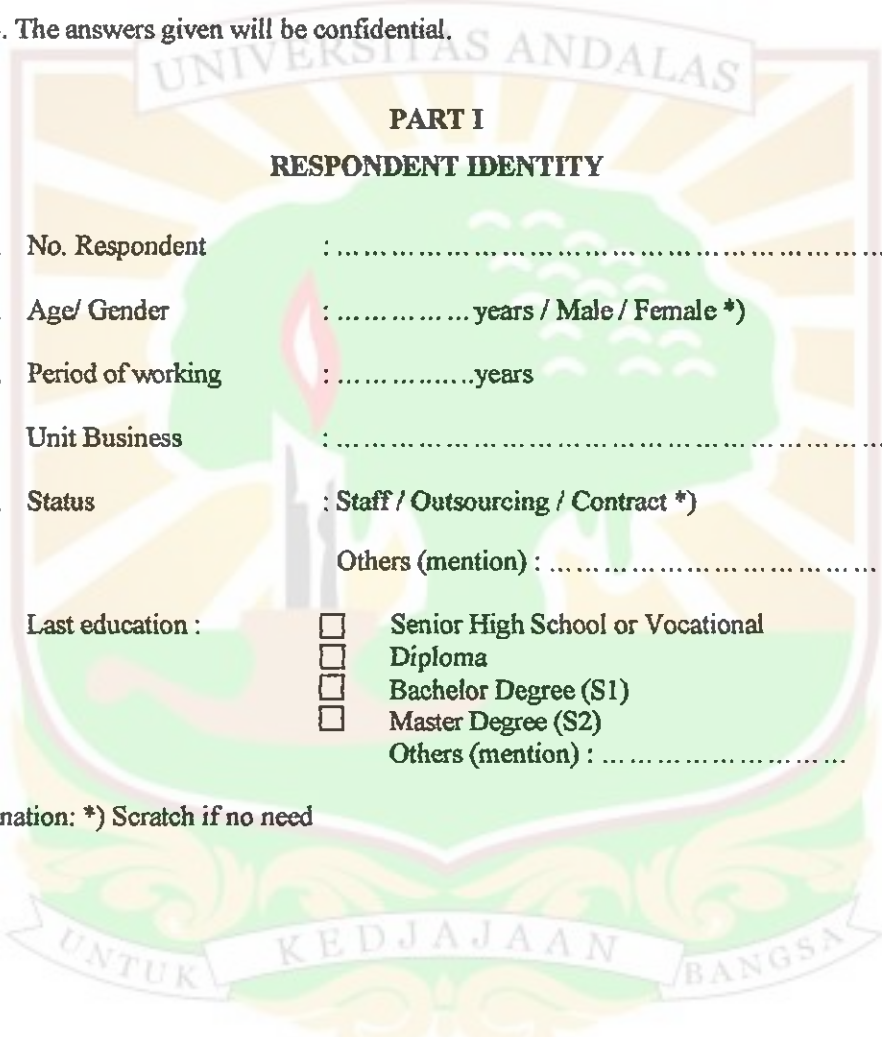
- Cabang Pasar Raya
- Cabang Padang Panjang

QUESTIONNAIRES

Evaluating the Performance Management Process

Instructions:

1. Answer questions honestly
2. Please answer all the questions, do not have a blank
3. Please give mark (X) to answer the questions which appropriate with your condition
4. The answers given will be confidential.



**PART I
RESPONDENT IDENTITY**

1. No. Respondent :
2. Age/ Gender : years / Male / Female *)
3. Period of working :years
4. Unit Business :
5. Status : Staff / Outsourcing / Contract *)
Others (mention) :
7. Last education : Senior High School or Vocational
 Diploma
 Bachelor Degree (S1)
 Master Degree (S2)
Others (mention) :

Explanation: *) Scratch if no need

PART II
The 2010-2011 Performance Management Process

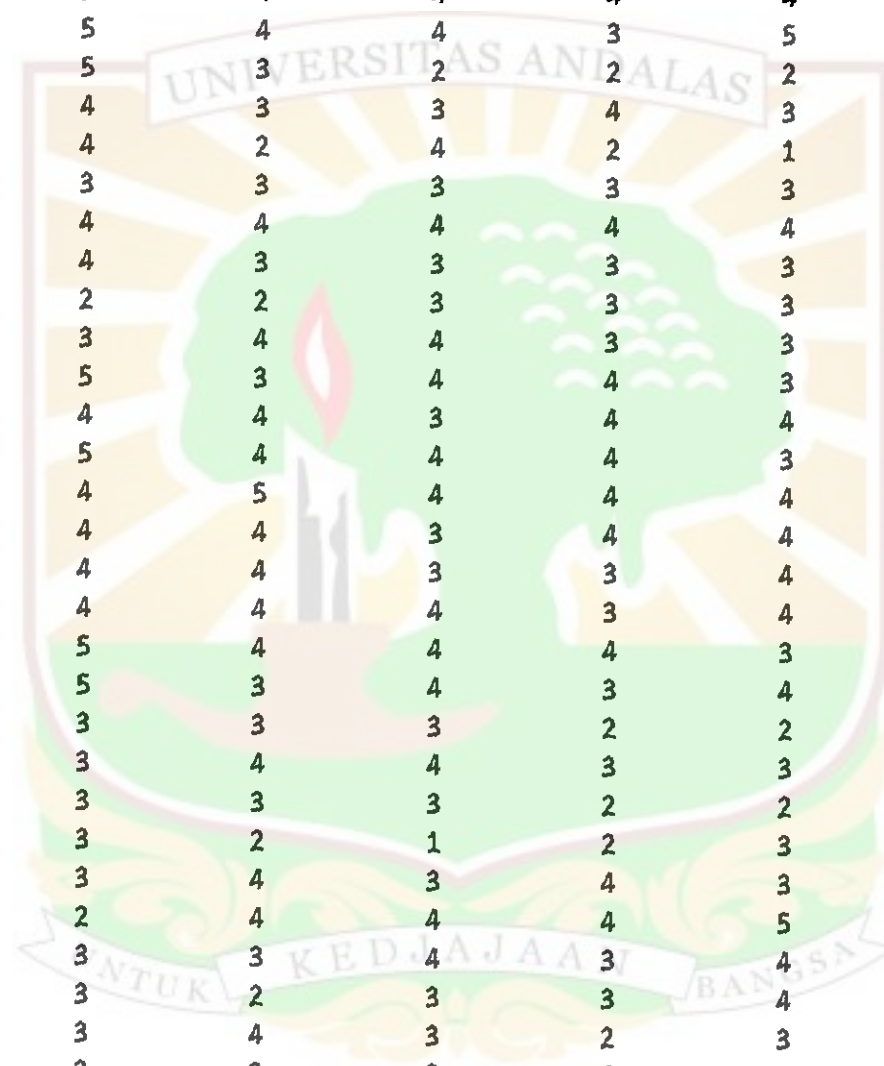
No	Questions	SA	A	N	D	SD
		5	4	3	2	1
I	Performance Management Process					
1.	My manager clearly laid out my work expectations for the 2010-2011 performance years.					
2.	I understand how my work program supports my unit's business objectives.					
3.	Over the last 12 months, my manager: a) Provided me with timely feedback throughout the FY. b) Provided me with useful suggestions and ideas on how to perform more effectively. c) Shared with me his/her perceptions of my strengths and areas for development d) Complimented and/or recognized me when I performed effectively.					
4.	I initiated performance conversations, including informal chats, with my manager to better understand what I am doing well and how I can develop. <div style="display: flex; justify-content: space-around; text-align: center;"> Consistent ☪ Often ☪ Periodically ☪ Seldom ☪ Never ☪ </div>					
5.	My manager clearly explained: The basis of my OPE ratings.					
6.	All things considered, I am satisfied with the time my manager spent with me discussing my performance, achievements, strengths, areas for improvement and future development needs.					
7.	I was able to participate in activities that fulfill my learning and development plan. ☪ Yes ☪ No					

Explanation: SA: Strongly Agree; A: Agree; N: Neither agree nor disagree; D: Disagree
SD: Strongly disagree

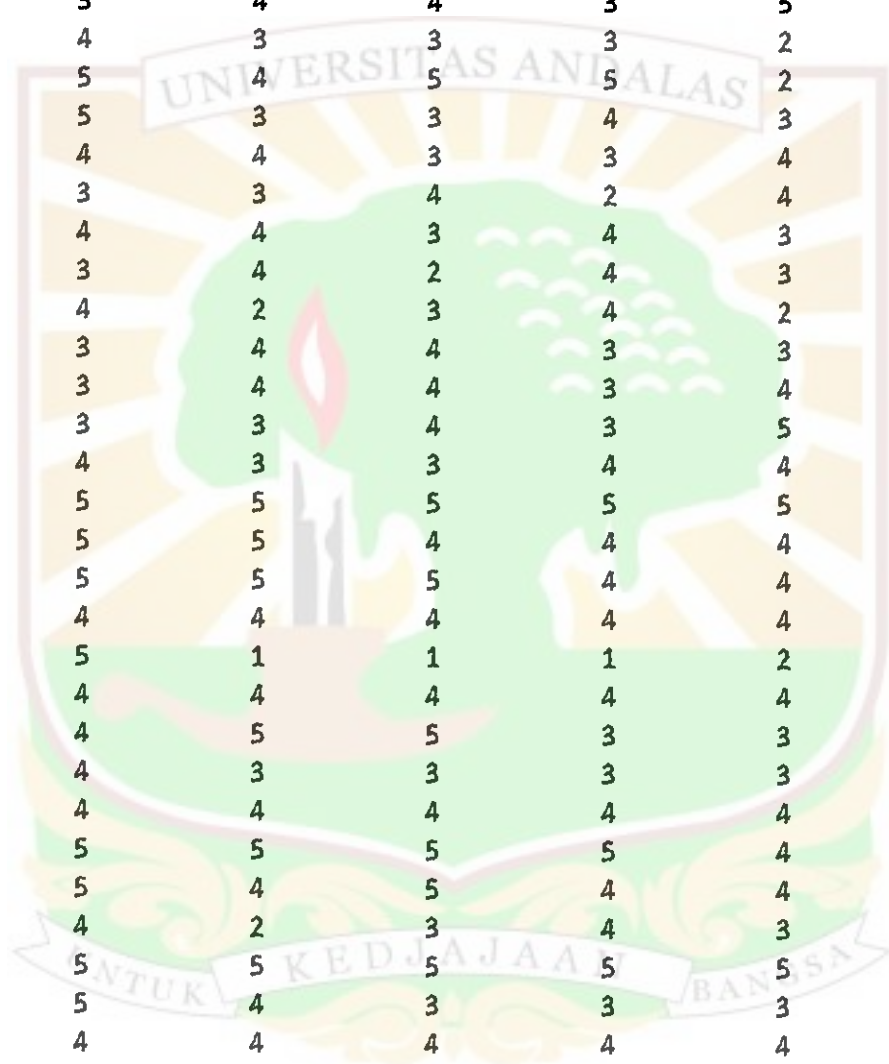
Continue...

No	Questions
II	<i>Looking to the Future</i>
1.	Reflect on your own personal experience in the last performance cycle, what 1-2 behaviors did your manager exhibit that you would like to see other managers do?
2.	(a). What are the top 1-2 things that are important for a successful performance evaluation system?
3.	(b). Did it happen in your own evaluation process in Bank Nagari? <p style="text-align: right;">Yes No</p>
4.	In the end of period, A number of staff noted that: 1) managers are not committed to the process and lack people management skills, and 2) there is a lack of a continuous feedback and transparency. If you were in charge, how would you address these issues?
5.	Going forward, HR plans to have monthly interactive workshops to help all of us have a more effective and productive performance management process. We need your help in identifying key focus areas for these workshops. What topic areas would you be interested in attending?

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