Exploring Measurable Criteria to Improve Evaluation Procedures of Human Resources

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Abstract: A preliminary study showed that present performance appraisal systems are considered by the employees, unreliable and subjective and as result they are unable to reveal the real potential of human resources. Employees also consider the existing appraisal procedures bureaucratic, with vague targets and improper evaluation criteria especially formed so as to depict the suitability of employees or future candidates through recruitment procedures to fulfil the positioning needs of a certain job. The present study assessed preliminary data in order: a) to define the parameters and criteria that could improve reliability of evaluation procedures aiming to the selection of the suitable employees or future candidates for certain job positions, and simultaneously b) to clarify which criteria can be measured and must be included in an evaluation system in order to obtain objectivity and meritocracy. A number of such criteria are proposed as a basis of setting the proper procedure of a better, easy to run, transparent, measurable and reliable evaluation system.

Keywords: parameters, objectivity, meritocracy, job description, matching.

JEL classification: M

1. The Literature Review

Working performance of an employee is a term that refers to the combination of his/her abilities, efforts and various factors. What a person is able to do and what it does, is not necessary the same (Papalexandri and Mpourantas, 2003). Factors affecting performance are the understanding of the nature of the position, the efforts, the intensity of efforts and various external factors in combination to personality. If an employee has the abilities to excel but exhibits poor performance, then it is possible that the employee is not trying satisfactory to achieve the goals set, or the environment and mainly motivation are very poor (Avdimiotis, 2017). Through continuous performance improvement, we are aiming to develop and maintain organisation’s competitive advantage, as talented employees are
considered "the most valuable asset and key to an organization's success" (Van der Rijt et al., 2012, Whelan et al., 2010). Appraisal of human resources is “a procedure that defines the personal value of different people in comparison to certain standards and between employees” (Fanariotis, 2002). As a control system is a twofold procedure, capable to acknowledge skills, working preferences and achievements aiming to develop employees' performance (Mpourantas, 2002). Appraisal may become a useful tool for promotions, positioning, rewards of employees (Xirotyri-Koufidou, 2001). Evaluation is considered one of the key sources of promoting and maintaining competitiveness (Stebler et al., 1997), providing evidence for the objective improvement of the performance of individuals and the organization in total. The developmental role of human resources appraisal is bound with improved performance based on continuous learning, abetment, targeting and information where the role of each employee is active and substantive, by participating in all stages of the procedure (Papalexandri and Mpourantas, 2003). Appraisal as a process refers to evaluating the efficiency of each employee in order to improve him/her and to point out (and never punish) his/her mistakes so as not to repeat them in the future (Gliddon 2004).

The evaluation system must correspond to the strategy and vision of the company, to guide employees, providing feedback on goal achievements and results of their work and furthermore inform supervisors, colleagues and clients/public (Jackson and Schuler, 2003). Markovits (2007) also postulates that level of commitment of employees on the strategy and the vision of an organization is based on the employees’ satisfaction.

Performance management is a contemporary trend in the effort to improve Public Administration. It is "a strategic and integrated approach to improving the functioning of organizations, which is based on the performance of the people who work for them and on the development of the capabilities of the teams and all stakeholders in the outcome" (Armstrong and Baron 1998). Its main objective in the public sector is to align stakeholder and public sector requirements with the ever-changing public services and limited resources available, to address the need for greater transparency, better performance and diffusion of responsibilities, instil continuity in the operation of services and establish better strategies to achieve all of the above (Katasonova, 2009). The goals of performance management include the creation of a work environment that facilitates the maximum release of skills, the acquisition of skills and, in general, the personal development of employees, as well job planning of employees to work more efficiently. Performance management as a system starts with job descriptions and ends with employee retirement (Rao, 2008).

Individual performance is derived from the product of individual characteristics and work effort through organizational support (Schermernhorn, et al, 1985). Individual characteristics refer to the ability to perform the task and can be demographic (gender, age, race), competence (inclinations and abilities, mental, kinetic and physical competence) and psychological (values, attitudes, perception, personality) (Chitiris, 1996). The work effort is inextricably linked to the willingness to do the job and the proper motivation (Cholevas, 1995). Organizational support must enhance team effectiveness, provide the right technology and resources, project vision, set goals and implement proper leadership. Individual performance and parameters affecting it are presented in Figure 1 as a multi-factor model.
2. Preliminary Data

A primary research was conducted with a sample of 161 employees of a public organization, using a structured questionnaire. Findings stemming from descriptive and inductive statistical analysis indicate that appraisal of human resources has not yet met an adequate level of employees’ trust and satisfaction, the existing evaluation criteria of human resources performance are not considered objective and employees also wish to be involved in advance in the formation process of the evaluation criteria. Employees also consider the evaluation process subjective, mainly because of their evaluators and other bureaucratic issues.

Lack of transparency renders unreliable the whole procedure, since no head of a department or above in the leadership could accept a promotion of the total work of an employee, because they are afraid that in the future the promoted employees could supplant and overpass them (Longenecker, 1989). Dissatisfaction with evaluation procedures affects negatively employee performance and behaviour and must be reduced when designing action plans in relation to human resources, because the recognition of each employee’s work is linked to its motivation and when organizational support rewards creativity, innovation, promotes simultaneously employees’ efficiency (Gliddon, 2004).

Our preliminary research showed us that, in order to eliminate subjectivity in human resources assessment processes, it is important to use measurable criteria that enable quantification and are difficult to dispute.
3. Discussion Basics

According to CEDEFOP (2002), capability is defined as the proven ability of the individual to utilize the know-how, skills, qualifications or knowledge to successfully manage, both embedded and new occupational situations and requirements, and skills define the knowledge and experience that a person possess and are necessary to perform a specific task. In this research, public sector employees propose measurable evaluation criteria in order to participate in the process of forming the criteria for predicting and evaluating human resource performance mainly on the basis of competencies or specifications of specific jobs. The inability to fully check the performance of human capital is due to the inability to predict all its levels, which makes the process of quantification difficult. The allocation of human capital to an organization is a valuable decision, because proper allocation takes full advantage of the capabilities of employees (Becker et al., 2002). However, in the management of human capital, particular emphasis is placed on controlling behaviour (Dulebohn and Johnson, 2013), while the whole procedure starts with identifying and best matching of employees, treating them as a competitive advantage, recognizing their particular abilities, training and development, and evaluating their performance based on quantitative data (Lawler, 2009). The method of measurement must basically answer the following: a) what skills and basic skills does each employee have and b) to what extent they are utilized during of their job duties (Lawler, 2009). Employee performance can be interpreted as a function of competence for performance, motivation and opportunities for performance, which can be analyzed into the following: knowledge and competence part, motivation and effort part, and opportunities and contributions part (Lepak et al., 2006).

4. Evaluation System Development Process

4.1. Developing an effective evaluation system requires (Zavlanos, 2002):

Job analysis: The organization must have all the information about the job that the individual is going to perform that refers to the job content, job requirements and characteristics of the work environment.

Determination of Criteria: The involvement of employees, heads and people of services interest, and if possible, identifies the parameters of the job and the criteria that will be used to evaluate each parameter.

Scale Determination: This determines the value of each parameter evaluated by the evaluators.

Developing the Assessment Form: Developing a proper assessment form.

Development of the scoring process: Initially, the scoring/weight of each parameter is performed and then the overall score is calculated as the average of scores of all parameters.

Implementation of the evaluation system: Effective implementation of the system is a key rule of system design success.
4.2. Evaluation Factors-Criteria

The choice of both human resources to employ in an organization or to be promoted to higher management positions is a key focus of human resources management and it must be done to select those people who have the skills to match better to the task they are going to perform. This is not easy because it is necessary to make a prediction about the future, based on the indications available today (resume, service, test scores, personal impressions of the interview etc.) and which are difficult to investigate and quite easy to change in the future. Performance management on human capital is not an easy task, because while its functioning may be affected it is not possible to control it completely (Lawler, 2009).

According to Rosse and Levin (1997), the criteria taken into account in personnel selection decisions can be classified as follows:

- **Education**: Candidates' educational achievements are indicative of their abilities and mental and other characteristics.
- **Experience and Past Performance**: Useful and common criteria for staff selection.
- **Personal Characteristics and Type of Personality**: Personal attributes refer to character traits such as extroversion, cooperation, discipline and so on.

The human capital of an organization combines all the skills, experiences, capabilities, energy and all the special abilities that employees invest in their work (Brown, et al., 2007).

According to UTPB (2002), the parameters that should be evaluated are:

- **Knowledge of the object of the job** (the obligations and responsibilities of the job).
- **Quality of work** (accuracy, completeness and accuracy in performance).
- **Quantity of work** (volume of work completed during the working day).
- **Responsibility and validity in the performance of the task** (employees willing to accomplish the tasks assigned to them and perform them responsibly).
- **Diligence and accuracy** (working time compliance and timely attendance at meetings).
- **Interpersonal relationships** (communication and collaboration with colleagues).
- **Effective use of time** (ability to organize, prioritize and plan).
- **Initiatives** (developing vital work processes).
- **Commitment to business principles and beliefs**.

5. Contribution to knowledge

Research question: Can the evaluation prediction be monitored?

Towards this goal, a model will be created to evaluate personnel performance results, which will be compared to the goals set. If the goals will be achieved, the weight of each factor will be one (1). In any other case when the goals will not be achieved the deviation of one (1) will be measured. During the evaluation procedure, the deviations will be recorded and compared to the goals set.
Conclusions

In summary, the evaluation procedure in order to be accepted by employees and to act as a motivator for them and for the organization in total, should be merit-based, based also on communication between employees and leadership. Finally, the evaluation procedure must establish measurable and objective evaluation criteria, so as to eliminate injustices and conflicts in the workplaces.

Acknowledgement

This is a preliminary work on human resources performance within the PhD research of Mrs Panagiota Pampouktsi in Ionian University, Corfu 49100, Greece.

References


