MODERN APPROACHES TO SOLVE THE PROBLEMS IN PERFORMANCE APPRAISAL OF EMPLOYEES - NATIONAL AND EUROPEAN CONTEXT

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Abstract

The performance appraisal systems of employees are of crucial importance for modern human resources management systems. In this article, the emphasis is placed on key assessment challenges which are typical for both traditional and modern management culture. Special attention is paid to issues such as how to overcome the subjective biases by the supervisor during the assessment, how to avoid the static nature of the job description, where is the place of the competence frameworks within this process, in which cases the involvement of colleagues from the team can help to solve the challenges in the assessment process.

Key words: *Performance appraisal systems, 360-degree feedback, peer appraisal, job description, competences*

1. Introduction

The main issues accompanying the implementation of performance appraisal systems of employees are presented in the current article.

For this purpose, we are going to draw reader's attention only to these challenges which we define as key characteristics of both traditional and modern management culture: disadvantages, which are classical by their nature, defined on scientific level and disadvantages, related with the effective functionality of appraisal practices with the involvement of colleagues from the team.

1. Main problematic aspects

In other words - we will review referred problematic aspects in the form of *questions*, divided in three groups:

- *First,* which are the classical disadvantages of appraisal systems and what is the role of the managerial competencies for their overcoming;
- *Second,* how to overcome the static nature of the job description and be able to focus on the shown competences and achieved results;
- *Third,* how effectively to apply the appraisal tools, based on the 360-degree feedback.

We are focusing on this range of questions, because they are directly related to the trends in the process of performance appraisal and reflections on them will be useful in practice.

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Let's pay attention to the first question *„which are the classical disadvantages of appraisal systems and what is the role of the managerial competencies for their overcoming".*

The indication of the classical disadvantages is related with allowing the so-called appraisal prejudice. The most common[2] are: halo effect - a tendency in which the employee is rated more positively in all areas, although he/she has many good qualities or abilities in one or two areas; recency effect – an effect in which the appraising is based on recent events, not on the basis of his/her performance through the whole considered period; central effect – an effect, in which the employee is given average values in all areas, even if he/she has shown high results only in one area.

All from the above kinds of prejudice can be defined as managerial mistakes which require specialized training for the managers.

The role of the manager is key in the process of performance appraisal and for this reason high demands are placed on him about forming skills for: setting a clear goal in the beginning of the period that will be appraising; effective appraising of the employee; appraising the performance rather than the personality, appropriate duration of the appraising; objective and clear language in the written appraising; direct discussion about the existing performance issues; giving a feedback; couching after the appraising[3].

The second question is *"how to overcome the static nature of the job description and be able to focus on the shown competences and achieved results".*

Harry Levinson define the job description as "static value" which includes a series of statements. The more complex a task is and requires creativity from the employees, the less likely it is to meet the job description. (Levinson 2005: 10)

According to the author, it's more effective to use a different approach for developing job descriptions, which to focus on their dynamic nature in terms of demonstrated behaviors in the work environment – for example whether the employee should solve all problems with equal attention or he/she should approach more delicately in some of them; whether he/she should be a leader to some of his/her colleagues; whether he/she should work with his/her subordinate colleagues side by side ;whether he/she will satisfy himself/herself with the sense of accomplishment or he/she will require public recognition, too; whether he/she should work on the assigned tasks or he/she can rely on others, that have the required competences; how much he/she have to be independent and what support should be given from the higher ones; what reward hi will receive – remuneration, power, promotion, public recognition, good reputation, etc.[4]

Let's summarize: the idea of Levinson somewhat can made it difficult for public organizations to develop such type of job description, because there the approach, design and structure of the job description are defined at the normative level and applied by all administrative structures (following the example of Bulgaria). On other hand, the current competence frameworks which are based on the two-pole model (describing effective and ineffective behavior) have dynamic nature and they could complete a static job description. A possible application of a dynamic job description is the descriptive indication/definition of the necessary for the job general and specific competences with a focus on the quality aspects in the work and the expected/desired behavior; pointing possible encouragement; greater focus on the specificity of the job (whether the nature of the job is more individualistic or more

[2] Kirkpatrick, (2006). cit. Bogdanova, 2013, p. 430 - 431.
[3] See in more detail Bogdanova, 2013, p. 430.
[4] See more at Levinson, 2008, pp. 145 - 146.

teamwork); what approaches for development are suitable for the employee (is he/she a subject of mentoring, coaching, supervision, possible training, etc.).

Other interesting question that deserves attention is whether the job description should include both common work activity for all the employees and specific ones for each employee, according to his professional competence or the job description should be universal for all the employees. Can it be said that the universal job description is an effective model, if in unit of the state administration the job descriptions are unified and define an area of job responsibilities which are the same for all of the employees? Is it possible every employee to be put in a "model" and to possess a set of professional knowledge, skills and competences which are the same by their nature and without considering his/her personal qualities? Job description is a "series of statements" but can it capture the competitive advantages of every employee if it is developed universal? The answer to these questions is definitely not positive.

Let's clarify that the developed competency frameworks in the Bulgarian civil service create a "framework", but this is a general framework which cannot reflect the specific needs of the organization. The specific needs of knowledge and skills find their appearance in the content of the professional competence. For example: an administrative unit has various functions, therefore needs unique combination of various knowledge and skills of individual employees, who together in a team to complete each other and to accomplish common goals and objectives. Most effective are these teams, in which the individual goals and preferences complete that aspect of the organization goals, with which they most fully recognize.

In Ordinance on the job descriptions of civil servants it is pointed that "analyze of the unit functions provides properly and effective distribution/redistribution of duties and responsibilities between the different positions to fulfill the objectives of the unit and the administration in its entirety. In development of job description, the level of each position is accounted – requirements, complexity of functions and responsibilities". It is clear from this categorical text of the Ordinance that job descriptions can be used to "redistribute" functions and tasks according to the specific needs of the administration and to the individual professional qualities of the employees. It is entirely possible that employees on the same position may have both overlapping and unique to each employee job responsibilities.

The unified understanding of the job description as a document that describes same duties and responsibilities for each employee in the same structural unit is also in conflict with one of the aspects of the approved "Competences Frameworks" in the state administration of senior civil servants in Bulgaria, when it comes to teamwork. There is an example of effective behavior that states that a senior civil servant "distribute the responsibilities according to the skills and knowledge of individual team members". In this sense, the perception of job descriptions as a unified portrait of the job position contrasts Lawler's statement: "instead of thinking of people as busy with a job that involves a set of activities and they can be caught in a relatively permanent and fixed job description, it is far more appropriate and effective to think of them as human resources rather than as people working for an organization… Competence based organizations are like organizational systems where the abilities of the individuals are the main focus and they should be managed in a way that provides competitive advantage".

The third area of questions is focused on that *"how effectively to apply the appraisal tools, based on the 360-degree feedback".*

We set this question, because the 360-degree feedback is a modern appraisal practice which has a great potential for continuous improvement of the working process. The intention of limiting the subjectivity leads to more participants that are involved in the appraisal. That practice also finds implementation in the public administration, so let's focus on some serious

problematic areas that are directly involved with its introduction and implementation. These issues are related with the appraisal from the equal in status colleagues (peer appraisal) or with other words "how the colleagues from the team can maintain good relations and at the same time to be appraisers to each other"[5].

Morry Pepperle examines in detail this problem of peer appraisal. The author identifies some paradoxes that are related with the implementation of that appraisal tool: *paradox of roles* (how to be colleagues and appraisers at the same time); *paradox of teamwork* (how the team works and how to appraise the teamwork when the focus is on the individual work); *paradox of measurement* (by what criteria should the performance be measured); *paradox of the remuneration* (whether the colleagues appraisal should affect the remuneration).

Pepperle underlines that the managers have a key role in the successful peer appraisal and they and their organizations should pay more attention and spend more time for clarifying the purpose of this kind of appraisal, which intention is to deliver timely and useful feedback that can help employees improve their work. Detailed and quality feedback by the equal by status, combined with mentoring and supportive consulting by the manager, are exceptionally important tools for professional development.

When the manager is choosing criteria, he should remember that the employees perform different work activities. Inappropriate and narrowly defined criteria will difficult appraisers and would be more difficult for performing by the appraised employees.

The paradox of teamwork is not always a substantial issue when the balance of estimating individual performance and interdependence between them is proper.

2. Basic conditions for an effectively working appraisal

It should be noticed that the basic conditions for an effectively working appraisal by the equal of status employees includes some recommendations to the managers:

- First, acquiring skills for dealing with the mentioned paradoxes because they could block any peer appraisal program;
- Second, stating a support and clarifying the benefits of this kind of appraising to the employees;
- Third, advising the subordinated employees, asking for their opinion and creating conditions for discussion and self-improvement;
- Forth, conducting training in small groups for forming skills for appraising and giving feedback.

[5] We choose the question about peer appraisal, because there is a direct link with the received legal opportunity to "ask for the opinion of the colleagues from the team" which is included in the regulatory, related with the performance appraisal of employees in the Bulgarian state administration. Art. 18 para. 2 reads that "prior to determining the annual performance appraisal, the evaluating manager may request an opinion on the performance of the appraised from employees who often work with the him/her". In that we see that the peer appraising is not introduced in the true sense of this appraising tool but rather as a tool for feedback and expanded participation of the colleagues in the appraising (by manager decision). (Lyubomirova. A. (2015) The Bulgarian model for performance appraisal of civil servants in the period 2002-2012, Dissertation defended in public on 19th of March 2015, Sofia University

Their opinion will not affect the remuneration. There is not such a regulation in the Ordinance that intend to bind their opinion with the training plan. We see that there are not pointed any possible situations for asking for the opinion of colleagues (only in critical cases of difficult behavior).

3. European dimension of performance appraisal systems

In the perspective of the problematic aspects outlined that are related with the implementation of individual appraisal tools and differed on theoretical level, next we are going to present the most common difficulties in the context of public administration at European level.

The potential negative aspects of implementing various tools for appraising the performance of civil servants at European level are summarized in an empirical study by Christoph Demke, Hammerschmidt and Meyer. They are:

- Lack of a management culture of performance appraisal - limiting it to a formal procedure;
- Increasing the bureaucracy in relation with the too complex appraisal systems;
- Limited financial resources;
- Appraising is considered as additional activity to the daily work tasks but not as a part of them;
- Limited opportunities to sanction poor job performance;
- The "excellence" appraisal is set too often which demotivate employees who really show high results;
- Appraising has a negative effect on team performance;
- Lack of various appraisal criteria for the different job positions and work tasks;
- The positive appraisal is used mostly for promotion instead of for personal development;
- Shifting the focus of the goals – employees focus more on tasks that will be appraised and rewarded than on achieving effective results;
- In organizations with high levels of control and lack of mid-level management, the effort to conduct the appraising is too high;
- Subjectivity in appraising;
- The formal appraisal system is lagging behind the dynamics of the environment.

The comparison between the management approach in European public administrations and Bulgarian model for the appraisal of civil servants would lead to more in-depth analysis and improvement of the methods for appraising.

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