

Problems of Performance Appraisal of Personnel in the Organization

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Abstract. The evaluation of performance appraisal of staff in the organization is an important element of human resource management. The successful implementation of this activity requires not only knowledge and skills related to the evaluation process, but knowledge of the problems in the application. This article analyses the main problems and mistakes made by managers in the evaluation process. The ways to eliminate the problems in order to improve the system for evaluation of the performance appraisal of the personnel in the organization are presented.

Index terms. evaluation, performance appraisal, personnel, improving the evaluation

JEL: M12, M51, M53

I. INTRODUCTION

The evaluation of the performance appraisal of staff determines the successful application of strategies and policies not only in the activity of human resources management, but also in the development of the organization as a whole. Adequate, objective and reliable measure of performance is essential for the motivation and the future success of the individual employee, and also for the organization to achieve high levels of performance: efficiency, competitiveness and profitability. The evaluation of performance appraisal is a complex process, which includes a large number of people (evaluated employee, manager, colleagues) various aspects related to the professional, business and personal qualities of the employee are evaluated. The degree of execution of tasks is also evaluated.

II. PROBLEMS IN THE EVALUATION OF PERFORMANCE APPRAISAL

Regardless of the well-developed procedures and method for evaluation several problems can arise, weaknesses and errors related to both the evaluation of the manager and the perception of the evaluated employee. S. Lyster and A. Arthur (Lyster & Arthur, 2007) define 10 major errors in the assessment of performance appraisal.

More significant of these are: mistakes in preparation and planning stage; lack of proper documentation; employee comparison; evaluation employees on subjective behaviors instead of objective performance; compensation instead performance and more.

According to Special Report, A supplement to BLR publications (Special Report, 2006) mistakes can occur even in the process of evaluation and analysis of the position: missing managing the job description, missing critical elements of a job description, failing to accurately describe the job, failing to use job description correctly. D. Max and R. Bacal (Max & Bacal, 2003) distinguished 10 mistakes managers make when conducting performance appraisals and 7 mistakes employees make during performance appraisals. One of the main problems is the inconsistency of the real goals (objects of appraisal of performance) with the predetermined. In some cases, the purpose of assessing shifts from the need to identify training needs, and in others - are mass dismissals and layoffs. In other cases are evaluated professional training, education and personal qualities of the employee, not the performance of his work. The same procedures and methods are used to achieve different goals or solving different tasks (eg. matching techniques for evaluating job applicants and job performance of employees in the organization). As a result, this creates distrust among employees about the procedure and the results of the evaluation.

The selection of appropriate methods and tools is essential for the successful performance appraisal of the employees. Proper compilation of polls (questionnaires) for professional knowledge and skills specifically designed and selected case studies, competence interviews, tests and others, helps to determine the compliance of the employee's work with the standards of the organization for the position. In this way it is possible to form a fairly substantive salary and a realistic assessment of the potential of the employees for promotion. In situations of improperly conducted procedures and mistakenly selected methods, the evaluated employee does not comply faithfully and accurately and adverse reaction conditions of embarrassment and lack of feedback emerge.

Also important is the professional competence of the head in adequately assessing the abilities and skills of the employees and the ability to provide and receive feedback from them [Stoyanov, 2012]. In many organizations there is a distrust of the staff to the evaluation as a single, comprehensive and transparent system of motivation and incentives. Compiling lists of competencies, reporting the presence of certificates and specific post is not sufficient to overcome mistrust. It is necessary to create conditions for the further development of the employees, depending on the potential abilities and interests shown in the performers assessment. The accurate and adequate system of material and moral incentives, the fair promotion or demotion, would contribute for the employee to realize

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the need to assess the results of their work, and to increase the confidence not only in the process of evaluation, but also in the leadership of the organization as a whole (Angelov, 2007). A common problem in assessing the personnel is lack of competence models corresponding to the positions of the evaluated employees. The lack of competence models leads to excessive costs of resources (material, labor, time) and in fact the value of such an assessment is very low and the employees have no exact idea what is estimated and by what indicators and benchmarks. A common mistake is the use of foreign competency models from other organizations.

III. ERRORS IN THE ASSESSMENT OF PERFORMANCE

When evaluating performance appraisal there may occur a number of gaps and errors by both the evaluator and by the evaluated employee. The most common errors in the assessment of performance are:

- Evaluation of appearance, marital status, responsiveness and others personality features rather than performance. Communicative employees with good looks score high, and not so attractive - low.
 - The halo effect (one-sidedness of evaluation) - the manager appreciates the employees as good or bad by focusing only on one indicator (according to the manager this indicator is the most important and exceeds the others). If for the manager is important the responsibility of the employee, the assessment on this indicator sets the evaluation of other indicators (quality of work, discipline, etc.). This one-sidedness of evaluation reduces its effectiveness and does not allow making the right management decisions.
 - Stereotype rating - the manager has accepted stereotype of the "ideal" employee and the evaluated are compared with him. This stereotype is a subjective evaluation and has no relation to real requirements of the job.
 - Error of the general trend - the majority of the employees are evaluated with an average assessment. The aim is not to create a sense of superiority or tension among employees, and also to keep a good attitude to the employer. The evaluator avoids giving extreme evaluations and gives average. This approach does not allow to make decisions based on performance and to differentiate the employees as good, medium or bad.
 - Error of condescension - most employees are evaluated with high marks, leading to decision making that has a negative impact on their motivation.
 - Error of high expectations - the majority of employees receive low grades. This error can negatively affect the attitude of the staff to the work by lowering the motivation and confidence of employees in the fairness of the decisions of the manager.
- The effect of the excellent employee - the employee deserves low estimate for labor performance, but scores high in the assessment evaluation on the basis his authority, education or work experience of the employee.
 - The effect of evaluation of the group - the manager provides a complex assessment of the team and does not differentiate the employees according to the performance of their work. For example, if the department is underperforming, all employees are evaluated with a bad score (Gavrilova, 2009).
 - Evaluation of contrast - an employee is compared to the evaluated before him. For example, evaluation of highly rated employee after a few employees with weak values or low, or with low values after several highly rated. Such assessment is based on the subjective opinion of the manager, creates tension and doesn't motivate the employees.
 - The effect of the comparison - inclination of the manager to measure features of the employee opposed to his own or to similar ones.
 - Evaluating employee solely on the basis of impressions from the last working period (week, day) and other periods are not included in the assessment.
 - The manager evaluates performance appraisal according to his own moral and ethical values and prejudices (ethnic group, gender, age, religion, etc.) (The Office of Human Resource at Dartmouth College).
 - P.Muchinsky (Muchinsky, 2012) opposed the halo effect vs. the horns effect. In the halo effect letting one positive work factor, the manager likes affect the overall assessment of performance of the employee. The horns effect is the opposite of the halo effect – letting one negative work factor or behavior the manager dislikes affect his opinion of other factors.

The negative consequences of the evaluation can be avoided when managers and employees know the problems, the guidelines for their overcoming and their evaluation is not based on their feelings (Lotich, 2014, Mathis & Jackson, 2010).

IV. RESISTANCE TO EVALUATION

Many managers consider assessment activities of employees as detachment from performing their basic duties, additional load, doing uncharacteristic job or like a campaign to "introduce order in the organization."

For other managers negative feedback is a significant problem when there must be mentioned unsatisfactory job performance or errors by the employee. Often managers prefer to avoid conflicts with employees and not to give negative feedback. As a result, unreasonable evaluation reduces the confidence of staff in the adequacy of the evaluation system and the effectiveness of the methodology used.

The results of the assessment can have negative effects on employees (dismissal, demotion, deprivation of premiums, deterioration of relations in the team, etc.). Such decisions are bad not only for employees but also for many executives. The leaders accept more easily the bad work of their subordinates, than to take responsibility for decisions related to dismissal or reduction of salary (Stoyanov, 2015, a). Often resistance to the implementation of procedures to evaluate is the result of inadequate preparation of the manager (lack of knowledge; unused habits, new and complex for application assessment methods, etc.) and inability to use its results. In many cases resistance from the evaluated is observed. The process of evaluation is connected with fear of: job loss, reduction in salary, demotion and others. In such cases there is an increase in the efforts by employees and they are evaluated unreasonably high by assessments and self-assessment and others.

V. IMPROVING THE EVALUATION SYSTEM

Higher quality of the performance appraisal of personnel can be achieved when not only the problems and mistakes are known, but also the ways to overcome them.

One approach to overcome the mistakes and improve the procedures and methods of evaluation is to determine the precise indicators and evaluation criteria. The application of precise measurement scales with instructions describing specific work behavior allows to reduce the influence of the effect of the high requirements of the general trend and others. It is appropriate for the managers to offer concrete examples (patterns and standards of behavior), in accordance to which to evaluate the performance appraisal of employees.

The participation of managers from all management levels of organization in designing and developing evaluation systems is essential for improving the quality of the process. It is necessary for the managers to assess existing approaches to determine the effectiveness of the work, to be actively involved in developing and specifying the working methods and work standards for all categories of employees.

Increasing the effectiveness of the evaluation can be done not only by attracting the immediate supervisor, but also of other employees in the organization - for example, specialists from the HR department, colleagues and others. And subordinates of the employee could be attracted. All this would enhance the objectivity of the evaluation.

Of importance for increasing the effectiveness of the assessment is the conduction of appropriate theoretical and practical training of: managers, members of the appraisal committee, employees from departments of human resources management. Training (seminars, courses, trainings, etc.) contributes to the obtaining of the necessary knowledge and skills and has important role in improving the evaluation system (Stoyanov, 2015, b). Of importance for an objective and accurate assessment is and the experience for evaluation of managers and specialists in

human resources in the organization. They should be able to correctly apply the methods of evaluation and use correctly the received information. Overcoming the negative consequences associated with the errors in the assessment of performance is the high level of knowledge of leaders in the field not only of human resources management, but also of psychology, physiology and other sciences.

The information provision of employees related to the evaluation process should provide accurate and clear image of the goals and objectives of the evaluation. The evaluation process to be considered as an important dialogue with the immediate superior who contributes to the efficient performance of work tasks. Employees must be convinced that the issues of promotion, change in salary can be addressed only through adequate assessment procedure and objectively tracking the results of their work.

The system of evaluation of performance must be closely integrated with the existing in the organization practice of human resource management and organizational culture (Stoyanov, 2014). The objectives to assessment activities can be achieved only if they are tied with the system for material and moral incentives to staff. The assessment of performance should also contribute to the realization of other programs related to human resources, motivation, training and qualification, recruitment and selection of staff and other

The results of the evaluation of the employees can provide valuable information about the quality of the methods used in the organization for selection and how with the used criteria can be predicted future professional achievements. In this way can be determined the effectiveness and quality of the programs for training, and the increase of the qualifications of the organization.

As a means to overcome the tendency to increase or decrease the assessment of the general trend and others, is outlined the proper compilation of surveys and questionnaires for evaluation. According to N. Desyatnik gradation of indicators for assessment must be able to be presented in any order, not the traditional presentation scale in terms of increasing or decreasing the value of the indicator. (Desyatnik, 2009).

VI. CONCLUSION

Efficient use of staff evaluation as a tool for increasing the motivation of human resources is only possible while ensuring a high level of training of managers and specialists in human resources departments. Managers and professionals performing the evaluation should take into account important aspects such as motivation, organizational behavior, responsibility, job satisfaction, discipline, affection of the employee to the organization and others. When the results of the assessment are limited to the remuneration of the employees is reduced the set of moral incentives, opportunities and benefits for the organization, which are pledged in the evaluation system

Essential for the successful conduction of the evaluation process of performance is the preliminary training of the employees who will be assessed. Their familiarization with the objectives, procedures, rules and methods and benefits the evaluation could have brought would increase their motivation to actively participate in the evaluation process.

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