



# Performance Management and Development Systems in Modern Public Sector Organisations- A Theoretical Perspective

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## ABSTRACT

An attempt is made to provide a deconstruction of the theoretical underpinnings of performance management and development within the context of modern public sector organisations. The article provides a discussion on the concept of an employee management and development system (EPMS), as well as the key steps in the employee performance management and development process. The article further discusses the various techniques used in the modern public sector organisations.

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## Introduction

Public sector organisations are expected to take decisions regarding measurement and evaluation of the performance of their employees. This article attempts to locate performance management and development within a particular theoretical framework. Reference is made using various studies on the techniques that organisations use to conduct performance appraisals as well as measurements.

### The Concept of EPMS in the Modern Public Sector Organisations

According to Bakker and Demerouti (2008:209), performance management is a systematic process of applying a set of interrelated strategies and techniques in measuring and managing the performance of the individual employees, teams and the organisation at large, to ensure that the defined strategic objectives and goals are achieved. These authors construe that performance management is to a significant extent, a technique for controlling the process of accomplishing activities in the modern organisation. They attribute their arguments to the fact that performance management just like any other control techniques enhances the identification of the deviations of the process of accomplished activities from the prescribed strategic plan. Bakker and Demerouti (2008:209) posit that such early identification of deviations enables the managers to apply intervention measures to make the necessary corrections before the deviations turn grave and becomes costly to reverse. These authors further state that performance management does not only enhance the control of the process of activities' accomplishment, but also strives to ensure that the individual and team needs of the employees are aligned with the overall organisational strategy.

Such a view echoes Marchington's (2005:114) assertion; that performance management is ongoing processes which is undertaken by the managers to help identify the strengths and weaknesses of the individual employees and put in place the measures that assist them improve their performance and subsequently the overall performance of the organisation. In the

context of Marchington's (2005:114) views, this implies that performance management is ingrained within the process of coaching, managing and developing the employees. In order for the process of performance management to be effective, he highlights that so far a consensus exists in theories that it must be designed to meet the three main objectives that include; strategic administrative and development purposes. In terms of the strategic purpose, he elaborates that performance management is undertaken with the overriding motive of assessing the extent to which the performance of the individual employees is aligned with the overall strategic plan and objectives of the organisation.

Marchington (2005:114) further explain that in this endeavour, performance management is also conducted with the motive of determining whether the existing employee competencies and skills, the supporting systems, structures and processes are effective for enhancing the achievement of the organisation's defined strategic objectives and goals. At the same time, Marchington (2005:114) concurs with Boselie (2010:42) that in the process of accomplishing performance management, the objectives are also directed towards ensuring that the obtained information are used for the administrative purposes. These authors note that some of the administrative reasons for performance management include; pay increment, retention, termination of services, rewards and recognition of the individual employee performance, and promotion.

Marchington (2005:114) stated that in the event that the results of performance reveal that the employee is performing more competently and in line with the defined organisational plan, in the event that some form of staff rationalisation or retrenchment, such employee would be a candidate for retention as compared to the one whose performance has not been consistently impressive. Likewise, Boselie (2010:42) argues that in the event of promotion or rewards and recognitions, the use of performance management is fair process for assessing the employee that deserves such benefits on merit. In addition to the administrative purpose, these authors also highlight that in high

performing organisations, performance management is also undertaken with the motive of developing the employees. They reason that the results of performance management indicated that a particular employee or workgroup is performing very well must not be the basis for complacency. Instead, these authors propose that during the performance management process, efforts must be directed towards evaluating the individual employee performance more objectively. They state that such approach would render it possible for the evaluator to identify the areas of the employee's weaknesses and strengths so as to determine the interventive development measures that can be used to improve the employee performance and subsequently the overall performance of the organisation.

Meanwhile, Klein (2003:216) posits that the three main constructs that influence the effectiveness of the process of performance management in the modern public sector organisations include; the alignment of the outcome being sought by the government, ensuring the credibility of the system by minimizing the gap between rhetoric and reality, and the integration with the overall management structure of the public sector organisations. He cautions that performance management exceeds the mere evaluation and improvement of the individual employee performance against the achievement of the workgroup to encompass the assessment of the overall organisational capabilities. In effect, Klein (2003:216) argues that although quite often, performance management is only viewed as involving the measuring of the individual employee performance, it instead comprises of the two main dimensions encompassing the organisational and the human resource's objectives. He states that whereas the performance management related to the evaluation of employees well known, the limitation usually arises from the fact that little regard is paid to the organisational aspect of performance management. In public sector organisations, Klein (2003:216) highlights the organizational dimensions of performance management which takes a wider institutional perspective to involve the evaluation of resource utilization, processes encompassing systems, procedures, methods and administrative policies used, and outcomes in terms of service delivery to the population.

However, theoretical analysis indicated that authors such as Alford and O'Flynn (2012:66), Pimpa (2012:21), and Judge, Thoresen, Bono and Patton (2001:376) share similar views that performance management is not a random process, but a systematic process which is accomplished with certain defined key steps.

### **Key Steps in the Process for Employee Performance Management and Development in the Modern Public Sector Organisations**

Judge et al. (2001:376) reveal that the three main keys in the employee performance management process, include planning and setting of the goals that must be achieved through performance management in alignment with the overall organisational goals and objectives, the monitoring and evaluation of the progress that the employees have so far made towards the achievement of such goals and objectives, and determining whether compensation or development programmes must be provided.

#### **Step 1: Planning and Setting Goals**

Judge et al. (2001:376) argue that planning and the formulation of the strategic goals before the commencement of the actual process of performance management is of essence because it enhances the provision of direction that the process of performance management must take. They added that this influences the extent to which the overall goals and objectives of

the organisation is most likely to be easily achievable. Judge et al. (2001:376) further state that the clarity of the plan put in place before the actual performance management process renders it possible for the managers and the employees to reach a consensus on what is expected of each other. These authors state that such clarity of expectations about the employees, influences the overall commitment and efforts that the employees put in place to ensure that the outlined objectives are achievable. In other words, Alford and O'Flynn's (2012:66) augments the aim of this research which is to examine the effectiveness of the process of the Employee Performance Management and Development System at Ladysmith that the prescription of an effective plan provides the guiding rod which can be used for measuring whether the process of performance management is being accomplished in accordance with the overall strategic plan for the organisation. These authors emphasise that for the individual employee's goals to be effectively set, and aligned with the overall organisation's strategic goals and objectives, the process must be accomplished collaboratively. They note that collaborative goal setting amplifies the effectiveness of the process of performance management for the reason that it creates room for the employees and managers to consult and determine each other's expectations before the formulation of the actual plan and goal that must guide the process of performance management.

Alford and O'Flynn (2012:66) construe that such approach contributes to the reduction of the emergence of conflicts that usually undermine the successful accomplishment of the organisational activities. Despite emphasising the need for an organisational wide goal setting, they also propose that the managers must use the SMART (Specific, Measureable, Achievable, Relevance and Timeliness) framework to assess the overall effectiveness of the outlined goals. In terms of the specificity of the goals, they explained that assessment must be conducted to determine whether the established goals are well defined for the employees and managers to understand what, when, and how much is expected of them. They state that the measurability of the defined goals, entails the outlining of the milestones that can be used for assessing and tracking progress and to motivate the employees to work harder towards the achievement of the outlined strategic objectives and goals.

Whereas achievability is measured by the extent to which the outlined goals can easily be attained by even just an average employee, Alford and O'Flynn (2012:66) share similar views with Judge et al. (2001:376); that the relevance of the set goal refers to the extent to which the goals are aligned and linked with the overall organisational strategic plan and goals. In addition, to highlighting that the timeliness of the set goals is determined by the extent to which it is projected to be achievable within certain prescribed time framework. Judge et al. (2001:376) and Alford and O'Flynn (2012:66) also agree with Singh (2003:219) that the completion of the setting of the appropriate goals and objectives provides an effective basis for beginning the accomplishment of the activities in the next section that deal with the actual measuring and evaluation of the progress of the activities' accomplishments.

#### **Step 2: Measuring, Monitoring and Evaluation of Progress**

Singh (2003:219) explains that when the process of activities' accomplishment begin, it is important that the management continuously measure, monitor and evaluate progress so far made. He attributes his arguments to the fact that such approach enables the management to gain insight on whether the set organisational goals will be achievable or not. In the event that it is clear that it may not be possible to achieve the

prescribed goals and objectives, he states that the management can be able to intervene and provide the relevant advice and coaching on how progress can be achieved. He adds that the other form of intervention can be in the form of the provision of the relevant resources so as to motivate the employees or ensure that the processes that are that are accompanied by remuneration constrained are availed with the essential resources. Pimpa (2012:21) reveals that the secret to the effective accomplishment of the monitoring and evaluation of activities in this section is to constantly do evaluation perhaps weekly or monthly so that if it is determined that time outlined is too short, it can be added. However, these authors caution that the process of monitoring and evaluation is not solely a management dictated activity, but a collaborative initiative in which the managers or supervisors play more proactive role in identifying the employee's weaknesses and strengths and advising, so that the employees can improve their overall performance.

Pimpa (2012:21) suggests that while the process of monitoring and evaluating the progress is being accomplished, the managers and supervisors must play the roles of a coach and a mentor rather than manager so as to encourage the employees to put in more efforts and commitment to improve in the areas where they are not performing well, and get better results in the areas where they are performing well. At the same time, Boselie (2010:42) emphasises that as the process of monitoring and evaluation is being accomplished, the management must focus on identifying and encouraging behaviours which are effective and ignoring and discouraging poor behaviours so as to influence the process of activities' accomplishment towards the direction that enhances the achievement of the outlined goals and objectives.

In a bid to ensure the successful accomplishment of the process of monitoring and evaluation, Boselie (2010:42) suggest that managers must consider structuring the process of their formal assessment along with the criteria that include; the review of the observed behaviour, the review of the staff member's self assessment, summarising and rating the staff member's performance, meeting with the employees to discuss performance, resolving gaps or the differences between actual and planned performance, and finally, establishing goals for performance and professional development. Generally, these authors share similar views with Conway and Monks (2009:140) that the effective accomplishment of such activities leads to the need to conduct performance appraisal. These authors elaborate that the process of performance appraisal must be accomplished by listing, observing behaviours and the process of activities' accomplishments, and providing the appropriate feedback on what the employees need to do to improve their overall performance.

### **Step 3: Determining Compensation and Development Programmes**

Depending on the type of the organisation, de Waal (2010:81) argues that rewards are usually provided only to the employees who are performing well, in certain high performing organisations, even the employees who have reached their targets are usually provided with some form of material gifts so as to foster good relationships and commitment that can influence them to move out from poor performance to an impressive level. Besides the fact that rewards and recognitions fit into a single category of the motivational strategies which are used for changing employees' work habits, perceptions and behaviours towards the direction that enhances the achievement of the desired strategic objectives and goals.

Armstrong, Brown and Reilly (2011:106) highlight the concept of employee rewards differing significantly from the notion of employee recognition. These authors elaborate that although rewards are usually provided in terms of some pecuniary values and costs to the organisation, they are not part of the normal salaries paid to the employees, but a form of financial disbursement made in appreciation of performance to motivate the employees on either an individual or group levels or both. In other words, this implies that whereas salaries and wages are more programmed forms of financial payments, rewards can be more occasional, depending on the overall organisational approach to use of rewards as the measure for appreciating the achievement of a particular business target.

Although in certain cases, cash is also used in recognitions, Armstrong and Reilly (2011:106) argue that recognitions involve the use of non-cash financial measures to create psychological motivation and comfort by acknowledging the job well done by a particular employee or group of employees. They posit that as rewards are intended to provide the employee with additional financial benefits to the wages, recognitions provide psychological benefits to the employees.

Armstrong and Reilly (2011:106) emphasise that in designing and implementing reward programmes, managers must separate merit pay from the reward system by ensuring that financial rewards such as bonuses and profit sharing which are provided on more regular basis are linked to the employee's or a group's accomplishment. They authenticate their arguments on the fact that such approach would avoid the emergence of the sense of entitlement among the employees and enhance the extent to which the provided rewards emphasise excellence and achievement rather than the demonstration of basic competency.

Meanwhile, Armstrong and Reilly (2011:106) highlight that training connotes a planned process aimed at modifying employees' attitudes, knowledge, skills and behaviour through learning experience in order to render achieving improving employees' performance in an activity or range of activities possible. They state that achieving improvement in employees' performance subsequently impacts on improving general organisational performance. These authors note that training is essentially concerned with short term performance regarding the job or tasks at hand. Despite sharing similar views, Short, Bing and Kehrhaan (2003:239) also reveal that training programmes may include initiatives undertaken to improve employees' skills on the use of a new of equipment or new computer applications or to improve letter writing or report writing. These authors added that training may also be linked to development plans, for either the individual and/or the organization, in which case, it may be applied to assist with career growth and building of skills which may or may not be immediately required, but essential for achieving improving future performance.

Short et al. (2003:239) distinguish training from development, and state that training involves the process of acquiring skills and knowledge that employees can use immediately, while employee development involves the process of learning, equipping employees with relevant knowledge and skills, shaping behaviours and attitudes which are essential for achieving future general organisational performance. However, they point out that many organisations use the term "learning" rather than "training" to emphasise the point that the activities engaged in, are part of the development process, broad-based and involve much more than straight forward acquisition of manual technical skills. Short et al. (2003:239) construe that learning involves ongoing development and continuously adding

to employees' skills and knowledge to meet the challenges the organisation faces from its external environment.

They reiterate that training may be defined as the systematic tailor made programme to suit the needs of the particular organisation for developing certain attitudes, actions, skills and abilities in employees, irrespective of their functional levels. In effect, they argue that training therefore serves purposes encompassing; increasing the performance level of an employee, developing employees to excellently perform at the position of higher responsibility, and constantly developing manpower to meet current as well as future needs of the organisation.

However, authors encompassing Serfontein (2010:99) and Schmidt (2007:481) share similar views that despite the accomplishment of the process of performance management in accordance with these three main steps, the effectiveness of the performance management is also measured by the extent to which a set of certain techniques are used.

### **The Techniques for EPMDS in the Modern Public Sector Organisations**

Core theories on performance management and development indicate that the techniques for EPMDS in the modern public sector organisations include the use of the ABC model for behavioural change and the use of a set of different performance appraisal techniques. The details of these sets of techniques are evaluated as follows.

#### **The Use of the ABC Model for behavioural Change**

Schmidt (2007:481) reveals that the ABC model is one of the most commonly used techniques in the accomplishment of performance management. He highlights that the ABC model is underpinned by the fundamental argument that performance management is a multidimensional construct with the effect that in a bid to influence employees, managers must examine three main concepts that include; antecedents, behaviour and consequences. He further states that the ABC model prescribes that behaviours can be influenced according to the two main ways by examining and influencing what comes before it (ex-ante), and by what comes after the behaviour (ex-post). In a view echoed in Serfontein's (2010:99) assertion, Schmidt (2007:481) notes that it is construed in the ABC model that in the process of attempting to influence behaviours before it occurs, the management would be influencing antecedents that determine behaviours after it has occurred to lead to certain consequences. These authors reason that understanding how these essential performance elements interact with each other is essential for identifying the causes of deviation, taking corrective actions and designing work environment and management systems in a way which can influence high performance to be achieved.

#### **Antecedents**

In more specific descriptions, they elaborated that antecedents refer to the person, place, things or an event which come before behaviour, and encourages the employee to behave in a particular way, though they only set the premise for behaviour or performance, and do not control it. Serfontein (2010:99) posits that the main characteristics of antecedents include the fact that it comes before behaviour and that effective communication of information is required. He further states that although antecedents are things which set the landscape for a work behaviour or performance to take place, they are usually not the guarantees that the desired output will be achieved. In the context of the public sector organisations, they state that the common forms of antecedents include; goals, objectives, incentives, job descriptions, policies, procedures, standards, rules, regulations, meetings, tools, conditions of work, directions

and instructions. Serfontein (2010:99) reasons that although the most common and effective antecedents which are used to change behaviour or improve performance are; incentive schemes, coaching, training and development, the behaviours of other people are also considered as antecedents for that employees tend to imitate what other employees or managers do.

However, Erdogan (2002:555) points out that although selecting the right antecedents is important, even if antecedents are paired with the desired consequence, it is not definite that it may be the best to achieve the desired performance. He elaborates that this is usually latent in the fact that if for instance the procedure manuals are not updated, performers may use the outdated procedures with the probable effects that the achievement of the desired outcome may be unlikely. In order to help performance managers to plan the right antecedents, Erdogan (2002:555) suggests that managers must consider the three most essential classes of antecedents that encompass the selection of the antecedents that clearly describe expectations and desired performance by setting clear primary objectives, job descriptions, accountabilities, standards and priorities. He reveals that the other approach would involve the selection of antecedents which have a history of being associated with specific consequences. Thirdly, Erdogan (2002:555) emphasises that the behaviours that usually occur just before the desired performance must be selected.

#### **Behaviours**

Fletcher (2008:473) states that behaviour is best known as a pinpoint that provide the specific description of performance that refers to any action or process of an employee or an outcome which the performer produces. He cautions that the failure of the managers to pinpoint the desired behaviours from the beginning of the performance process is associated with the consequence that it may tend to become difficult to measure or determine whether the changes in the results are due to the performers' actions or the system within which work was done. He further reveals that the other reason why results must be pinpointed, is that the organisation may get overwhelmed in managing some undesirable behaviour unnecessarily. Consequently, he notes that motivational theories prescribe that employees can be influenced to achieve new behaviours through meeting their needs, goal setting, outlining the expected attractiveness of outcome and social comparison. However, Schmidt (2007:481) points out that the practical impacts of the motivational theories on behaviour adaptation depends on things like attitudes, values and personal qualities of individuals and organisation, an individual's capacity, the willingness to amass the incentives, the need to assume new behaviours, and their capacity and willingness to be critically observant of their own behaviours and motivators so as to develop the intuition and aptitude to manage their own behaviour change.

#### **Consequences**

Armstrong (2009:218) notes that consequences refer to the things which follow behaviour and can change the probability that the behaviour will reoccur in the future. He reveals that consequences usually affect behaviours in two ways that involve either a decrease or increase in performance. He further states that there are four behavioural consequences manifested in the fact that two consequences increase behaviour and the other two consequences decrease the behaviour. He posits that the consequences which increase behaviour include; positive and negative reinforcements. Armstrong (2009:218) explains that whereas positive reinforcements deal with striving to get something that the employee wants, negative reinforcement refers to avoidance or attempting to escape something that the

employee does not want. He elaborates that the consequences that decrease behaviour are associated with the employee's striving to get something that he/she wants, and failure to get something that the employee wants. As he noted, positive reinforcements are treated as the consequences which increase the probability that the behaviour which preceded it will occur quite often in future. In contrast, he explained that negative reinforcements are consequences which strengthen any behaviour which reduces or terminates the consequences. Quite often, Armstrong (2009:218) highlights that these are reflected in the fact that it is a sanction that the job-holder will work harder to increase or surpass their performance in order to escape or avoid the negative consequences.

Although, in most of the private sector organisations, performance appraisal is considered as a separate concept for evaluating and managing the employees' performance, the views of authors such as Hanninen (2011:35) and Mucciarone (2008:69) imply that performance appraisal is part of the techniques of performance management. The above theories fit the performance management concept best, because performance standards are antecedence situations in the employees work environment, goals are performance levels.

#### **The Use of a Performance Appraisal System**

Mucciarone (2008:69) argues that the value of performance appraisal is accentuated in the fact that it is one single tool that helps managers decide training requirements for the organisation, to enhance the improvement in the employees' competencies, skills and the overall performance. Despite noting that performance appraisal also balances team efforts by ensuring proper allocation of activities among different members of the group, Mucciarone (2008:69) views performance appraisal as the means through which the analysis, review or evaluation of performance or behaviour analysis of an employee is accomplished. He points out that this can be accomplished formally or informally, orally or documented, and open or confidential. Performance appraisal can be taken by peers, subordinates, consultants, users of services and self-appraisal.

Mucciarone (2008:69) further indicates that for performance appraisal to be effective, its process must be accomplished according to the five main steps that include; establishing standards, communicating standards, measuring actual performance, comparing actual performance with standards and discussing the results of the appraisal, and taking corrective actions if necessary. In terms of the essence of effective standards, he emphasises that the appraisal system must have performance standards which provide the benchmark against which performance can be measured. He adds that these standards must also be clear to both the appraiser and appraisee, and developed only after a thorough analysis of the job. In addition, noting that goals should be memorable to employees, written down, and measured within certain time and cost considerations for performance appraisal to be effective, Mucciarone (2008:69) also elaborate that standards must be communicated to the appraisee so as to enable the employees and the supervisors understand what is expected of them and when and how. He explains that setting effective standards and communicating them to the employees sets the basis for the actual process of measuring performance to begin.

Meanwhile, Hanninen (2011:35) reasons that for the measuring of actual performance to be effective, the techniques which are used must be; easy to understand and use, reliable and report on critical behaviours which determine performance. Hanninen (2011:35) emphasises that four common sources of information which can be used for measuring actual

performance include personal observation, statistical reports, oral reports or written reports. He reveals that performance measures can be objective or subjective, with the effect that the objective performance measures are indications of job performance which can be verified by others and are usually quantitative. He further reveals that the objective criteria include quality of production, degree of training needed, accidents in a given period, absenteeism and length of service. The subjective performance measures are noted by Hanninen (2011:35) to involve the use of ratings which are based on personal standards or opinions of those doing the evaluations. In addition to highlighting that the subjective performance measures are verifiable by others, he also notes that ratings can be accomplished by supervisors, overall goals and socio-cultural values of the environment.

However, Verweire and Berghe (2004:66) caution that it is important to recognize that whereas the objective criteria can be laid down while evaluating lower level jobs which are specific and clearly defined; it is not the case with middle level positions which are usually complex and vague. Nevertheless, these authors concur with Mucciarone (2008:69) that the next step in the performance appraisal process involves the comparing of actual performance with standards and discussing the results of the appraisal. They note that quite often, the measuring of actual performance can reveal results which are either on or off track with the effect that communication and discussions with the employee, are prerequisites for the employee and the managers to understand what could have gone wrong and the remedial measures that can be put in place. At the same time, they reason that in the events that results indicate that the performance is on track with the prescribed targets, then discussions between the management and the employees is important for assessing the best practice that can be adopted. In other words, Verweire and Berghe (2004:66) construe that such a process leads to the assessment of the corrective and remedial measures which can be put in place. They point out that the two main types of corrective measures which can be put in place include; the immediate corrective measures and the basic corrective measures that seek to gain insight into how and why performance deviated.

However, the views of authors, Radnor and McGuire (2004:245), Verheijen and Dobrolyubova (2007:205) and Ahmed, Ahmed and Akbar (2010:26) indicate that the effectiveness of the performance appraisal process and the entire performance management system is measured by the use of a set of certain techniques.

#### **The Use of Various Performance Appraisal Techniques**

These authors state that the three main sets of performance appraisal techniques that can be used in the employee performance management process in the modern organisations include the individual evaluation method and multiple person evaluation method.

##### **Individual Evaluation Methods**

Radnor and McGuire (2004:245) elaborate that the different types of the individual evaluation methods entail the use of confidential report, essay evaluation, critical incidents, checklists, graphic rating scales, behaviourally anchored rating scales, forced choice method, and Management by Objectives (MBO).

##### **Confidential Reports**

Radnor and McGuire (2004:245) state that these reports which are commonly used in government organisations are usually descriptive and undertaken at the end of every year by the employee's immediate supervisor. They note that

confidential reports are used for highlighting the weaknesses and strengths of the subordinate, though it is often not data based, but only provide the impression of the superior about the overall performance of a particular employee. However, Verheijen and Dobrolyubova (2007:205) note that the limitations of the confidential reports are usually latent in the fact that they do not offer any feedback to the appraisee so that the employee can be able to gauge why the ratings have fallen down despite putting the best efforts, as to why others are rated high when compared to the employee's own rating, how to rectify mistakes, if any, on what basis the employee is going to be evaluated during the next phase of performance appraisals. Since the report is generally not made public and hence no feedback is available, Verheijen and Dobrolyubova (2007:205) point out that the subjective analysis of the superior is likely to be hotly contested. In addition to confidential reports, these authors also pointed out that essay evaluation is the other individual evaluation method which is used in performance appraisal.

#### **Essay Evaluation**

In this evaluation method, Verheijen and Dobrolyubova (2007:205) explain that the evaluator who can be the supervisor or the hired consultant is usually asked to express the strong as well as weak points of the employee's behaviour. He further state that essay evaluation is usually used with a combination of the graphic rating scale so that the rater can elaborately present the scale by substantiating an explanation for his rating. They propose that in order for this method to yield the desired results, while preparing the essay on the employee, the rater must consider the factors that include; job knowledge and the potential of the employee, the employee's understanding of the company programmes, policies, and objectives, the employees' relations with the co-workers and superiors, the overall employees' general planning, organising and controlling ability, and the general attitudes and perceptions of the employees.

Meanwhile, Ahmed et al. (2010:26) highlight that although essay evaluation enhances the revealing of the detailed information about the employee and the rater, the risks are that it can turn to be highly subjective and prone to the supervisor's biasness. They point out that the results of these are usually latent in the fact that even the poorly performing employees may tend to get better ratings as compared to the better performing employees who could have been rated better. In other words, these authors attribute to the fact that the language used may tend to be flowery and reduce the ability for one to actually discover the real weaknesses and strengths of the employee. Nevertheless, Radnor and McGuire (2004:245) also highlight that critical incident technique comprises one of the other individual evaluation method which can be used in the modern organisations.

#### **Critical Incident Technique**

Radnor and McGuire (2004:245) state that while using the critical incident technique, the manager prepares the lists of statements of the behaviour of an employee that reflect critical incidents or events representing the outstanding or poor behaviour of an employee on the job. With this list prepared, these authors reveal that the manager maintains logs on each employee, whereby he periodically records critical incidents of the workers' behaviour. At the end of the rating period, Radnor and McGuire (2004:245) explain that these recorded critical incidents are used in the evaluation of the workers' performance. They point out that critical incident techniques provide the objective basis for conducting thorough discussion of the employee performance, and therefore eliminate the possibility of biasness. However, they also note that it is also associated with

certain inherent limitations that are linked to the fact that negative incidents may tend to be more noticed than positive facts. In a critical incident technique, Radnor and McGuire (2004:245) argue that the supervisor may have the tendency to unload a series of complaints about incidents during an initial performance review session. Besides critical incident technique, these authors also reveal that checklists and weighted checklists are the additional methods which are used in the individual evaluation methods.

#### **Checklists, Weighted Checklists and Graphic Rating Scale**

Bhattacharyya (2006:99) elaborate that a checklist represents, in its simplest form, a set of objectives or descriptive statements about the employee and his behaviour with the effect that if the rater believes strongly that the employee possess a particular listed trait, he checks the item, otherwise, he leaves the item blank. Amos, Ristow and Pearse (2008:293) highlight that a more recent variation of the checklist method is the weighted list under which the value of each question may be weighted equally or certain questions may be weighted more heavily than others. Despite the fact that the rating score from the checklist helps the manager in the evaluation of performance of the employee, these authors also point out that it has serious limitations. Amos et al. (2008:293) elaborate that the rater may for instance be biased in distinguishing positive and negative questions with the effect that he may tend to assign biased weights to questions. They reveal that another limitation is that the use of weighted checklists can be expensive and time consuming to hinder the managers' ability to assemble, analyse and weigh a number of statements about the employee's characteristics, contributions and behaviours.

Hand in hand with the use of the checklists and the weighted checklists, Amos et al. (2008:293) also note that the graphic rating scale is another type of technique which can be used in the individual evaluation method. They elaborate that the graphic rating scale refers to a printed form bearing traits which are used for evaluating employees with the overall purpose of evaluating the quantity and quality of work. These authors suggest that in developing the graphic rating scales, traits that the company considers important for the effectiveness of the job must be included. According to Bhattacharyya (2006:99), from the graphic rating scales, excerpts can be obtained about the performance standards of employees. He states that associated consequences are latent in the fact that if the employee is found to have serious gaps in technical professional knowledge, lacks the knowledge to bring about an increase in productivity, is reluctant to make decisions on his own, declines to accept responsibility, fails to plan ahead, wastes or misuses resources, then it can safely be inferred that the standards of performance of employees are dismal or disappointing. He reveals that the graphic rating scale is easy to understand, use and permits a statistical tabulation of scores of employees. Bhattacharyya (2006:99), however, points out that the limitations are reflected in the fact that the graphic rating scale may tend to be arbitrary and subjective. Besides the use of checklists, weighted checklists and graphic rating scale, Radnor and McGuire (2004:245) also indicate that the behaviourally anchored rating scale comprises part of the other techniques which are used in the individual evaluation method.

#### **Behaviourally-anchored Rating Scale**

Bhattacharyya (2006:99) explains that the behaviourally anchored rating scale is also often referred to as the behavioural expectations scale, and represents the latest innovation in performance appraisal. He reveals that the behaviourally anchored rating scale uses a combination of the rating scale and

critical incident techniques of employee performance evaluation. In effect, he points out that the critical incidents serve as anchor statements on the scale and the rating scale that contain six to eight specifically defined performance dimensions. Bhattacharyya (2006:99) concurs with Radnor and McGuire (2004:245) that in a bid to ensure that the behaviourally anchored rating scale is effectively developed, the five main steps that must be followed include; step 1: collecting critical incidents, step 2: identification of performance dimensions, step 3: reclassification of incidents, step 4: assigning scale values to the incidents, and step 5: producing the final document.

In terms of the first step that involves the collection of critical incidents, these authors reveal that interviews must be conducted with people such as the jobholders and supervisors so as to determine the behaviours that determine job performance. In the second step, they emphasise that the critical incidents identified must be clustered into the major dimensions of the factors that influence the effectiveness of job performance. In effect, they highlight that the clusters that must be considered in these dimensions include; technical competence, relationships with the public and communities, and the overall operational competencies. Under the third step that deals with the reclassification of incidents, Bhattacharyya (2006:99) elaborates that another group of participants knowledgeable about the job must be instructed to retranslate or reclassify the critical incidents generated in step 2, as in step 4, the assigning of scale values to the incidents can be accomplished using a scale of 1 to 7 or 1 to 9. In terms of the significance of these scales, he explains that a rating of one represents ineffective performance and the top scale value indicates very effective performance. Finally, he states that the effective accomplishment of all the activities in the previous four steps, leads to the production of the instrument on the behaviourally anchored rating scale in step 5.

In addition to set of these techniques for the accomplishment of the individual evaluation rating scale, Buchner (2007:59), Radnor and McGuire (2004:245) and Crandall (2010:19) also noted that another set of the techniques for performance appraisal also outlined the different techniques for accomplishing multiple person evaluation.

#### **Multiple-Person Evaluation Techniques**

Under the multiple person evaluation methods, these authors note that the commonly used techniques include ranking, paired comparison and forced distribution. Crandall (2010:19) explains that ranking method is a relatively easy method of performance evaluation, under which the ranking of the employee in a workgroup is done against that of another employee. In effect, they note that the relative position of each employee is expressed in terms of numerical rank. Despite emphasizing that ranking can also be done by ranking a person on his job performance against another member of the competitive group, these authors also state that while using this method, the evaluator is asked to rate employees from highest to lowest on the overall criterion. Though it is relatively easier to rank the best and the worst employees, Crandall (2010:19) also points out that it is very difficult to rank the average employees for the reason that in most of the cases, the evaluators only pick the top and bottom employees first, and then select the next lowest and move towards the average employees. In other words, he construes that it is difficult to compare individuals possessing varied behavioural traits for the reason that the method speaks only of the position where an employee stands in his group, and does not tell anything about how much better or

how much worse an employee is when compared to another employee.

In order to overcome these limitations, Crandall (2010:19) and Buchner (2007:59) note that a paired comparison technique has been proposed by the organisational leaders. To ensure that each worker is compared with all other employees in the group so that for every trait, the worker is compared with other employees, and for several individual traits, paired comparisons are made, tabulated and then rank is assigned to each worker.

Though this method seems logical, Buchner (2007:59) cautions that it is not applicable when a group is large for the reason that when the group becomes too large, the number of comparisons to be made may become frighteningly excessive. Instead, he advocates for the forced distribution method because as the evaluator is asked to appraise the employee according to a predetermined distribution scale, the rater's bias is sought to be eliminated because workers are not placed at a higher or lower end of the scale. He highlights that the two criteria used in a forced distribution method are the job performance and eligibility for promotion, though sometimes a five performance scale is used without any mention of the descriptive statements.

Buchner (2007:59) elaborates that while using the forced distribution method, workers are usually placed between the two extremes of good and bad performance with the effect that a worker of outstanding merit may be placed at the top 10% of the scale and 20% the next and so on. He reveals that under the criterion of eligibility for promotion, employees are classified according to their promotional merits that may include; quite likely promotional material, or may /may not be promotional material and quite unlikely promotional material. He argues that one strong positive point in favour of the forced distribution method is that by forcing the distribution according to predetermined standards or percentages, the problem of making use of different raters with different scales is avoided, though in salary administration, it may result in low morale, low productivity and high absenteeism.

In other words, Buchner (2007:59) states that employees who feel that they are productive but find themselves placed in a grade lower than expected, may tend to feel frustrated and exhibit, over a period of time reluctance to work. Buchner (2007:59), Radnor and McGuire (2004:245) and Crandall (2010:19) highlight that group appraisal is the other performance appraisal methods that influence the effectiveness of the entire process of performance management.

In other words, these authors share similar views with authors encompassing Grant and Parker (2009:317) and Jamrog, Vickers, Overholt and Morrison (2008:29) that when the process for performance management is effectively handled, its overall effects on improving the performance of the modern public sector organisations may tend to be enormous.

#### **Conclusion**

Despite examining the concept of employee performance management and development (EPMDs) in the modern public sector organisations, the discussions in this article also examined the key steps in the process of employee performance management and development in the modern public sector organisations. Judge et al. (2001:376) reveal that the three main key considerations in the employee performance management process, include planning and setting of the goals that must be achieved through performance management in alignment with the overall organisational goals and objectives, the monitoring and evaluation of the progress that the employees have so far made towards the achievement of such goals and objectives, and

determining whether compensation or development programmes must be provided.

However, the article points out that Serfontein (2010:99) and Schmidt (2007:481) share similar views that despite the accomplishment of the process of performance management in accordance with these three main steps, the effectiveness of the performance management is also measured by the extent to which a set of certain techniques are used. Core theories on performance management and development indicate that the techniques for performance management and development (EPMDs) in the modern public sector organisations include the use of the ABC (Antecedent, Behaviour and Consequence) model for behavioural change and the use of a set of different performance appraisal techniques.

However, the views of authors, Radnor and McGuire (2004:245), Verheijen and Dobrolyubova (2007:205) and Ahmed, Ahmed and Akbar (2010:26) indicate that the effectiveness of the performance appraisal process and the entire performance management system is measured by the use of a set of certain techniques. These authors state that the three main sets of performance appraisal techniques that can be used in the employee performance management process in the modern organisations include the individual evaluation method and multiple person evaluation method. Radnor and McGuire (2004:245) elaborate that the different types of the individual evaluation methods entail the use of confidential report, essay evaluation, critical incidents, checklists, graphic rating scales, behaviourally anchored rating scales, forced choice method, and MBO.

In addition to the set of these techniques for the accomplishment of the individual evaluation rating scale, Buchner (2007:59), Radnor and McGuire (2004:245) and Crandall (2010:19) also noted that another set of the techniques for performance appraisal also outlined the different techniques for accomplishing multiple person evaluation. Under the multiple person evaluation methods, these authors note that the commonly used techniques include ranking, paired comparison and forced distribution. In other words, these authors share similar views with authors encompassing Grant and Parker (2009:317) and Jamrog, Vickers, Overholt and Morrison (2008:29) that when the process for performance management is effectively handled, its overall effects on improving the performance of the modern public sector organisations may tend to be enormous.

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