

A PERFORMANCE APPRAISAL MODEL PROPOSAL FOR BLUE-COLLAR EMPLOYEES IN A UNIVERSITY

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ABSTRACT

There is a wide variety of research devoted to the performance appraisal in human resources management (HRM) literature. This study contributes to the field by providing a hierarchical framework for performance evaluation criteria, and defining importance weights for them.

Keywords: Performance Appraisal, AHP, Prioritization, Blue-collar employees.

1. INTRODUCTION

There are many similar definitions of performance appraisal in the literature. It could be seen as a personnel evaluation method which measures the work effectiveness of the employees to reach the organizational goals with using objective criteria. The aim is reaching higher productivity outcomes by the help of preset job specifications and standards, and deploying these throughout the company. Performance appraisals provide a formal, recorded, regular review of an individual's performance, and a plan for future development. As De Cenzo and Robbins stated some 35 years ago, performance evaluation studies were designed primarily to tell employees how they had done over a period of time, and to let them know what pay raise they would be getting. Although this may have served its purpose then, as they claimed, today there are some other reasons for performance appraisals especially related to development and documentation concerns as well. [1] On a more individual level, for example, performance management is commonly used for performance coaching in which feedback is provided to individuals on performance, or performance appraisal where an individual's performance is documented and feedback is provided. [2]

This paper aims at constructing a hierarchical framework for performance evaluation criteria to appraise blue-collar employees. Since the criteria sets are somewhat different for blue and white-collar employees, they should not be evaluated against the same model to end up with more appropriate results. It is expected to help managers perform a clearly understood and unbiased performance appraisal. To reach that aim, the rest of the study is formed as follows: In Chapter 2, the standards and measures for performance appraisal are explained. In Chapter 3, the proposed methodology is briefly defined, the hierarchical model is shown, and the calculated importance weights are listed. Finally, the paper ends with a brief conclusion in Chapter 4.

2. STANDARDS AND MEASURES FOR PERFORMANCE APPRAISAL

Performance appraisal is a multistage process. The process begins with the establishment of the performance standards in accordance with the organization's strategic goals. These standards should be clear and objective enough to provide consistency, and both sides (i.e. Managers and employees) should mutually agree on specific job performance and measures. Maintaining objectivity in defining

the performance standards, which serve as benchmarks against which performance is measured, is a major challenge for performance appraisal systems.

Assessment for employees with different levels of responsibilities is directed at the different nature of work performed by them [3]. Hence, the proportions (or importance weights) of the criteria differs according to the level of employment.

There are various methods available for assessing results, behavior and personal characteristics of an employee. These methods can be used according to the particular circumstances and requirements.

To ensure the reliability and validity of a performance appraisal system, a company must design the evaluation process carefully and develop appropriate measuring scales. Employees can be appraised against (1) absolute standards, (2) relative standards, or (3) objectives. No one approach is always best: each has its strengths and weaknesses.

3. METHODOLOGY AND RESULTS ACHIEVED

The AHP approach, developed by Saaty [4], became very popular in assessing criteria weightings in various multi-criteria decision-making (MCDM) problems. [5] The methodology offers various advantages in prioritization of the elements in MCDM problems. It involves decomposing a complex MCDM problem into a hierarchy, assessing the relative importance of decision criteria, comparing decision alternatives with respect to each criterion, and determining an overall priority for each decision alternative and an overall ranking for the decision alternatives. [6] The hierarchical body makes easy to do pair-wise comparisons.

This study takes the criteria in “Dartmouth College Employee Performance Evaluation and Development Plan” [7] as a basis. The criteria and their sub-criteria are placed in a hierarchical model under the goal, measuring performance of blue-collar employees, as can be seen in Figure 1.

After taking the expert evaluations by the help of a survey questionnaire, the pair-wise comparison scores were entered to Expert Choice software. Overall scores were calculated as in Figure 2 with 0.09 inconsistency (acceptable inconsistency ratio is defined as 0.1).

“Budgeting time effectively and being well organized and focused” has the largest overall score, showing that it is relatively more important (10.6%) than others. “Establishing and accomplishing duties in a competent and timely manner” is the second most important (10.4%) criterion.

4. CONCLUSION

Defining the performance standards, which serve as benchmarks against which performance is measured, with maintaining objectivity is a major challenge for performance appraisal systems. This study proposes a hierarchical model for the performance evaluation of blue-collar employees in a university, and defines the importance weights of evaluation criteria. By looking at the results, the HR managers should spend more time to train the blue-collar employees in basics of time management, and supervise them while performing their duties.

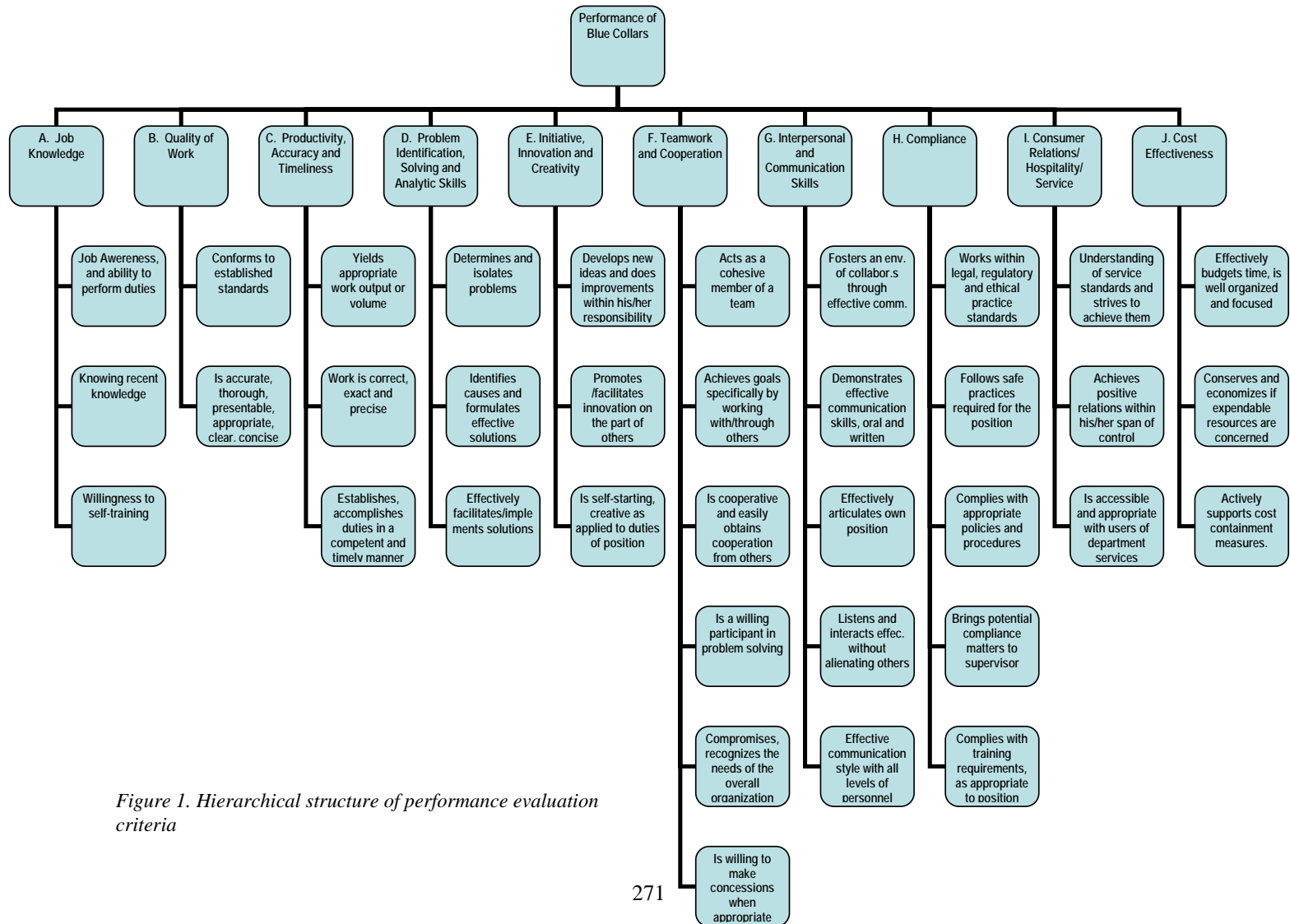


Figure 1. Hierarchical structure of performance evaluation criteria

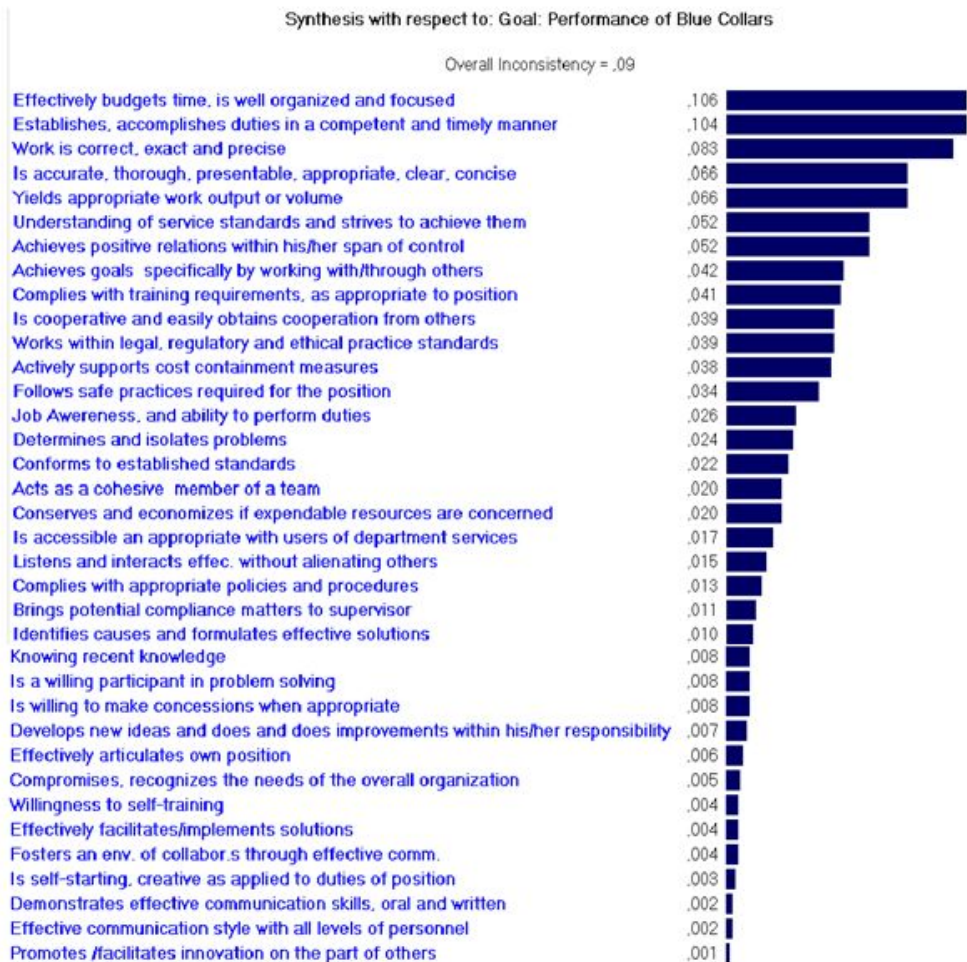


Figure 2. Priority weights of performance evaluation sub-criteria

5. REFERENCES

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