

ORGANIZATIONAL PRACTICE AND EMPLOYEE EXPECTATIONS IN THE PROCESSES OF PREPARATION AND IMPLEMENTATION OF EVALUATION SYSTEMS

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INTRODUCTION

Assessment and control processes are important to the proper functioning of an organization. They provide an overview of resources according to their usefulness and potential development possibilities. However, in practice they must be done efficiently and reliably, using appropriate evaluation methods and techniques so that the assessment process can provide a comprehensive overview of resources. It is also important to ensure that the assessment process is constant and systematic, not applied randomly and detached from the context. Another key element is the design of the evaluation process: it should enable each person who participates in it (not only the assessed, but also those doing the assessing) to have a full understanding of its purposes and principles.

In practice, however, these key elements are very often omitted, thus the evaluation is a fictional creation, or only a formality. This has a negative impact on employees' involvement, morale and attitude to the employing organization. Moreover, these are not the only mistakes that appear while rating personnel. Unfortunately, organizations are affected by diverse influences, fashions and trends in industry, and sometimes apply an evaluation method that is not compatible with their needs. This, of course, has a negative impact on the evaluation results, due to the inability to conduct fair situation analysis within the organization.

This article explores and describes the phenomenon of employee evaluation as practiced by Polish enterprises, and compares it to employee expectations. This subject matter is of the utmost importance today, because Polish organizations very often observe pronounced employee turnover, which may in part arise from mistakes made during the employee evaluation process. The study also aims to verify what assessment methods are most often applied and practiced by enterprises in Poland and how adequate they are

to the conditions prevailing in them. The study is based on the analysis of individuals' perception of the assessment process in the organizations examined. The research method used was a diagnostic survey, while the research tool was a questionnaire of my own design given to employees undergoing the evaluation process.

OBJECTIVES AND REQUIREMENTS OF EMPLOYEE EVALUATIONS

Today's organizations can use diverse techniques, forms and evaluation methods when making decisions about employee evaluations. Selection of the right evaluation method should depend not only on the organization's resources and competence of assessors, but should be closely associated with the specificity of the given organization and with the purpose of the evaluation. The basic aims of evaluation are: employment administration, motivation and instruction [Pocztowski 2016]. This means that results of an assessment process should be used to create the organization's personnel policy, not only in terms of promotion or reward, but also overall employment. Results of interim evaluations don't only provide knowledge about how employees are working, but also about their strong and weak points. The results can and should be the grounds for shaping career paths and stimulate the development of human resources. Of course, so that the evaluation fulfills its motivating role, it should provide employees with fair and constructive feedback [Sidor-Rządkowska 2013]. This element, in fact, enables employees to draw their own conclusions and correct their own behavior in the future. It is particularly important in the case of mature employees with a large degree of awareness and desires to create their own career paths.

Depending on the key purpose of evaluation in the organization, various assessment tools will be selected. These tools must above all be adapted to the specificity of the particular organization, i.e. size, organizational structure, span of control and industry in which it operates. It is also very important to ensure that the assessment tool has been chosen based on competences required from the employee – that means, based on the type of competence in question, its specificity and the level of progress [Oleksyn 2010]. The given tool must be practicable given the resources the organization has at its disposal – not only in financial terms, but also with regard to the competence of the people conducting the assessment process. During the creation of the assessment system in any enterprise, the fact that each method and technique has both disadvantages and advantages must be considered. When selecting an assessment for an organization, it is necessary to take into account the corporate culture, the standards adopted and the patterns of behaviour. This should be done to neutralize any weaknesses of the method and increase the likelihood it will carry out its function. Two basic groups of assessment methods are listed in the subject literature – absolute methods and descriptive methods [Sidor-Rządkowska 2013]. The difference between these two groups is that relative evaluation assumes comparison of employees between each of them, while the absolute evaluation appoints the comparison of employees to adopted models, standards and expectations [Król and Ludwiczynski 2016].

RELATIVE METHODS OF EMPLOYEE EVALUATION

Relative methods are rarely applied by today's organizations. Very often, however, the relative employee evaluations technique constitutes a basis for comprehensive enterprise policy in employee evaluations. It is usually achieved by creating rankings or using a normal distribution method. Ranking entails the ranking of employees in a specific order – from best to worst. A relatively simple method to apply, it consists in determining the employees position depending on how well they meet the company's expectations in terms of a defined criterion [Oleksyn 2011]. The assessor can also apply more criteria, which will be the basis for conducting the assessment, as per the assessor knowledge and idea of assessment criteria. Often the consequence of adopting this method is a so-called Australian race, where the employee in the last position leaves the organization [Sidor-Rządkowska 2013].

One of the biggest advantages of this method is it is simple and quick to use on teams with a smaller number of members. The disadvantage, however, is that employees are not given feedback and there are also limited comparisons to members of one group [Król and Ludwiczynski 2016]. The technique of normal distribution (forced) is based on the law of statistics, which states that the disintegration of every feature in any population is constant and thus possible to determine with a model. This means that the assessor assigns each of the evaluated employees to a specific range as a part of normal distribution. Thanks to that, the classification list breaks down thus: 10% of the employees assessed are the lowest or the highest, while 20% are slightly below and 20% slightly above the average, and the other 40% are assessed as being average [Pocztowski 2016]. This technique influences administrative decisions because assessors can identify with the highest and lowest levels of confidence.

However, not all groups of employees are representative samples and it may happen that the percentage of average, outstanding and poor employees doesn't correspond to the pattern. The Pygmalion error also constitutes a high risk, which may be due to a decrease in both motivation and sense of justice amongst employees [Sidor-Rządkowska 2013]. Comparison of pairs is another technique used in employee evaluations, especially when a large number of employees have received similar ratings and the supervisor wants to create a ranking that scores employees according to the level of competence. Then each pair of employees is compared separately, according to the "peer to peer" principle. When a large number of employees is involved, this technique is unusually time-consuming and may cause a great problem in producing a reliable presentation of the results [Sidor-Rządkowska 2013].

ABSOLUTE METHODS OF EMPLOYEE EVALUATION

Absolute methods are definitely more often applied in the practice of assessing employees. They involve comparing the employee to the adopted pattern of behaviors, competence and self-reliance level [Stoner et al. 2011]. In practice, the companies most often apply a descriptive evaluation or rating scale; however, these are not the only absolute

assessment techniques. A descriptive evaluation usually provides unlimited freedom of evaluation, but in the process causes the risk of subjectivity. A few varieties may be applied: free description, structured, criteria-based or criteria-free [Pocztowski 2016].

Scoring the evaluations involves determining the criteria to be used. The assessor's task is then to assign points to each of the criteria for each of the individuals assessed [Sidor-Rządkowska 2013]. This method is relatively uncomplicated, but it may not be objective, due to the lack of an assigned degree of importance to individual criteria are not assigned a degree of importance. Therefore, a rating scale is more often applied with weighted scales, which express the degree of severity of specific criteria [Pocztowski 2016]. The evaluation is based on a questionnaire, with the assessor selecting the correct answers for each area assessed. Due to the limited number of responses, the results may be falsified in such an evaluation, thus the results are not reliable.

The critical events method is very controversial, and therefore relatively rarely applied in practice [Sidor-Rządkowska 2013]. It involves listing the extreme behaviour of employees, both positive and negative. However, due to the incidental nature of the evaluation process, it may not be objective. The biggest threat in this method is that employees' assurance behaviors are the grounds to obtaining higher average evaluation scores rather than outstanding achievements. Behavioural scales are more popular because they enable the assessor to get to know and evaluate the behaviour of employees, at the same time providing constructive feedback to the person assessed [Król and Ludwicyński 2016].

Evaluation through target setting is related to management by objectives [Pocztowski 2016]. The basis for the application of this method is the analysis of achieved objectives set by the employee and supervisor at the beginning of an evaluation period. Such a presentation includes the employee in the assessment process; however, there is also a risk of the superior imposing objectives, so this method does not meet its basic function, also minimizing the employee's motivation to achieve his or her objectives [Sidor-Rządkowska 2013]. Multi-sourced methods, including 360, 270 or 180 degrees are more often applied, especially in management positions. In the 180-degree evaluation, information is collected from 2 sources – the supervisor and the employee. Three sources of evaluation – employee self-evaluation, superior evaluation, and coworkers – make up the 270-degree evaluation. The 360-degree evaluation differs in that it includes reporting employees in the group being assessed. In some models, the client is also involved in the evaluation.

RESEARCH METHODOLOGY

The diagnostic survey method was used to explore the research area, while questionnaires were the research tool given to persons who were the subject of employee assessments in the organizations. The questionnaire contained 13 single and multiple choice closed questions and basic information. The study had a cross-cutting nature and was conducted in January 2015 on a group of 35 respondents aged 24–45. It used the method of intentional selection on the basis of the respondents' professional experience in an organization with headquarters (or a representative office) in Poland. In terms of variables, the most important factor was the amount of experience in the given organization, which

enabled us to determine whether an employee should be familiar with evaluation methods and systems used. The study found that 60% of the individuals surveyed had worked in the given organization for longer than 2 years, while only 6% had been working less than 6 months. The adoption of this criterion allows us to state that respondents possessed sufficient knowledge and experience to take part in the study on their employers' practices. Due to its exploratory character, the applied research approach was undertaken in order to become more familiar with the research area and the possibility of formulating further questions. The method of analysis adopted was primarily the distribution of number and measures of central tendency. The variables studied were: employee evaluation understood as an assessment of competence, the quality with which employees completed tasks, and attitudes and personality traits relevant to the objectives of the employing organization. As a part of employee evaluations, the occurrence and frequency of different evaluation methods and techniques was studied.

RESULTS

As the studies show, the majority of respondents took part in employee evaluations. 60% of the companies researched conducted evaluations every 6 and 12 months. This seems adequate to the organizations' needs, as it minimizes the risk of too much time lapsing between the occurrence of specific behaviours and their being discussed. Nearly 80% of people surveyed stated that the frequency of evaluation is appropriate. Even individuals evaluated less than annually or more often than quarterly regard this frequency as appropriate. The preference for too long an interval in the assessment process may indicate a lack of willingness to participate in it, or may be a result of negative experiences from the past. Almost 70% of those examined were evaluated with the 180-degree method, as many stated that their self-evaluation is taken into account during the assessment process.

In democratically managed organizations, regarding efforts to encourage employee participation in the process of creating a place of employment, such an approach is essential to assure the employees of their role in the organization. This approach should have resulted in an increased sense of justice among employee, though the studies did not confirm that. The majority (63.3%) stated that evaluation results in their organization are not fair. This should be a warning sign for the company and people engaged in the assessment process, because it means a decline in team morale, and in the long term may lead to a lack of employee engagement and turnover. A sense of injustice in the assessment process may be due to the lack of consequences for employees. Only 6.7% of respondents stated that the evaluations conducted had any consequences. Of course, this claim may also result from a lack of awareness of employees, since almost 30% of respondents declared that they hadn't been acknowledged in the evaluation methodology, requirements and purposes. In such a situation, the evaluation system does not meet its basic motivation function. In addition, it does not have a positive impact on the participants of the assessment process. Participants of the study were asked in one of the questions to take a stance on a few statements concerning employee evaluation and to respond based on a five-level Likert's scale.

Figure 1 presents results of the response to this question.

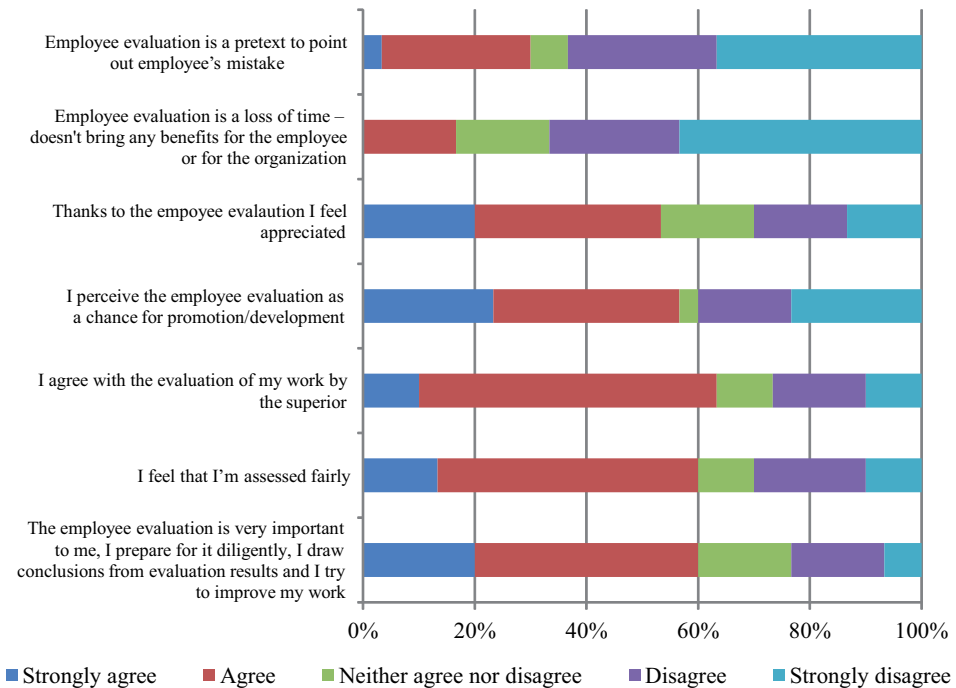


FIG. 1. Respondents' attitudes to the employee evaluation

Source: the author, based on the studies conducted.

As can be seen from Figure 1, as many as 60% of those examined declared that they diligently prepared for their evaluation, drew conclusions from its results and tried to improve their own work. Such a declaration means that the employee evaluation is treated seriously and employees take its result into account. Exactly the same number of respondents stated that they felt they were assessed fairly. This contradicts the previous conclusion, i.e. 60% of those examined think that evaluation results in their organization are unfair, but only on the surface. This suggests that members of the organization feel that other employees are being judged too harshly or not harshly enough in comparison to them. Such a feeling may cause the results of periodic assessments to lack both transparency and comparative criteria in the evaluations. Generally, the respondents examined (56.7%) have a rather positive attitude to the employee evaluation, citing the chance for career development and increased competence (56.7% of examined). More than half of those surveyed stated that thanks to the evaluation they felt appreciated (53.3%) and agreed with their superior's assessment of their work (63.3%). Such indicators show that the evaluation has a chance to fulfill its developmental function and to motivate employees to take initiative. Only 16.7% of respondents stated that it failed to bring tangible benefits and was a waste of time. This means the employees largely accepted the evalua-

tion processes. Just short of a third of those surveyed (30%) also stated that the evaluation constituted a pretext to point out mistakes, which may indicate that in the assessment processes conducted, there is too little emphasis placed on the employee's strong points and too much description of their weaknesses.

Certainly an applied method of the evaluation technique and how adequately it matches the organization has an impact on the perception of the evaluation. According to 50% of those examined, their organization method of assessment is not appropriate. Figure 2 presents common methods for the employee evaluations.

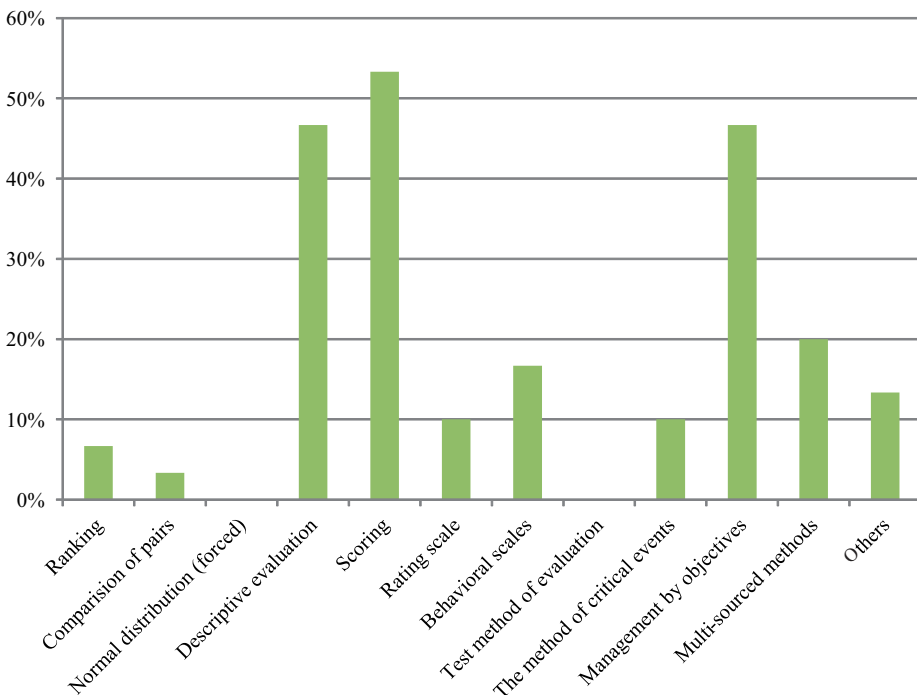


FIG. 2. Evaluation methods and techniques adopted in studied organizations

Source: the author, based on the studies conducted.

As can be seen from Figure 2, the most commonly used technique is a rating scale and descriptive evaluation, while the most commonly used method is management by objectives. A rating scale and the descriptive method are two different forms that may be used during employees assessment. The study proved that in organizational practice, the absolute methods are most often applied, because the majority of respondents declared exactly this type of methods in their professional practice. This, of course, has both disadvantages and advantages: On the one hand, it allows for an independent assessment of the employee, but it may also cause a sense of injustice. Only 26.7% of those examined stated that weighted or behavioral scales were applied in their organizations, while over

50% of respondents declared that a rating scale was used. This may mean that evaluation based only on criteria – and no assigned disadvantages or frequency of the appearance of given behaviours – is unreliable, and therefore employees don't have a sense of justice in the given evaluation system.

Employee evaluations in the organizations have different functions and do not always provide real consequences. From the point of view of creating the employee's engagement, the most important effect of evaluations is to meet his or her expectations. Figure 3 presents summary of the real consequences of the assessment processes versus employee expectations. As can be seen, the most common result of evaluation is financial gratification in the form of a bonus, a pay rise or an award, and in most indications it is also the basis for establishing the training plan and improvement in areas requiring improvement. Slightly less than half of those surveyed stated that they received feedback on their work and competence level alongside the results of their evaluation. This means that the employee evaluations don't meet their basic function – that is, they fail to apprise employees of their actual level of knowledge, competence and usefulness in the organization. Given that nearly 70% of those examined expected to receive reliable feedback and constructive criticism, this is a glaring weakness in the assessment processes.

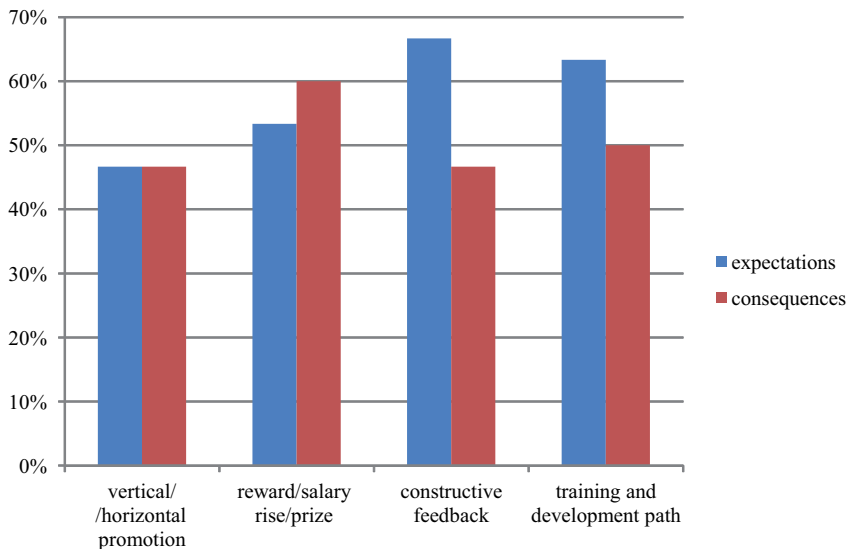


FIG. 3. Summary of consequence of the employee evaluation with the expectations of those assessed

Source: the author, based on conducted studies.

In most of the cases studied, the evaluation result led to material consequences, and the most common expectation employees had was to obtain feedback that would allow them to correct their own behaviours and improve work performance. In addition, more than 60% of the people surveyed stated that they expected to find out their

weak and strong points, as well as their developmental prospects. There is no balance between employee expectations and the actual effects of the evaluation. Regarding the issue of promotions (both vertical and horizontal), there is a balance between respondent expectations and the actual state of affairs – a total of 46.7% of respondents have such expectations with regard to the evaluation and they declare that these are the real consequences of conducted employee evaluations. It is worth noting that in organizational practice, the effect of evaluation has a material or financial dimension (promotions, bonuses, and pay rises). However, employees' requirements are different – they expect to obtain constructive feedback and outline a further development path by establishing a training plan and in-service training. It turned out that nearly 20% of participants in evaluations are not satisfied with the effects of the evaluation, which may affect the sense of justice felt in the organization. Certainly such a structure of employee expectations regarding the assessment process has an impact on their experience at work and professional maturity, which determines the level of awareness and responsibility they have as they forge their career paths.

CONCLUSIONS

The studies conducted illustrate that there is a certain disparity between the employees' expectations and the real consequences of their work. According to the subject literature, employees at the advanced stage of professional maturity expect, above all, non-material benefits; that is, not only to apply development possibilities, but above all to receive fair and constructive feedback. Unfortunately, organizations do not always manage to organize the assessment process in such a way that meets the employees' expectations in this regard, and hence fulfil the basic function of employee evaluations. However, the fact that the attitude of employees towards the assessment process is positive is very important, and suggest that enterprises manage to create an atmosphere of dialogue and sincerity. Nevertheless, it is clear that employees do not feel the evaluations instill a sense of justice, perhaps suggesting the evaluation method was badly selected, or the evaluation technique was inadequate. Indeed, the techniques most frequently indicated were the descriptive evaluation and the rating scale. From the point of view of a sense of justice, the behavioral scales or possibly weighted scales would clearly be more beneficial. Of course, it is possible that just such scales are applicable in the units analyzed here, though employees are not aware of this. This is a mistake, because only full transparency of the assessment process, as well as knowledge of evaluation principles and criteria, can guarantee that employees will feel they are being fairly assessed. The 180-degree technique and importance of the self-evaluation process in employee evaluation are extraordinarily important and certainly have a positive reflection on employees' entire assessment reception by employees. Results from the studies conducted show that these are not sufficient activities to ensure the assessment process is fully functional.

The results lead to further questions and areas of study, including the justness of assessment processes, the adaptation of the means and methods of evaluation to reality and the organization's needs, as well as the degree of employee participation in the assessment

processes. Finally, the ability to analyze the assessment processes, their requirements and criteria from the organizational perspective would be especially valuable.

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Summary. The aim of this work was to explore employee evaluation as they are used in organizations. The research method was a survey, and the research tool was a questionnaire. Results from the studies show that there is a discrepancy between employee expectations of the evaluation processes and their real effects. This can cause employees to feel a sense of injustice with regard to evaluations, which, according to research, is quite common. A lack of analysis of the evaluation practice from the organizational perspective was a substantial limitation of the research conducted for this article. Nevertheless, conclusions from the research can be used as pointers in creating and correcting evaluation systems in organizational practice.

Key words: employee assessment, employee assessment methods, employees' expectations, feedback, sense of justice

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