
JOB EVALUATION AND PERFORMANCE APPRAISAL, TOOLS FOR IMPROVING EMPLOYEES PERFORMANCE

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ABSTRACT

Human resources are the most vital resources in any organization. This is because human resources plan, coordinate and control other resources (time, material, capital etc) in an appropriate form in order to achieve the goals and objectives of the organization. Having viewed the importance of the human resources, there is the need to evaluate the jobs to be performed by all employees in an organization as well as the performance of the employees. This write up is divided into four sessions. Session one looks at the introduction, concepts, process and methods. Session two looks at the differences between job evaluation and performance appraisal. Session three explains the importance of job evaluation and performance appraisal in improving employees performance while session four explains the conclusion and recommendations for the subject matter. It is an undisputable fact that the caliber of human resources of an organization determines the success or failure of the organization, hence the need to appraise the performance of human resources in an organization.

Keywords: Job Evaluation, Performance Appraisal, Tools, Human Resources and Performance

INTRODUCTION

In order to achieve the objectives of an organization, there is the need for human resources that will combine other resources (financial, material, time etc) together in appropriate combinations for the production of goods and services. Hence, there is the need to evaluate the worth of the jobs to be performed by different employees in order to establish a rational pay structure which will promote employees performance. There is also the need to measure the performance of the employees in an organization in order to promote efficiency. Having known that the human resources constitute the organization, there is need to appraise the performance of the human resources in order to improve on their performance, understand their strengths, weaknesses, motivate them and finally to improve on the efficiency and effectiveness of the organisational objectives.

JOB EVALUATION

According to John Bratton and Jeffrey Gold (1999), Job evaluation 'is a systematic process designed to determine the relative worth of job within a single work organization'. The essence of job evaluation is to determine the value and worth of jobs. The technique of job is basically on achieving internal equity of pay among different jobs in the organization. It has been argued that job evaluation constitutes the foundation of pay equity (Conway, 1987). The three (s) characteristics of job evaluation in measuring job worth's are:

1. The techniques is systematic rather than scientific. Job evaluation depends upon a series of subjective judgment.

2. Selection of the compensable factor is inherently subjective. Criteria for determining job worth often varies from employers to employers, thus making objective measurement highly impossible.
3. Job evaluation methods differ in their capacity to measure differences among jobs.

According to Garry Dessler (2005:400), job evaluation is aimed at determining a job's relative worth'. It is a formal and systematic comparison of jobs to determine the worth of one job relative to another and eventually results in wages or salary hierarchy. The basic principle is this: Jobs that require greater qualification, more responsibilities, more risk and more complex job duties should be paid more highly than jobs with lesser requirements. Job evaluation can be said to be any activity that sets out to make a systematic comparison between jobs to asses their relative worth, for the purpose of establishing a rational pay structure.

JOB EVALUATION PROCESS

Job evaluation is mostly a judgmental process, one demanding close cooperation among supervisors, Human Relation specialists, employees and union representatives. The main steps include identifying the need for the program, getting cooperation, and then choosing an actual evaluation.

METHODS OF JOB EVALUATION

Job evaluation methods can be divided into two categories, namely,

1. Non – analytical method
 2. Analytical method
1. Non – analytical method
This method takes whole jobs and ranks them. Examples of this method are:
 1. Job ranking
 2. Job grading or job classification.

JOB RANKING METHOD

This involves ranking jobs from least (bottom) to the most valued job in the organization. The hierarchy of job or job ranking is based on the subjective evaluation of the relative value.

Example is

Job title	Most valued
Registrar	Vice Chancellor
Vice Chancellor	Registrar
Administrative officer	Administrative officer
Security man (guard)	File clerk
File clerk	Security man (guard)

In the example above, the job evaluators have agreed that Vice-Chancellor is the most valued of the five jobs listed. It must be noted that the rate of pay will reflect this simple hierarchy. Job evaluations also involve selecting a representative sample of jobs (benchmarks), prepare basic job description and compare with description and rank them in order of their perceived importance. It is important at this juncture to point to the fact that each evaluator's ranking will be discussed in a job evaluation committee. However, it

is simple and cheap to operate but the disadvantage is that it is highly subjective and rely heavily on the personal knowledge of the benchmark jobs. It is also crude in nature.

JOB GRADING MEHTOD

It can be called job classification. This is the process of placing jobs in a series of grades. It involves classifying or placing job into appropriate grade based on the degree to which the jobs possess a set of compensable factors. It is noted that the lowest grade will be defined as containing those jobs, which require little skills and can be closely supervised. The job can be classified based on grade with respect to skills knowledge and responsibilities. As the grade increase from lower to upper, the level of skills, knowledge and responsibilities increase. A well known system of job grading is the one developed by the Institute of Administrative Management, this scheme has eight grades ranges from A-H e.g. Grade A may involve task requiring no previous experience e.g. the work of a messenger while Grade H may require professional knowledge, job experience and professional qualification in the job expected to be performed. The advantages of this method are as follow.

1. It is simple
2. It saves time
3. It is inexpensive.

However, the disadvantages that confront the users of this method are listed below.

1. Complex jobs are difficult to slot in a grade
2. A job may have the features of two or more grades.

ANALYTICAL METHODS

This involves analyzing jobs in terms of their principle components and not as whole entities. Some of this method involves point rating method and factors comparison method. It is noted at this juncture that this method involves qualitative analysis.

POINT RATING METHOD

This is a quantitative method and it is frequently used among other methods of job evaluation. The point rating method develops several scales for each compensable factor in line of hierarchy of jobs. Point rating method involves using points allocated to various jobs in hierarchy order to evaluate the worth of each jobs. After adding the points assigned to each compensable factors, the location of the job in the pay structure as well as the value of the job is highly estimated and known. An illustration is given below.

Point Rating System

Job title	Skill	Mental effort	Responsibility	Physical effort	Working condition	Total
File clerk	10	10	10	10	5	45
Registrar	20	20	35	5	5	85
Vice-Chancellor	25	20	40	5	5	95
Admin officer	15	15	17	8	10	65
Security man	5	2	2	17	9	35

From the table above, one can deduce that the job of the Vice-Chancellor has the highest worth and value and should be paid the highest salary, followed by the Registrar, the Administrative officer, file clerk and finally by the security man (guard).

Advantages of point rating system

1. It is relatively stable over time.
 2. It is more acceptable to the interested parties based on its comprehensiveness.
- The disadvantage is that, it is too expensive to operate.

FACTOR COMPARISON METHOD

This is also another quantitative method of job evaluation. It evaluates jobs on the basis of a set of compensable factors. It is a more refined method of evaluating the worth of a job. Some of the factors are skills, mental efforts, responsibility, physical efforts and working conditions. Unlike the point rating system, factor comparison makes use of monetary value. The job worth can be estimated by adding the monetary value assigned to the compensable factor and the total is achieved at the end of the day. The advantage is that, the criteria for evaluating jobs are made easy while the disadvantage is that, it is complex.

PERSONNEL PERFORMANCE APPRAISAL

It is the systematical planned process of evaluating individuals in terms of their job performance. The employee is being assessed in terms of his performance in carrying out the general duties, together with any specific target. Secondly, appraisal may be used to assess employee's suitability for promotion either generally or with a specific job in mind. According to Garry Dessler (2005:310), performance appraisal means evaluating an employee's current and/or past performance relative to his or her performance standards'. Performance appraisal also always assumes that the employee understood what his or her performance standards were and that the superior also provides the employee with the feedback, development and incentives required to help the person eliminate performance deficiencies or to continue to perform above par. This may not be the case in actuality. The aim is to improve performance.

According to Mc Gregor (1960), 'appraisal programs are designed not only to provide more systematic control of the behaviour of a subordinate but also to control the superior'. This implies that performance appraisal is also used for controlling the behaviour of the superior officers in an organization. It is noted that the employee should also understand how the process of appraisal will look like and to some extent the contributions of the employee. In most circumstances the appraisal is conducted by the employee's manager or it may involve the Board of Directors pending on the degree and essence of the appraisal and the level of staff involved. According to Druncker (1954), 'To appraise a subordinate and his performance is part of the manager's job. Indeed unless he does the appraising himself, he cannot be said to have adequately discharged his responsibility to the subordinates. The criteria for appraisal must be measurable, achievable, realistic and must encourage the employees to rise to the challenge and be neither irrelevant nor over-enthusiastic.

STEPS IN APPRASING PERFROMANCE

According to Garry Dessler (2005:315), 'the performance appraisal process itself contains three steps: define the job, appraise performance, and provide feed back. Defining the job means making sure that you and your subordinate agree on his or her duties and job standards. Appraising performance means comparing your subordinate's actual performance to the standards that have been set; this usually involves some type of

rating form. Thirdly, performance appraisal usually requires one or more feedback sessions. Here the two of you discuss the subordinate's performance and progress, and make plans for any development required.

METHODS OF RATING PERFORMANCE

Graphical rating scale method: This is the simplest and still the most popular techniques for appraising performance. A graphic rating scale lists trait such as quality, reliability and a range of performance value from unsatisfactory to outstanding for each trait. The supervisor rates such subordinates by circling or checking the score that best describes his or her performance for each trait. The assigned values for the traits are then totaled.

Alternation Ranking Method: Ranking employee from best to worst on a trait, since it is easier to distinguish between the worst and best employees, an alternation ranking method is most popular. Firstly, list all subordinates to be rated, then cross out the names of any known well enough to rank, then indicate the employee who is the highest on the characteristic being measured and also the one who is the lowest, then choose the next highest and next lowest until all employees have been ranked.

Forced Distribution Method: This is similar to grading on a curve. With this method, you place predetermined percentage of rates into performance categories e.g. distribute employees as follows:

- 15% high performance
- 20% high average performance
- 30% Average performance
- 20% Low-average performance
- 15% Low performance

Critical Incident Method: With the critical incident method, the supervisor keeps a log of positive and negative examples (critical incidents) of a subordinate's work related behaviour. In this method, supervisor and subordinate meet to discuss the latter's performance. It is used for control measure and for performance improvement.

Behaviour Anchored Rating Scales: This combines the benefits of narratives, critical incidents and quantified (graphic rating type) scale by anchoring a rating scale with specific behaviour example of good or poor performance. The advantage is that, it provide better and more equitable appraisal than other tools.

Difference between Job Evaluation and Personnel Performance Appraisal

Job Evaluation is a systematic process designed to determine the relative worth of job while performance appraisal is a systematic planned process of evaluating individual in terms of their job performance. The purpose of job evaluation is to produce a defensible ranking of jobs which can be used as the basis for rational pay structure while the purpose of performance appraisal is to know the strength and weakness of the employee in order to promote employees performance. Job evaluation assesses jobs while performance appraisal assesses the individual in terms of their job performance. Job evaluation is usually carried out by groups while performance appraisal can be done by individual e.g. the boss. Job evaluation methods can be divided into non-analytical methods (job ranking, and job grading) and analytical methods (point rating method and

factor comparison method) while performance appraisal methods can be grouped into graphical scale rating method, alternation ranking method, forced distribution method etc.

Importance of Job Evaluation and Performance Appraisal in Improving Employee Performance

Job evaluation which provides a rational and defensible basis on which to decide pay in general, and differentials in particular encourages effective employee's performance having known the amount to get from such job, likewise performance appraisal also encourages high performance because every employees tend to embrace positive appraisal. Job evaluation is done in order to determine the worth of a job in a work system. The worth of Accountant job is greater than a driver's job which will definitely promote the performance of the employees handling such jobs. Performance appraisal is done for promotion, transfer, salary review etc. This will definitely serve as a tool for employee performance. Another objective of job evaluation is to establish a rational pay structure which serves as drives for higher job performance while performance appraisal which identifies employee current level of job performance also gives room for minimization of weakness and maximization of employee's strength for better job performance. Job evaluation and performance appraisal encourage management and employees alike to think of jobs in terms of key components. Performance appraisal gives room for the boss and subordinates to develop plan for correcting any deficiency the appraisal might have unearthed while job evaluation helps in making compensation equitable which definitely will give room for improved employee's performance.

Job evaluation aims at reducing reliance on arbitrary methods of pay determination by introducing an element of objectivity in the way jobs are compared to promote pay structure and employee performance, likewise performance appraisal which provides a basic for rewarding employees in relation to their contribution to organizational goals. Job evaluation and performance appraisal are tools for employees motivation. Having known the worth of a job, with respect to its pay structure and the end product of positive appraisal, an employee will perform effectively in achieving the organisational objective. In most cases, when jobs are evaluated, it gives room for equitable compensation, likewise performance appraisal which always affect the employees salary and promotional decision. Both are geared towards improving employees performance.

CONCLUSION

It is an undisputable fact that the caliber of human resources of an organization determines the success or failure of an organization. Hence, the need to appraise the performance of human resources in an organization in order to motivate and improve an employees performance towards the achievement of organisational objectives. More so, there is also the need to evaluate the worth of each job in order to establish a rational pay structure that will fostal and improve employees performance..

RECOMMENDATIONS

In order to achieve an effective employees performance, the researcher hereby recommends the followings. The criteria for appraisal must be rational, measurable, achievable and must encourage employees to stand to various challenges. There should be an open culture and value where employees participations are encouraged rather than

a 'calling to account' by superior. Where the appraisal focus on job performance, the appraisal form should ask the employee questions on success in achieving job targets or objectives than to comment on employees attributes when the focus is on employee rather than the job, the reverse is the case. The issue of leniency and strictness should be avoided when rating employees. The strictness or leniency problem is especially severe with graphical rating scale. On the other hand, ranking method should be adopted. Lastly, unclear standard should be avoided. The graphic rating scale seems objectives but would probably result in unfair appraisal because the traits and degree of merit are ambiguous for example; different supervisors would probably define 'good performance' fair performance and so on. More so, the same is true of traits such as quality of work or creativity.

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