

Managing and Measuring Performance

Managers' perspectives

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Abstract

The attitudes of managers to performance management were as examined in this study. A semantic differential questionnaire referred to as "Conceptualization of Performance Management Scale" (C.P.M.S) was employed to gather data for the investigation. In the instrument, the performance management processes formed the eleven concepts, rated on four adjectival pairs. Interviews were also conducted among the managers to further buttress their responses to the concepts.

The subjects were 50 managers from 2 automobile companies i.e. R .T. Briscoe (Nigeria) PLC and Mandilas Enterprises Ltd. The result from the investigation addressed the research question by highlighting the attitudes of managers to performance management. Some of these attitudes pointed to barriers in effective performance management process, which includes: inadequate training of the managers, misconception that, it is all about completing forms once a year – "a club to force people to work better or harder". The study therefore concludes with recommendations intended to make performance management beneficial to both employees and managers as well as the organization as a whole.

Introduction

Measurement and evaluation have played significant role in human history than is generally recognized. Earliest records indicate that by the dawn of recorded history, people had developed systems of measurement. The ancient Egyptians used accurate methods of measurement in building the pyramids. The book of Genesis states that Noah built his ark three hundred cubits long, fifty cubits wide and thirty cubits high, indicating that he carried out detailed measurement of the ark during construction.

Accurate and dependable measurement is a fact of life in our modern technologically biased society. "You simply can't manage anything you can't measure" (Quinn, R. in Lingle and Schiemann, 1996). Measurement concepts such as Performance Appraisals seem like good idea, but how well they actually work? This depends on how managers conceptualize Performance Management. Performance Management process have come to the fore in recent years as means of providing a more integrated and continuous approach to the management of performance than was provided by previous isolated and often inadequate merit rating or performance appraisals schemes (Armstrong, 2001).

In business, Performance Management is inevitable. Most important unbiased decisions, whether by or for individuals or in general matters such as promotions, counseling, training, transfer or some other aspects of Personnel Management decisions, depends primarily on the

results of Performance Management. The constant evaluative role of managers as he attempts to determine the degree of his employees' contributions to the organizational success will help him make hundreds of major and minor decisions each year cannot be over emphasized.

What is generally observed is that managers have diverse ideas about Performance Management. Even now that great improvements have been made in methods of Performance Management during the past years, some managers are still adamant to the usefulness. In essence, enough attention has not been paid to Performance Management as a tool, a means to an end, not an end in itself. With the pervasiveness and usefulness of Performance Management in business, it is intended that managers should measure the capability of individuals so that they can evaluate strengths and weaknesses in skills and also determine the extent of an employees' progress towards the goals and objectives of the organisation.

Review of Literature

The management of performance is a system by which organisations use in getting better result from individual employee (s) by putting appropriate means and methods of understanding and managing performance within the context of the organisational goals and objectives in order to match with the reward system so that an employee would have a better pay system commensurate with his performance (Aminu, 2011).

Employee Performance constitutes the **job related activities** expected of a **worker** and how well those activities were **executed**. Performance criteria are standards for employee behavior at work. These criteria contain much more than how an employee does the work. Employees are rated on how well they do their jobs compared with a set of standards determined by the employer (Moore, 1974).

Employee performance management is a process that companies use to ensure their employees are contributing to producing a high quality product or service. Employee performance management encourages the employee to get involved in the planning for the company, and therefore anticipates by having a role in the process, the employee will be motivated to perform at a high level (Kirk, 2006). Employee performance management is used to evaluate the current performance of employees and to help improve the performance in the future. It is a never-ending process to help the company and its workers excel.

Bernadin et al (1995) are of the views that performance should be defined as the outcomes of work because they provide the strongest linkage to the strategic goals of the organisation, customer satisfaction and economic contribution. Campbell (1990) opines that performance is behaviour and should be distinguished from the outcomes, while Brumbach (1998) states that performance is concerned with behaviour and outcome.

An effective performance management system should develop employees' understanding of what needs to be achieved, help them to improve corporate performance and reward them on the basis of their contribution. The role of performance management is supporting the achievement of the business strategy and this is fulfilled by providing a means of cascading corporate objectives downwards throughout the organisation. The objectives set for senior managers are directly related to what they and the division, function, unit or department they control need to achieve to contribute fully to the attainment of corporate strategies. It is a process for establishing shared understanding about what is to be achieved, and an approach to managing and developing people in a way that increases the probability that it will be achieved in short and longer term. It is owned and driven by line management (Armstrong, 1992; 2003).

Performance management is about managing the organization. It is a natural process of management, not a system or a technique (Fowler, 1990). According to Bacal (1999), it is an on-going communication process, undertaken in partnership, between an employee and his or her immediate superior that involves establishing clear expectations and understanding about:

- the essential job functions the employee is expected to do
- how the employee's job contributes to the goals of the organization
- what the "doing the job well" means in concrete terms
- how employee and superior will work together to sustain, improve or build on existing employee performance
- how job performance will be measured
- identifying barriers to performance and removing.

Performance management concerns everyone in the business – not just managers. It is best done in a collaborative and cooperative way. It is a means of preventing poor performance, and working together to improve performance. The principles should continuously be reinforced both through the informal daily interactions between managers and their staff, and through systematic and formal reviews of performance (Marchington and Wilkinson, 2006).

In order to judge the attainment of employees accurately and fairly, a manager must have access to the best measuring instruments available and must know how to use them properly and how to interpret the results obtained by their use. But most managers have the relevant instrument, know what to do with the instrument and yet fail to carry out processes of Performance Management, if they have not acquired favorable attitude towards measuring and managing Performance Management

Bares (2007) posit the reason why supervisors and managers do not actively manage employee performance even when they have the skill and knowledge necessary to do so are because those at the top are not modeling good performance management practice and that managers are not accountable for good performance management practice. Changing these is a lot more difficult than sending people to training, as they necessarily involve changing either top management beliefs and behaviors or changing organizational values, culture and/or reward systems.

The objective of staff appraisal is to maximize individuals' performance and potential with a view to attaining organizational goals and enhancing overall effectiveness and productivity. Table 1 highlights the benefits for both the organization and the individual.

Methodology

This study was designed to investigate managers' conceptualization of Performance Management. The design was purely a survey to find out the responses to issues that will be raised in the instruments. Two types of data collection were employed i.e. Primary and Secondary Data. The primary data involved the review of relevant literature on works previously done. These included textbooks, journal articles, survey reports, company reports, and so on while the secondary data was also collected through the use of questionnaires, which were administered to the subject of study. Personal interviews were also conducted to buttress some of responses by the subject.

The subjects were chosen from R.T. Briscoe (Nigeria) PLC and Mandilas Enterprises Ltd. These covered fifty (50) line managers i.e. twenty-five (25) from each company. Samples were chosen from various branches of the companies. Stratified sampling was adopted in this investigation. The line managers were grouped into three units:

- i) Sales
- ii) Technical
- iii) Support Services (Finance and Administration)

Table 1 The benefits of performance appraisal

For the organization	For the individual
Improved communication of business goals	Increased understanding of strategic aims and own role in organization success
Improvements in work performance and therefore overall business performance via increased productivity or customer service	Increased motivation Increased job satisfaction
Identification of potential to aid succession planning	Development of potential Better job satisfaction
Training provision or development activities targeted at identified needs rather than provided on an ad hoc or 'first come, first served' basis	Increased ability to meet own individual objectives as well as wider department or business objectives
Evaluation of effectiveness of selection criteria for new or newly promoted employees	Opportunity to publicize ambition Better understanding of the link between effort, performance and reward
More objective distribution of rewards	
Improved retention of employees.	Employability security.

The research questions raised in order to give focus to the study was: What generally is attitude of Managers to Performance Management?

A semantic differential questionnaire referred to as Conceptualization of Performance Management Scale (C.P.M.S.) was used for the instrument. The C.P.M.S. included information on what managers feel about Performance Management. In using this technique, a name or concept was placed at the top of a series of 7-point scales anchored by bipolar attitudes. The Performance Management process formed eleven concepts in this study. The processes were rated on four bipolar adjectival pairs. For example,

For me as a manager, conducting performance appraisal is

- | | | | |
|------|------------|---|---------------|
| i) | Useful | - | Useless |
| ii) | Important | - | Unimportant |
| iii) | Easy | - | Difficult |
| iv) | Like a lot | - | Dislike a lot |

While analysing the C.P.M.S., the seven points on the bipolar scale were assigned values +3 to -3 (e.g. useful to useless) with neutral point assigned 0. The scores were then reduced to a 4 x 11 table of scales by concepts, using the mean score of the groups on the scale. The mean score became the data for analyzing the information.

Results and Discussion

This section presents the results for the study. The investigation used for the data was carried out among managers in R.T. Briscoe (Nigeria) Plc. and Mandilas Enterprises Ltd. The table below shows the results in concept and scales as in the Conceptualization of Performance Management Scale (C.P.M.S.).

The scales are:

- | | | | |
|----|------------|---|---------------|
| 1) | Useful | - | Useless |
| 2) | Important | - | Unimportant |
| 3) | Easy | - | Difficult |
| 4) | Like a lot | - | Dislike a lot |

And the concepts are as listed below:

- I) Defining work role for my subordinates
- II) Setting targets for my subordinates
- III) Discussing targets and agreeing personal development plan
- IV) Assessing and documenting subordinates' performance
- V) Analyzing performance evaluation
- VI) Conducting appraisal interview
- VII) Mentoring subordinates for improved performance
- VIII) Updating subordinates on their performance and work plan
- IX) Appraisal results for training plan
- X) Upward appraisal
- XI) Linking set targets with organizational goals

Table 1: Table of Scales by Concepts

Scales: I	II	III	IV	V	VI	VII	VIII	IX	X	XI
Useful/ Useless	2.6	2.4	2.3	2.4	2.4	1.8	1.9	2.5	2.6	2.0 2.8
Important/ Unimportant	2.3	2.3	1.1	2.3	2.1	1.6	2.3	2.3	2.6	1.8 2.7
Easy/Difficult	0.4	0.2	0.3	1.8	0.1	0.1	1.2	1.7	1.8	0.8 1.4
Like a lot/ Dislike a lot	1.8	1.7	0.8	1.9	1.9	1.1	1.8	2.0	2.8	2.3 2.7

The above table shows that it is very useful to define work role for subordinates since the mean score 2.6. The managers also feel it is important with a mean score of 2.4 but they were undecided as to whether it is easy or difficult. The mean for this was 0.4. The managers somehow like defining work role for their subordinates.

For setting targets for subordinates, managers feel is very useful as well as being important. The scores for these concepts were 2.4 and 2.3 respectively. Their attitude to whether it is easy or difficult is neutral as the mean was 0.2. However, managers like setting targets. The mean here was 1.7. Managers also feel it useful but not too important to discuss targets and agree personal development plan with subordinates. The mean scores were 2.3 and 1.1 respectively. While to them this is neither easy nor difficult with a neutral score of 0.3 and do not really like it as the mean was 0.8.

For assessing and documenting subordinates' performance, managers' feel it is useful and very important. The scores were 2.3 and 2.4 respectively. They also find it easy and like it, since the score were 1.8 and 1.9. As for analyzing performance evaluation, managers find it useful with the mean of 2.4 and important with the mean of 2.1. They were neutral as to whether it is easy or difficult, scoring 0.1. However, they seem to like it with the score of 1.9.

The managers feel that it is useful and important to conduct appraisal interview. The scores here were 1.8 and 1.6 respectively. They were neutral about it being easy or difficult, scoring 0.1 but they like it a bit, with mean score of 1.1. As for mentoring subordinate for improved performance, managers regard it as useful with mean of 1.9, they agree it is very important with 2.3. They also find it easy and like it a lot, scoring 1.2 and 1.8 respectively.

The table indicates that managers find it very useful and very important to update their subordinates on their performance and work plan as both scales has mean of 2.5. They also feel it is easy with 1.7 as well as liking a lot with 2.0. Managers regard using appraisal results for training plan as very useful and very important. Both scales also have mean of 2.6. The feel it is easy and also like it a lot with score of 1.8. and 2.8 respectively.

As for upward appraisal, the table shows that managers feel it is useful as the mean being 2.0 and important with 1.8. They do not seem to find it easy with mean of 0.8

but they appear to like it a lot with mean of 2.3. The table also reveal that managers regard linking set targets with organizational goals as very useful and very important, both

scoring 2.8 and 2.7 respectively. To them, it is somehow easy with 1.1 and they also like it a lot with 2.7.

The result of this study as shown earlier brought out a number of interesting issues of discussion. The results generally show that managers find most of the concepts

very useful since the mean scores were between 2.0 and 2.8, but then some are not very important. For instance, conducting appraisal interview has mean score of 1.8 while the score for mentoring subordinate has 1.9.

As shown in table 2, it can be observed that defining work role for subordinate; setting targets for subordinates; assessing and documenting subordinates' performance; analyzing performance evaluation; mentoring subordinates for improved performance; updating subordinates on their performance and work plan; using appraisal results for training plan as well as linking set targets with organizational goals are very important to the managers as the mean score for these concepts range from 2.4 to 2.8 while they feel that discussing targets and agreeing personal development; conducting appraisal interview and upward interview are not too important, means scores being 1.1, 1.6 and 1.8.

The managers responses to whether the concepts are easy or difficult clearly show that their feelings about 55% is neutral, scores being between 0.1 and 0.8. For

the remaining 45%, such as assessing and documenting subordinates' performance; mentoring subordinates for improved performance; updating subordinates on their performance and work plan; using appraisal for training plan and linking set targets with organizational goals, managers feel they somewhat easy with score ranging from 1.1 to 1.8.

The results also reveal that managers have likeness for few concepts, for instance updating subordinates on their performance and work plan; using appraisal results for training plan; upward appraisal and linking set targets with organizational goals. The scores for these concepts range from 2.0 to 2.8. On the other hand, they do not really like the others as the scores were between 1.1 and 1.9, but they are neutral about discussing targets and agreeing personal development plan, where the score was 0.8.

Implications

The findings in the area of study revealed the feelings of managers about performance management and also answered the research question. Managers have different attitudes towards each of the performance management processes. While they have favorable attitude to some of the processes, to some it is contrary.

The findings of the study may be interpreted to mean that managers' attitude to defining work role and setting targets for subordinates is satisfactory but neutral about it being easy or not. It could also be concluded that some managers do not discuss targets and agree personal development plan with their subordinates. The implication of this is that if managers do not carry out these processes, they will not be able to measure performance and assess objectively.

Managers also have satisfactory attitudes to assessing and documenting subordinates' performance and analyzing performance evaluation, probably because they use these more often, yet some managers find it difficult to analyse performance evaluation. However, the study revealed that managers' attitudes towards conducting appraisal interview and mentoring subordinates for improved performance are not too encouraging. This implies that the area of employee relations is faulty and this does not augur well for the organization as employees are the most important asset of an organization; needs personal relationship with managers as their

having the opportunity of appraisal interview and mentoring will enhance their morale and give them (employees) a sense of belonging.

The investigation further revealed that managers are positive about updating subordinates on their performance, using appraisal results for training plan and linking set targets with organizational goals. Moreover, they find these processes difficult,

which may imply that they do not have the ability to carry out these processes. As for upward appraisal, managers are somewhat positive but feel it is difficult probably because they are not certain about what to expect from their subordinates when there is a reversal of roles.

Limitations & Future Research

This study was limited to line managers in R.T. Briscoe (Nigeria) PLC. and Mandilas Enterprises Ltd. The research was limited to the two companies due to time constraints and logistics required in gathering necessary information. The instrument adopted was also restricted to performance management processes. However, future research may consider the assessment of various performance management tools and their relevance to organisational success.

Conclusion

This section presents a summary, the findings of the study and the conclusion drawn thereafter. It points out the implication of the findings for organizational performance as well as employee relations and offers recommendations relating to managers' attitude towards performance management. It also offers recommendation on the usefulness of the study to the organization and the entire workforce.

The study examined managers' feeling about performance management processes. The desire to investigate this problem stemmed largely from the observation that managers have different ideas about performance management. The study therefore tried to find out the extent of managers' ability to carryout the processes involved in performance management vis-à-vis their attitudes towards it.

Performance Appraisals are not always easy but every performance discussion that fails to motivate is a lost opportunity for both the supervisor and appraisee. A poorly handled review will decrease productivity and lower morale; it can even be counter productive to building good relationships with employees.

If conducted properly, performance appraisals can constructive, strengthen the organization and add value to both the supervisors and appraises. And the way to do this is frequent, ongoing communication between both parties all the time. It was discovered that feedback is critical in order to maintain good performance. Managers have to develop a good habit of providing continuous feedback to employees because this reminds employees of their value to the employer. Employees have the right to know what their managers expect from them, and they are entitled to learn how to meet those expectations. The performance appraisal is the best management tool to improve the employees' performance.

Having deduced the above implications from the study, the following recommendations are hereby specified:-

Management should determine employees' progress by designing a performance management system that aims to facilitate objective and fair assessment; encourage frank and constructive feedback of appraises. These can be achieved through:

- setting clear targets and standards: Supervisors should collaborate with their subordinates to set objectives for him/her to achieve in the next review period, aim for the goals with achievable results. Objectives must meet the SMART standard – specific, measurable, achievable, realistic and time-bound;
- providing opportunities for supervisors to inform appraises of their performance regularly, to be accompanied by timely coaching and counseling. This will encourage mutual problem solving between both parties;
- permitting the appraisees to have access to their entire report and to review the appraisal before the appraisal interview. This will facilitate active employee participation as the appraisee will be able to describe issues and his/her feelings and concern during the review period; and
- an assessment panel may be formed to ensure fairness in performance rating. This will enhance a positive attitude that will make the employees want to participate, especially when they are not alone with their supervisors.
- Job functions should be competency-based to enhance performance. Competencies are reflected in a set of desirable behaviour patterns which are observable, measurable and can be tracked and monitored.
- Performance Management should encourage continuous improvement where individuals and groups take responsibility for results. Managers at all levels should be charged with clear responsibility for coaching, monitoring and improving performance of their respective divisions / units / sections.
- There should be proper and adequate training for the staff on the implementation of performance management system, including objective setting and measurement, coaching, appraising and motivating staff.
- Staff should be encouraged to take ownership of the performance management systems by effective communication and regular feedback in the performance management process.

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