
The Administrative Perspective in the Evaluation Process

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This article is designed to attempt to answer two questions about employee performance appraisals¹ from the library administrator's point of view: (1) Why is the evaluation necessary and (2) What are the administrator's frustrations.

The literature on performance appraisal indicates two broad reasons for formal evaluations of the work of employees: (1) to provide information/documentation for personnel decisions: merit raises, promotions, transfers, demotions, or dismissals; and (2) to provide feedback to the employee to encourage maintenance of good performance or improvement of poor performance, and to plan future performance standards.

These two general goals are not necessarily mutually exclusive, but developing a system that does both well can be a very time-consuming, frustrating task. The dilemma is inherent in the history of the evaluation/appraisal process and is evident in that over the years the term *evaluation* has given way to the less judgmental *appraisal* in the literature of performance appraisal. Historically, the process has been to evaluate, to judge. More recently, the developmental goal of performance appraisal has received more exposure in the literature and more emphasis in the design of performance appraisal systems. "The fundamental purpose of performance appraisal has not changed. Rather, a new objective has been added to the old. Organizations now expect managers to both evaluate performance for institutional reward and punishment purposes, and to use the appraisal process to improve employee performance levels."²

The literature offers little solace for those searching for the perfect meshing of these dual goals. Some say it cannot be done, that the evaluative and developmental functions must be separated.³ However, most of the experts seem to agree that the most feasible approach is to continue to attempt to merge the two goals. The sys-

tem that the library administrator chooses, or rather, develops, will have to be based on the system that is best for the particular library. The system that is best for a particular library depends in part on the legacy of performance appraisal in the library—whether it has existed before and whether it has been perceived as productive or not—and what the staff and the administration currently want from a performance appraisal system.⁴

Is Performance Appraisal Necessary?

There is plenty of debate about whether performance appraisal *is* necessary or not. A recent article in the *Journal of Library Administration* questions whether it is necessary in academic libraries, since the people who work in academic libraries have such a poor opinion of its value and since academic libraries abroad seem to function well without it.⁵ Others maintain that in organizations where performance appraisal seems to be working (i.e., the organization is productive and management is inclined to give the performance appraisal system part of the credit), it really isn't performance appraisal that is beneficial; rather, a productive organization just happens to be doing performance appraisal along with other truly productive things.⁶

Formal performance appraisal is probably not necessary in the optimally performing organization: one in which communication among staff and managers is free-flowing and everything that should be done is done when it should be done by whom it should be done; one in which feedback for any action is immediate and effective (the *One Minute Manager* approach); one in which managers take the time to write down incidents of particularly good or poor performance every time they happen for every employee supervised so that complete written information on which to make personnel decisions exists: one in which decisions are made on such a rational, objective, nondiscriminatory basis that the question of an appeal or an EEOC complaint will never arise. I

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am not familiar with an example of this type of organization in the library world.

In the less-than-perfect organization, then, performance appraisal is an attempt to foster communication, feedback and documentation so that employees know where they stand and the organization has information on what its staff are achieving as individuals. Administrators must make personnel decisions and they must attempt to make these decisions based on information that is as fair and objective as possible, not just because it is good management policy, but because the law says so. The ideal performance appraisal system provides this information. The information becomes "documentation" when the decision based on it is questioned. This element of performance appraisal is both challenging and frustrating. Providing good documentation is part of being a good manager, but the fear that the letters *EEOC* can strike in even the good manager's heart has prompted some to avoid difficult decisions because they are unwilling to spend the time necessary to do the requisite job of documentation. Difficult decisions do not involve only discipline cases, however; the manager's need for accurate information is just as crucial when the decision must be made as to who will get merit pay increases and who will be left out, or which one of several employees will receive a promotion. Good performance appraisal information will help provide a sound basis for these sorts of decisions, will help provide documentation for the legal system when the need arises, and should be a boost to employee morale as employees become aware that management is attempting to make personnel decisions based on the best information available on employee performance.

The way many so-called merit systems operate, the pay system is hardly a motivator and in some cases becomes a demotivator.

Frustration with a performance appraisal system often arises when it is used to provide information for merit pay decisions. A malfunctioning merit pay system can bring discredit to the performance appraisal system through no defect in the performance appraisal system itself. *Merit* implies that is awarded for good perfor-

mance, and organizations are supposed to pay for performance because the experts tell us that that is one method we can use to increase productivity. But the way many so-called merit systems operate, the pay system is hardly a motivator and in some cases becomes a demotivator. In one library system, tradition had it that half the staff would receive a "merit" raise one year and the other half would receive theirs the next. If the number of merit increases is arbitrarily set, then that exact number of employees becomes "meritorious." Employees are quick to note the inconsistencies in such systems, and distrust of the merit pay system can easily be transmitted to the performance appraisal system. Harry Levinson has put it bluntly: "In government, performance appraisal is largely a joke, and in both private and public enterprise, merit ratings are hollow."⁷

Levinson's quarrel with performance appraisal is that it purports to measure the outcome of behavior, whereas in many jobs, the behavior itself is just as important. As a result, employees and supervisors may have different ideas of just what is being appraised. This is another frustrating area for the administrator. To be effective, a performance appraisal is dependent on the awareness of both supervisor and supervisee of what is being evaluated. Most performance appraisal authorities recommend some sort of goal setting to serve this purpose. The goal-setting process thus becomes crucial to the performance appraisal process. Sloppy goal setting scuttles the effectiveness of the performance appraisal process before the "appraisal" part begins because unspecific, unchallenging goals leave the question of what is being evaluated vague. Ensuring effective goal setting is management's responsibility, and as in everything else, our ability as managers to do this varies. It is the administrator's responsibility to see that goals throughout the organization are as equal as possible in the degree of challenge they present to individual employees—to ensure that a certain level of performance is expected from all employees. It is the administrator's frustration that this is, in practice, so elusive. Employees vary in their ability to translate their jobs into goals; jobs vary in the ease with which they fit into the goal-setting process; managers vary in their ability to develop goal-setting abilities in their staffs. The benefits of working for the best goals possible are worth the effort, however. "By and large and within reason, managers get the type and level of job performance they expect or informally accept over a period of time."⁸ The performance appraisal process should keep employees aware of the level of performance that is

expected and let them know what will or will not be accepted.

Supervisors Vary

Just as supervisors vary in their effectiveness in goal setting, their effectiveness in filling out an appraisal form, conducting a performance appraisal interview, and providing feedback between formal appraisal sessions will vary. The literature is rife with examples of the *halo effect*, *recency bias*, and other topical terms for the failure of supervisors to be fair and accurate in formal evaluations of employees' performance. "The perfect appraisal system has not been developed, largely because no one yet knows how to factor out human error."⁹ Some "errors" are the result of insufficient training for those charged with doing the appraising; some come from a lack of belief in the benefits of a performance appraisal system; some, from managerial ineptness. Regardless of the reason, they form one of the administrator's frustrations. However, by monitoring the performance appraisal process, administrators can spot inconsistencies or carelessness and decide whether what is needed to correct these problems is more training or motivation or assurance from the administration that they take the process seriously and expect the rest of the organization to do the same. Monitoring the performance appraisal system can also provide information about how managers manage. If it becomes apparent that there is an uneven level among departments of what is expected of employees, the administrator is put on notice that the imbalance needs to be corrected. Poor quality of performance appraisal implementation may also be a signal that supervisors need more training, not just in performance appraisal techniques, but also in how to supervise; because performance appraisal at its best is an ongoing process of communication about work performance between supervisor and supervisee.

Evaluating supervisory skills is another area that can be frustrating for administrators. As Levinson has said, how a task is accomplished can be just as important as the accomplishment. It is the *how* that supervisors of supervisors may have little direct knowledge of, but with which peers and supervisees live daily. This is an area in which an expanded form of performance appraisal can be helpful.

Appraisal of performance by peers and/or supervisees is receiving more and more attention in the literature of performance appraisal. A very impressive, very structured system of peer review was developed by RCA and profiled by the Con-

ference Board in 1977. "In developing the system, RCA Corporation found that multiple assessment is a more reliable predictor of performance over time than appraisal exclusively by one supervisor ... The way in which an employee works with his or her supervisor may not be the same way the employee works with subordinates or peers. Multiple assessment thus provides a more complete view of a manager's performance."¹⁰ RCA's system employs some raters who are superiors of the person being rated, some who are peers, and some who are subordinates. "In traditional supervisor-only appraisal systems, the supervisor has the difficult task of informing the subordinate of the 'official' evaluation ... RCA believes that multiple assessment has made it easier for a manager to discuss results honestly because the ratings represent more than one view. As such, multiple assessment encourages more realistic appraisal and development."¹¹ Many recent studies support the RCA findings that systems using multiple raters provide a more objective appraisal than single appraiser systems.^{12,13} Thus, developing a multiple assessment system may help the administrator overcome some of the frustration inherent in the single-rater system. My own library has been working on such a system for a year and a half now, and although it is quite primitive when compared to the examples from corporate America, it is already the source of many of the same benefits.

Sloppy goal setting scuttles the effectiveness of the performance appraisal process.

The more involved one becomes in the study of performance appraisal and the attempt to develop a productive system for one's own organization, the more frustrating the task can seem. Performance appraisal is frustrating for the same reason that so much of personnel administration is frustrating—it is dependent on people, and people and people's activities are not logical, rational, or quantitative the way administrators would sometimes like for them to be (and the way many performance appraisal forms try to picture them). Budgets, for instance, are so easy in comparison. Figures add up or they don't add up, and if they don't, there is a reason that eventually can be identified. Personnel administration, on the other hand, is often murky at best. Rarely does the administrator *know* the correct decision

has been made. This makes most administrators uncomfortable.¹⁴ Indeed, it is the reason administrators often choose to avoid making personnel decisions. A reliable performance appraisal system can help place personnel administration on more solid ground. The danger is that *any* performance appraisal system can make personnel decisions *appear* to have a solid basis. Development and maintenance of a reliable system require constant vigilance on the part of the administrator.

In conclusion, the answers to the two questions posed for this article can be provided simply if not very positively. Why is performance appraisal necessary? Because managers are imperfect—without a formal performance appraisal structure, we do not as a rule provide the personnel information for administrative decisions and the feedback to employees that sound management requires. What is the administrator's frustration? That performance appraisal is necessary.

References

1. For the purposes of this article, *performance appraisal* and *evaluation* will be used synonymously to indicate a formal system of measuring employee performance in the workplace.
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3. Michael Beer and Robert A. Ruh, "Employee Growth Through Performance Management," *Harvard Business Review* 54 (July/August 1976):59-66. One company's solution.
4. The most useful how-to books on performance appraisal that I have found are Thomas H. Patten, Jr., *A Manager's Guide to Performance Appraisal* (New York: The Free Press, 1982) and S. E. Parnes, *The Personnel Manager's Handbook of Performance Evaluation Programs* (Stamford, Conn.: Bureau of Law & Business, Inc., 1982).
5. G. Edward Evans and Benedict Rugaas, "Another Look at Performance Appraisal in Libraries," *Journal of Library Administration* 3 (Summer 1982):61-69.
6. Charles A. Dailey and Ann M. Madsen, *How to Evaluate People in Business: The Track-Record Method of Making Correct Judgments* (New York: McGraw-Hill, 1980).
7. Harry Levinson, "Appraisal of What Performance," *Harvard Business Review* 54 (July/August 1976):31.
8. Burt K. Scanlon, "Managerial Leadership in Perspective: Getting Back to Basics," *Personnel Journal* (March 1969):169.
9. "Appraising the Performance Appraisal," *Business Week* (May 19, 1980):153-154.
10. Robert I. Lazer and Walter S. Wikstrom, *Appraising Managerial Performance: Current Practices and Future Directions* (The Conference Board, Inc., 1977), Chapter 4, p. 1.
11. Lazer, 7.
12. Reference is made to several such studies in Mark R. Edwards and J. Ruth Sproull, "Rating the Raters Improves Performance Appraisals," *Personnel Administrator* (August 1983): 77-82.

13. It seems to me that by this point everyone should be asking whether or not the Japanese, the current role model for managerial effectiveness, do performance appraisals. The answer is yes; but, as usual, the answer is really more complicated. "The Japanese organization takes in only young people who are still in the formative stages of life, subjects them to multiple group memberships, and so inculcates in them the kind of devotion to co-workers that one sees in the United States Marines. It is not external evaluations or rewards that matter in such a setting, it is the intimate, subtle and complex evaluation by one's peers—people who cannot be fooled—which is paramount. This central fact underlies much of the success of many organizations, not only in Japan but elsewhere." William Ouchi, *Theory Z: How American Business Can Meet the Japanese Challenge* (Reading, Mass.: Addison-Wesley Publishing Company, 1981), 79. Sounds like the Japanese version of multiple assessment.

14. One more way in which the Japanese are supposed to be better managers than we are is in their ability to deal with ambiguity. See Richard Tanner Pascale, "Zen and the Art of Management," *Harvard Business Review* 56 (March/April 1978): 153-162.



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