



THE ANALYSIS OF PERFORMANCE MANAGEMENT SYSTEM AND ITS IMPACT ON HIGHER EDUCATIONAL INSTITUTES - A CASE STUDY OF SUKKUR DIVISION

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ABSTRACT

Purpose:

The purpose of this study is to analyze the impact of performance management system on educational institutes in Sukkur division. An attempt has been made to find out the real factors which can affect teacher's performance.

Methodology:

This study has used interviews to examine the impact of performance management system on public and private higher educational institutes/universities of Sukkur Division. Six educational institutes were selected, in which five were business and IT institutions/universities and one was engineering college. 54 semi-structured interviews of Directors, Head of Departments, Registrars and faculty members had been conducted through convenience sampling.

Findings:

The results highlight major elements, which are outdated traditional performance assessment system inherent in educational institutes in Sukkur division with no well-defined, policies and criteria. Further, the ineffectiveness of this old assessment system such as lack of communication of performance assessment criteria to teachers, poor feedback, lack of clear reward, unorganized developmental plans collectively act as an input in falling the standards of education in interior Sindh. This research also gives the new path for developing and enhancing the teacher's profiles such as, their involvement in research, imparting new teaching methodologies and to update knowledge in their respective fields. In addition, these factors individually or collectively lead institute towards sustainable development and growth.

Research limitations:

The collected data for analysis is only domain of Sukkur division through convenience sampling technique. There is no any standard performance management system followed

by all educational institutions, so findings are limited in terms of institution type and sample size. Similarly, there are many other divisions where access of information is not possible due to cost and time constraints. Further research can be made on the same, just by extending the sample size by considering more divisions of Pakistan.

Practical implications:

This study suggests that the effective performance management system in educational institute increases its performance as a whole. This research identifies a need of HR system and practices in educational institutes, because educational institutes heavily rely on human capital and their performance. Comprehensively-defined policies and criteria of performance management system open new phases for improvements, such as imparting the required behavior of teachers in educational institutes, streamline the functionalities of institutes and to assist in getting the accreditation, which straightens the way to meet international standards and also help in long term existence.

Originality/value:

The study of impact of performance management system in educational institutes is not done before in Sukkur division. Although some studies have been done in European countries but this has been done first time in interior Sindh.

Keywords:

Performance management system, impact, degree awarding institutes, Sukkur division.

INTRODUCTION

The HRM is said to be a nervous system of the organization. It coordinates and controls each and every activity either directly or indirectly for the purpose of organizational development and growth. Among all the tools of HRM, Performance Management is a system that ensures and maintains the proper flow of life blood in every section and unit of organization, which is human capital (person's knowledge, skills, experience and abilities). Performance Management does not only evaluate the employees' performances but achieve organizational goals through improving employee performance, employee development, employee engagement and retaining them.

Performance Management is a strategic and integrated approach to delivering sustained success to organization by improving the performance of the employees by developing the capabilities and increasing their contributions (Armstrong and Baron, 1999)

A performance management system is a set of interrelated activities and processes that are treated holistically as an integrated and key component of an organization's approach to managing performance through people and developing the skills and capabilities of its

human capital, thus enhancing organizational capability and the achievement of sustained competitive advantage. (Michael Armstrong, 2010).

The Performance management system does not mean to evaluate employees' performance at the end of year or any specified point of time, but it is an on-going process, which starts from plan, Act, Monitor, and Review. (Michael Armstrong and Angela Baron, *Managing Performance: Performance Management in Action*, p-13)

Plan: Identifying the required behaviors by the organization or defining the roles and its expectations and standard

Act: carrying out of work as per the plan

Monitor: checking the progress of employees whether they are performance as per plan or not. **Review:** Assessment of performance and its feedback with rewards and coaching, in order to develop the capabilities, when performance is not as per the planned standards.

This research aims to investigate the performance management system and its impacts on the Higher Educational Institutes in Sukkur Division. In order to authenticate and implementation of above discussed concepts of Performance Management system.

LITERATURE REVIEW

Several studies have been conducted on the performance Management system by various researchers. According to DR.R.C. Chhipa (2009), human resources can be persuaded by appraisal and performances which are the keys to improve the effectiveness and accountability in higher education institutes. Memon (2007), concluded that quality of teacher is a key to institutional success and for ensuring the quality of teachers there must be a well defined performance criteria. He quoted educational qualification, teaching practices, nonexistence of proper monitoring system or effective supervision as reasons of low quality of teaching.

HR (Human Resource) practices have a direct impact on employee skills, motivation, job design and work structures. This has an impact on the profitability, growth and institutional value. Obviously there is a relationship between the teacher satisfaction with his or her performance, so Bashir, S, Khatk H. R, Shahzad K., Bashir S and Ramay (2008), stated that there are positive relationships between compensation, promotion, and evaluation practices impacting employees' and university teachers' performance. Without a guarantee of quality within the educational institution there is no education and therefore there is no recognition of the institution and its graduates (Harman, 2000). By further explaining it he said that Quality assurance has been defined as "systematic management and assessment procedures adopted by higher education institutions and systems in order to monitor performance against objectives, and to ensure achievement of quality outputs and quality improvements"

According to the ABLE Staff Evaluation Guide, Just as student performance is monitored, staff performance is also reviewed. Individual and group objectives need to be linked via performance management process to the mission statement of the departments, division and university as well. In addition to above applicability of performance management system. Performance management is a continuous process that involves supervisors and employees in the identification and evaluation of key job performance objectives and competencies that contribute to the achievement of organizational goals.

Stephan and Dorfman (1989) found that the outcomes of effective performance appraisal are improvement in the accuracy of employee performance and establishing relationship between performance on tasks and a clear potential for reward. According to Grote, D. (2000), Public organizations defined that Performance appraisal today use an essential part of organizational life, for it help to justify compensation differentiation, promotion, demotion, selection validation, and termination.

Ojogwu (2001) revealed that also the effective supervision of instruction will help administrators to identify the quality of lecturers in the institution and it will also keep check and balance on academic staff, non-academic staff and students.

The literature review indicates that performance management is one of the vital activities amongst different organizational activities. The idea was further supported by Ekaette (2001) who found that a lot of higher education system managers do not possess the charisma, or good human relations needed for effective and efficient leadership.

As a result of the poor leadership and ineffective style of administration, a lot of programme of activities are not carried out in such institutions such as provision of grant for research and publications, staff welfare is neglected, no adequate control of staff and students, no vision for the University.

METHODOLOGY

This study used interviews to examine the impact of performance management system in public and private higher educational institutes/universities of Sukkur Division. Six educational institutes were selected, in which five were business and IT institutions and one was engineering college. 54 semi-structured interviews of Directors, Head of Departments, Registrars and faculty members were conducted in informal settings through convenience sampling. The interviews emphasized on the 10 structured questions and further discussion was unstructured in order to gain genuine information from participants. On average, one interview took 25 -30 minutes. During the interview, session notes were taken of all important information.

FINDINGS AND DISCUSSION

I. Do you have Performance Management System in your institute/university?

The four out of six institutes/universities respondents responded yes. The respondents of other two institutions said that they are still in the phase of establishment, that's why they have not an appropriate performance system. The shock was that they thought it as a formality rather than a constructive process of institute.

II. Does your institute conduct performance appraisal annually or semi-annually?

One institute has its own performance evaluation systems and conducts semi-annually. The other three universities/institutes are conducting performance appraisals annually.

III. Which method of performance appraisal your institute/university use?

The three Institutes/Universities which are conducting annual performance appraisals are using traditional method of ACR (Annual Confidential Report) format, whereas the other institute is conducting the performance evaluation semi-annually (at the end of every semester) for which they have designed their own teachers evaluation proforma, which fulfills the need of acquiring the information about a teacher on the basis of course content designing, teaching methodology/teaching skills (communication, responding to queries, language, presentation style in class) and research work.

IV. Does that method of performance appraisal improve employees' performance?

Almost every appraiser was of the view that ACR does improve the performance, though it is annually but yet it gives a sense of accountability and evaluation of work. So employees remain conscious and focused on the job which they have to perform. But 90 percent of appraisees have a view that ACR has no any impact on the performance of employees as after filling ACR they never get the feedback and never know that what happened with their ACR reports. Rest of the appraisees stated that it does influence on our performance as we know that someone will evaluate our performance at the end.

Almost every respondent of the Semester Evaluation Method (semi-annually evaluation) was of the opinion that it has greater impact on the performance of teaching staff. As it keeps all teaching staff on toes by evaluating the performance of every subject they teach in each semester. Sometimes boss arrange meeting with person whose performance is not up to the standard in any semester, so this method let all employees feel that they all are being monitored.

V. How does your institute communicate Performance Standards?

Interviewees told that they have never been communicated about performance standards in advance. Moreover they highlighted that they have gained information of ACR components by filling some portions of form at the end of year. But how they are rated, how much they have progressed and what they need to improve, nothing ever communicated to them.

The respondents of Semester evaluation method gave some positive response that they know some of major performance evaluation standards, like teaching staff must come well prepared in class, teaching methodology, communication skills, research work and punctuality. The teaching staff gets the information about performance standards from informal sources such as senior faculty members and students. Some students, who have good understanding with teacher, after filling the teachers evaluation form they inform teacher how they have rated him/her and what were the questions in the evaluation form. Apart from it there is no formal procedure to communicate performance standards in the beginning of academic session.

Non teaching staff must be punctual, complete all assigned task but apart from it they do not know, how they are being rated.

VI. How much you know about your job's performance standards?

Performance evaluation has been kept in all the institutes/universities as 'confidential' piece of work, so they do not prefer to show even the 'blank' performance appraisal forms to the concerned employees, how would be they knowing to take care about all the components which are essential for maintaining their performance, the employees are less aware about their performance standards. This was the response from all of the study participants.

VII. How and when your performances are monitored?

75 percent of respondents said that there is no concept of performance monitoring rather supervisors and boss just make their judgment about employees performance based on incidents occurred during the academic session. Even there is no proper record of that as well. Only bad incidents are recorded in the form of explanations and warning in their personal files but no concept of improving employee's performance by coaching, mentoring, and trainings. Rest of respondents responded that supervisors sometimes monitor our performance by surprise visits. But Appraisers asserted that they monitor the performance of employees by random visits in classes and offices and collecting information about employees from their boss or supervisor that how well they are working.

VIII. How you receive the feedback of your performance?

95 percent of respondents said there is no formal procedure either in written or verbal of giving performance feedback to the employees (teaching/non-teaching). But occasionally bosses and supervisors share their opinion regarding performance with employees in personal meetings and gatherings. But most of appraisers asserted that they give feedback at the end of the academic session.

In performance management system it is pre-requisite to have a formal meeting between appraisee and appraiser at least twice in academic session, one in beginning and second at the end of session and it is suggested that for effective performance management system there should be interim meetings between them as well, in order to coach and mentor the performance of employees.

IX. Is there any reward or punishment system at the end of performance appraisal?

According to the respondents, rewards are less apparent in their institutes/ universities but punishments are apparent depending on the judgment of boss or supervisor in the form of explanations and warnings. Apart from it no financial and non-financial rewards are ever given to any employee by the institute/ university. HEC has recently introduced the Best Teacher Award and Best Research Paper Award. For Best Teacher Award, HEC gets nominations from the institute/ university in prescribed form. It is filled by head of department or dean with consultation of Director or Vice Chancellor and it is also kept secret from faculty. Almost every appraiser highlighted that there is no well defined policy for rewarding the performance of employees in financial terms but we do appreciate the best performance by word of mouths.

X. How much your institute/university's performance management system contributes to your personal development?

90 percent respondents responded that existing performance management system does not contribute to their personal development. They were of a opinion that they can achieve personal development from performance management system, if that system's focus must be on improving employee performance, by guiding them during the academic session, by providing them special trainings, giving them proper information about performance management system and its criteria, and a boss should be supportive during the process of improving performance. The 10 percent of respondents were of the opinion that Performance management system always bond to concentrate on the current job and push us to develop our own skill to perform up to the standards. So it never let us to think beyond the current tasks/job we do.

The respondents were of the opinion that their performance management system does contribute in personal development of employees. As employees career development and growth are based on the performance and on acquisition of new skills and knowledge.

CONCLUSION AND SUGGESTIONS:

The results highlight elements, which are outdated traditional performance assessment system inherent in educational institutes in Sukkur division with no well-defined, policies and criteria. Further, the ineffectiveness of this old assessment system such as lack of communication of performance assessment criteria to teachers & staff, poor feedback, lack of clear reward, unorganized developmental plans collectively act as an input in falling the standards of education in interior Sindh.

According to literature review, for effective performance management system, it's pre-requisite to communicate performance standards or key performance indicators to appraisee at the beginning of academic session and ensure proper understanding of those as well.

Performance system must be on-going and its focus must be on performance tracking and development rather than assessment of performance at the end. It means Institute should monitor the individual performance and arrange interim meeting with individual to guide and mentor him/her. Along with it special training should be arranged in the areas which institute wants to improve an individual.

The feedback must be formal in writing with the letter of appreciation or recommendations rather than warnings. For feedback I suggest that there should be atleast 2 to 3 meetings between appraisee and appraiser. 1-2 meeting should be arranged for interim feedback(s) during the academic session, for the purpose of guiding and mentoring the individual. 3rd meeting arranged should be at the end for the purpose of performance assessment and discussion on why he or she has not performed well and then recommendations should be given to the individual for improvement. But if individual fails to show compliance of recommendations then warning letter should be given.

This research also gives the new path for developing and enhancing the teacher's profiles such as, their involvement in research, imparting new teaching methodologies and to update knowledge in their respective fields. In addition, these factors individually or collectively lead institute towards sustainable development and growth.

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