

**ANNUAL PERFORMANCE APPRAISAL  
SCHEMES IN AGRICULTURAL  
RESEARCH ORGANIZATIONS**



**International Service for National Agricultural Research**

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Of the thirteen centers in the CGIAR network, ISNAR is the only one that focuses primarily on national agricultural research issues. It provides advice to governments, upon request, on research policy, organization, and management issues, thus complementing the activities of other assistance agencies.

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## EXECUTIVE SUMMARY

This working paper examines the current and potential future uses of annual performance appraisal schemes (APAS) for employees of agricultural research organizations in developing countries. Despite certain common reservations by research managers, APAS can play a central role in the overall management process. Experience with APAS throughout the world during the last 30 years has clearly demonstrated the value of well-designed and implemented individual performance assessment schemes.

The first part of the paper discusses key issues concerning the functions, criteria and methodologies of annual appraisal schemes. Appraisal should be more than just simply evaluating past performance. It should also motivate staff, help to identify training needs and be integrally related to the planning and programming of agricultural research activities. Appraisal criteria have generated considerable controversy among agricultural research managers and their staff. Much of this concern has centered on the extent to which these criteria relate to organizational goals. Three separate types of criteria can be identified - namely those based on the description of behaviors, the evaluation of results, and the estimation of their effects upon the overall effectiveness of the organization in meeting its goals and objectives. Selecting meaningful performance criteria is clearly critical for effective appraisal schemes.

Once criteria have been selected, specific methodologies or instruments have to be developed in order to measure individual performance against these criteria. While a few objective quantifiable measures of performance can be used, the appraisal process, for agricultural researchers at least, will continue to rely heavily on subjective judgements. The challenge, therefore, is to devise appraisal schemes which ensure that these judgements are made as rigorously and systematically as possible. This is not easy and is, in fact, subject to often deep-seated judgement errors. The main appraisal methodologies - open-ended report forms, direct rating scales and ranking procedures - are briefly reviewed.

The second part of the paper identifies the main characteristics of what is referred to as the traditional approach to APAS. These include an over-emphasis on evaluation and concern with financial and other rewards, and the process of appraisal itself which tends to be top-down, centralized and secretive, with limited participation in the appraisal process by individual appraisees. Examples of typical rating forms used by agricultural research organizations are presented. These tend to rely heavily on somewhat vague behavioral performance criteria.

The third and final section of the paper focuses on how the appraisal process can be improved. To achieve this requires a clear understanding of what the objectives and general requirements of an APAS should be. The appraisal process must focus on the individual (rather than just organizational) needs, be dynamic and forward-looking and thus strongly goal-oriented, serve multiple functions and be based on a high level of participation and face-to-face interaction between the manager and the

individual being appraised. However, such an appraisal process is more management intensive than the traditional approach and thus managers will need to be both committed and competent.

The performance review and development (PRD) appraisal scheme incorporates many of the key features of this new approach. PRD focuses on job definition and the annual work goals of the individual as the primary means for the assessment of past performance. Individual goals and objectives become the yardstick against which individual performance is assessed at the end of the year. These goals need therefore to be clear and realistic but challenging, specific and controllable.

The Action Plan forms the basis for both setting individual goals and their assessment. Individuals assess themselves and then are assessed by their supervisor. At the PRD interview that follows both parties discuss in an open way the strengths and weaknesses of the year's work and begin to set work and performance improvement objectives for the following year. This interview is, therefore, of central importance to the PRD approach. The paper looks at the objectives, style and structure of this interview process.

PRD is not a universal panacea equally relevant to all agricultural research organizations throughout the world. But it is an important and potentially valuable approach that senior research managers should know about and possibly consider introducing in their own organization.

## INTRODUCTION\*

The purpose of this working paper is to examine the current and potential future uses of annual performance appraisal schemes (APAS) for employees of agricultural research organizations in developing countries. The research manager's main objective is to plan and manage the performance of his or her subordinates. Consequently, the design and management of APAS should be of central importance in the overall management process. What is perhaps most striking, however, is that agricultural research managers typically spend so little of their time formally appraising the performance of their scientists and other research personnel. Indeed, in some agricultural research organizations (ARO), staff appraisal is regarded by managers as a bureaucratic encumbrance that is complied in a ritualistic, almost perfunctory manner. The necessary forms and procedures are completed as quickly as possible so that research managers and scientists can get on with the serious but exciting job of creating new knowledge and developing new agricultural technologies.

Why don't agricultural research managers take the formal appraisal process more seriously? One obvious reason is that appraising the performance of scientists, in common with other "knowledge workers", is not easy (or, some would say, even possible), given the complexity, uniqueness, and novelty of the tasks carried out. To do this every four or five years when the scientist is seeking promotion is difficult enough, let alone on an annual basis. Another more pragmatic reason is that AROs in developing countries often do not have the necessary room for manoeuvre needed to introduce an effective APAS because they are tied to inappropriate civil service appraisal schemes. And, more serious still, there seems little point worrying about staff appraisal when no significant financial rewards are attached to the appraisal process.

These are important reasons which cannot be overlooked. However, it is equally true that agricultural research managers often have an insufficient understanding of the role of APAS. This is not a problem unique to agricultural research. It has been commonly observed among research managers in all areas of research throughout the world. Thus, in general, "technical leaders fail to understand the dynamics of the process wherein the manager and the employee talk meaningfully about performance improvement, about measurement, and about how the individual can grow in his or her capability and career" (Miller, 1986:15). A typical response of research managers is that their staff and, in particular, scientists, don't want to be appraised, since they are sufficiently well self-motivated and capable of managing their own work. Moreover, such a process is antithetical to the high level of collegiality among peers that is deemed necessary for effective research. Appraisal involves measuring differences in performance between individuals - most research managers do not like doing this, especially when they have to work closely with their colleagues on a daily basis.

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Such concerns are understandable. It is equally apparent, however, that **agricultural research directors are increasingly concerned about the inadequacies of their staff appraisal schemes** and many are therefore actively seeking to develop new schemes which are appropriate to their specific institutional needs. This concern has been consistently expressed at numerous workshops and seminars organized by ISNAR in recent years.

The following discussion will examine the strengths and weaknesses of the main appraisal schemes currently used by AROs in developing countries. This is not intended to be a detailed and exhaustive review of appraisal policies and practices in all AROs - we do not have sufficient information available to do this at present - but rather to provide a broad overview of the types of staff appraisal schemes that have been adopted. Nor do we propose to systematically review the management literature on APAS, since there are hundreds of books and articles on this topic. However, we will consider in some detail the relevance to AROs in developing countries of some of the main policies and practices that have been proposed by management experts in order to establish effective and efficient APAS. Clearly, given the diversity of agricultural research activities and the enormous variety of institutional and cultural milieux in which these are undertaken throughout the developing world, it is not possible to make detailed recommendations about the design and management of specific APAS. As Ahmad points out, "The evaluation of knowledge is a longstanding problem for which no ready made solutions are available in the literature on the management of research" (Ahmad, 1981:70). To suggest that such ready-made solutions are available would be naïve. However, important lessons have been learned about how to design and manage APAS that can help agricultural research managers when reviewing their own appraisal schemes.

The discussion is structured as follows. The first section provides a broad overview of the why (functions), what (criteria) and how (methodologies) of the appraisal process. In the second section we consider the main features of current appraisal schemes in AROs. Section 3 then discusses how the appraisal process could be improved in AROs in the future.

The paper forms part of ISNAR's ongoing work on the important topic of performance appraisal. Two case studies have already been prepared (Performance Assessment at NCRI and performance Review and Development at DAR) for use at management training workshops.

## Chapter 1

### APPRAISAL FUNCTIONS, CRITERIA, AND METHODOLOGIES

The annual appraisal process consists of formal interactions between the appraiser and the appraisee over the course of a year. These interactions are formal in the sense that they take place at regular, predetermined times and seek to achieve clearly specified objectives according to certain procedures. Information about the performance of the appraisee is collected using various types of written documentation.

It is important to stress that we are concerned here only with **annual performance planning and appraisal** of the individual ARO staff member. In most AROs, performance is also appraised over longer periods of time, usually when a staff member seeks promotion from one grade or job position to another. Although the two appraisal processes are normally interrelated in various ways, they are qualitatively different, both in terms of the actual process of appraisal and their roles in the overall management process. The need for comprehensive and systematic periodic promotion appraisals for agricultural research personnel is generally well accepted by both senior managers and research staff in AROs. As we shall see, there is usually much less acceptance of the need for comprehensive and systematic annual performance appraisals.

#### 1.1 Appraisal Functions

The annual appraisal of personnel can facilitate all or some of the following human resource management functions:

- \* evaluation: to enable the organization to evaluate staff in order to allocate organizational rewards in the form of annual salary increases (normally fixed increments) and major job promotions.
- \* auditing: to discover the work potential, both present and future, of individuals and departments.
- \* motivating staff: to reach organizational standards and objectives.
- \* discovering training needs: by exposing inadequacies and deficiencies that could be remedied by training.
- \* developing individuals: by advice, information, and attempts at shaping their behavior by praise or constructive criticism.
- \* planning: by developing work plans with the individual.

Some of these functions can conflict with each other, most notably the formal evaluation of individuals and the motivation and development functions. Avoiding these functional conflicts is therefore a major issue in the design of APAS.

It is generally recognized that these functions can only be adequately met if the appraisal process is subdivided into two discrete parts usually termed reward and performance reviews.

The Reward Review: Like other organizations, AROs need a formal appraisal process which allows them to allocate financial rewards to employees in a justifiable and equitable manner. The extent to which rewards are made on an annual basis varies considerably among organizations. In private enterprises, the reward review is used to determine what increases in salary and other benefits each individual will receive. These increases often vary significantly between individuals. However, most public-sector research organizations are not able to award variable rewards to their employees in this manner. They have to adhere to fixed salary scales which apply to all employees in a given grade or category. A few do operate bonus schemes but this is the exception rather than the rule. Typically the annual reward review is used to assess whether an employee should be awarded an additional fixed salary increment. In addition, results of annual reward reviews are usually taken into account when employees are seeking major promotions to higher positions or grades.

The Performance Review: The performance review is explicitly concerned with improving the performance of the individual employee. It is part and parcel of a wider system of performance management which entails a process of agreeing about what is to be done, planning how to do it, observing how it is done, feeding back these observations and measuring and assessing performance. The main objectives of the performance review are therefore to plan, motivate and develop the skills of the employee through the identification of future training needs.

Because reward and performance reviews have differing objectives, it is important that the two appraisal processes are as much as possible separated from each other. Employees are unlikely to engage in an open and frank discussion with their managers about past and current performance if at the same time they are being evaluated for a possible increase in salary. Given that most AROs in developing countries are not able to give variable annual increases in salary and other rewards to their employees, this incompatibility between reward and performance reviews is less of a problem.

## 1.2 Appraisal Criteria

A criterion is a standard rule by which a judgment can be made. There are three general requirements for a criterion: (1) Relevance to an important goal or goals. Some group or person must decide which activities are most relevant to success. Once these activities have been identified, then sound measures of these activities need to be developed. (2) Reliability and (3) Practicality.

Criteria can be classified according to the time span covered, their specificity, and "their closeness to organizational goals" (Smith, 1976:749). With regard to the latter, there are three separate but inter-related dimensions of criteria - namely those based on the description of behaviors, the evaluation of results and the estimation of the effects upon the overall effectiveness of the organization in meeting its goals and objectives. We have, therefore:

BEHAVIORS -----> RESULTS -----> ORGANIZATIONAL EFFECTIVENESS

**For complex organizations, such as AROs, multiple criteria are required in order to assess individual performance. A single or ultimate criterion would considerably simplify the process but, in practice, this is neither feasible nor even desirable.**

### 1.2.1 Behaviors

There are two main types of behavioral criteria - (i) general behavioral traits of the individual and (ii) actual observed behavior on the job.

Trait-oriented performance assessments are based on the following kind of criteria: judgment, diligence and application, dependability, self-reliance and drive, initiative, calmness, oral and written communication, organizing ability, leadership, enthusiasm, competence, human relations/cooperation with others, and ability to adapt. These types of assessment of criteria are still widely used by ORAs, in particular those which are ministry based and are required to comply with civil service assessment procedures.

Trait performance criteria have two main advantages. First, they can be developed quickly. It does not take much thought to arrive at a set of words that are considered positive, complimentary, and necessary for effective job performance. Second, the trait scales can be used across all jobs. Thus the organization can often get by with only one appraisal form. However, it is generally recognized that the disadvantages of employing trait-oriented criteria and scales far outweigh their advantages. Even where attempts to define traits are made, there remains an unacceptably high degree of ambiguity and subjectivity in their interpretation. Equally serious, the relationship between general behavioral traits and actual job performance is both vague and invariably highly tenuous. This is particularly the case where the traits are closely linked to characteristics of an individual's personality. Finally, because behavioral traits criteria are so general they provide little indication to individuals about what they should do precisely to improve their behavior in areas where they are considered to be weak.

Dissatisfaction with the generality and ambiguity of traits-oriented criteria has led to the development of new appraisal schemes which seek to compare actual observed behaviors in a precise and rigorous manner. The most well-known and widely adopted of this type of scheme is the Behaviorally Anchored Rating Scales (BARS). However, BARS is only likely to be applicable to lower grades of research personnel and is generally too complicated and time consuming for most AROs in developing countries.

**The Behavioral Observation Scale (BOS) is an alternative appraisal scheme which is considerably simpler than BARS and which therefore has potentially much greater applicability. We shall briefly review the BOS appraisal methodology in Section 3.**

### 1.2.2 Results

The second main type of criteria that can be used for individual performance appraisal are those that seek to **measure the actual results or outputs produced by the individual during the course of the year.** Thus, a result-oriented appraisal tends to ignore the specific behaviors of the individual and focuses instead on the actual results produced. In other

words, it is not so much how the employee has done something but, more directly, what has been achieved. For agricultural researchers and their support staffs, the main outputs are new agricultural knowledge and technologies which can be embodied in new products (such as a plant variety or animal breed) or disembodied (most notably in the form of agronomic recommendations or in the design of a new farming system). In addition, agricultural researchers often produce other important "outputs", most notably various advisory services to farmers and other clients.

Influential management writers such as Peter Drucker argue that the manager should only be interested in appraising the results of the employees' work activities and that they have no right to make judgments about specific individual behaviors.

The results of an employee's work at the end of the year can be measured in two ways: as absolute outputs and as outputs measured against predetermined output objectives.

#### Absolute outputs

Here the individual is appraised simply on the basis of what he/she has produced without any clear reference to any individual or wider organizational objectives. For agricultural researchers, the widespread use of their publications output is perhaps the best example of an absolute output appraisal criterion. The continued importance attached to publications is a reflection of the fact that, traditionally, agricultural researchers, along with other scientists, have been in a strong position to determine the main output criteria for their separate professions. New knowledge is written up and submitted to the appropriate professional journal, where it is evaluated anonymously by respected peers. In an important sense, therefore, appraisal is taken out of the hands of the researcher's manager or even their major clients (i.e., government and producers).

Reliance on the publication criterion has a number of distinct advantages. First, as noted above, it externalizes the appraisal process for managers. (With the development of computerized bibliographical databases, the researchers' publications output can be assessed still further on the basis of citation indexes which measure the number of times a publication has been cited in other publications.) Second, researchers often accept that the publication should be the main performance indicator. Third, it provides a powerful incentive for researchers to write up their research results and, where publication standards are high, to attain or maintain high scientific standards.

The main disadvantage of the publication criterion is that, in terms of actual research content, a publication, while valued by the profession, may contribute very little to meeting the needs of the research organization's main clients. The "cosmopolitan" researcher who looks to the international professional community will tend to seek recognition through publications. In contrast, however, agricultural research organizations typically need mainly "development" researchers who are primarily oriented towards directly serving the technological needs of their clients. Much of the research that is needed here is not publishable in professional journals.

Clearly the written output of a researcher is an important indicator of the research that has been completed. However, this can only be adequately assessed in relation to the research organization's goals and objectives (see below). Probably the most important written outputs that should be appraised are not journal articles but rather annual reports and other technical publications which are distributed to producers and agricultural development personnel. Typically, however, the highest (explicit or implicit) weights that are attached to publications are for refereed journals often published overseas. **Reversing this weighting system will require a major reorientation of professional values and organizational culture.**

More comprehensive criteria of absolute outputs that publications alone are required which can be applied for all employees and not just researchers. These should be based on the quantity and quality of research and other activities, and efficiency criteria, most notably the manner in which human and financial resources are utilized. Research by Stahl et al found that the following output criteria for professionals are the most important in R&D organizations: works hard, completes project(s) on time, meets technical specifications, works well with peers and the longer-term effectiveness of the work produced (Stahl, 1984:28).

A number of fundamental problems have to be addressed in applying absolute output appraisal criteria to agricultural research organizations. First, the actual outputs themselves are often difficult to identify precisely, especially over a period of just one year. Second, even where output can be identified, the prevalence of team work or inter-related research activities often makes it difficult to determine the precise contribution of a specific individual. Third, given the wide range of specializations and activities, markedly different outputs have to be commensurated (made equivalent) if the appraisal is to be used to make comparisons between individuals. Finally, output is affected by many factors over which the individual has little or no control.

#### Outputs by objectives

Many appraisal specialists believe that "outputs by objectives" criteria are most desirable, especially for organizations which have relatively sizeable numbers of professional and higher technical personnel. Odiore states that "the best standards for appraisal are those that measure results against goals or objectives set for the organization as a whole or part of it" (Odiore 1985:261). Similarly, Patten argues that they are "the best tool available for performance appraisal" (Patten, 1982:127).

Various APAS have been developed that are based on outputs by objectives criteria. The most well-known is the management system called Management by Objectives. The success of an outputs by objectives appraisal scheme depends on the ability of the manager and the employee to develop well-specified performance objectives on an annual basis for each main area of activity. These objectives can be changes in **individual behavior** but **expected work outputs** are generally given most emphasis. Wherever possible these expected outputs should be quantified with target completion dates. The setting of realistic but challenging objectives enhances motivation and serves an essential development function in improving the performance of the individual employee. We shall consider how such an "outputs by objectives" APAS can be developed and managed in agricultural research organizations in Section 3.

### 1.2.3 Organizational Effectiveness

The third type of performance criteria measures individual performance in relation to overall organizational effectiveness. This can be undertaken at two levels. First, an examination of the relevance of individual research goals and objectives and related research outputs in meeting major organizational goals, and thus the extent to which they contribute to organizational effectiveness. Even with a properly functioning outputs by objectives appraisal scheme, an individual researcher and his/her manager may not between them set objectives which, from an overall organizational perspective, are entirely appropriate. Because the process of setting correct goals largely determines organizational effectiveness, the performance/role of the individual in this process must also be assessed.

Second, individual performance can be assessed on the basis of criteria concerned with measuring the potential and actual impact of research activities on the welfare of target producers and consumers, and the realization of other government agricultural development objectives. Such criteria include changes in producer and consumer surpluses (as defined by economists), the productivity of the main factors of production (land, labor, and capital) and more generally, the overall economic rate of return to specific research investments for which the individual (perhaps in conjunction with others) has been responsible.

The main problem here, of course, is that most of these welfare and production indicators are very difficult to measure. The necessary statistics are frequently unavailable, as are economists with the skills necessary to undertake this type of evaluation work.

### 1.3 Appraisal Methodologies

We have identified three broad types of performance criteria - behavior, results, and organizational effectiveness. How then is individual performance to be assessed against these criteria? This will, of course, depend on the overall objectives of the appraisal process. Is it, for example, mainly concerned with allocating financial rewards to employees? Or alternatively, to what extent is this concern with rewards combined with an explicit desire to use the appraisal process to plan and improve individual performance?

Once the overall appraisal objectives have been established, appraisal instruments based on specific performance criteria and using specific appraisal methodologies must be devised. These appraisal instruments can be classified into two broad types - those that rely on "hard" quantifiable data to measure individual performance with respect to certain criteria and those that are primarily based on the subjective judgments of the appraiser. Of course, all appraisal of assessment involves some degree of subjectivity but, in practice, the distinction between objective and judgmental measures is useful.

#### 1.3.1 Objective Measurements

Objective quantifiable measures of performance can be derived for each of the three main types of criteria. With regard to behavioral criteria, these include data on tardiness, unexcused absences, and work-related accidents. Most behaviors are, however, intrinsically difficult or impossible to quantify in a meaningful way. The results of an employee's

activities can be objectively measured either in an absolute sense or in relation to predetermined objectives. The allocation of rewards requires that individual staff outputs are commensurated (i.e., made equivalent) and then compared with one another. This can be done relatively accurately where the same or very similar outputs are produced by significantly large groups of employees, e.g., sales of a specific product by marketing personnel. However, this is rarely the case in AROs and therefore subjective judgments about individual performances are critical in the appraisal process.

### 1.3.2 Judgment

Given that considerable subjectivity is generally unavoidable in the appraisal process, the challenge is therefore to devise appraisal schemes which ensure that managerial judgments about individual performances are made as rigorously and systematically as possible. This is not easy because judgment is a cognitive operation which is subject to deep-seated psychological processes. Much of the discipline of social psychology is concerned with the judgments people make about each other and, in particular, the kinds of distortions that occur in this process.

#### Judgment errors

It has been found that the judgment errors that typically arise in the appraisal process occur in a systematic manner whenever an individual observes and evaluates another. In many instances the appraiser is totally unaware that he is making such errors and finds it hard to correct these errors even when he is informed that he is committing them.

A major source of judgment error arises from **ambiguities** in defining performance criteria. In other words, the criteria themselves lack definition, concreteness and measurability. Appraisers also have differing perceptions of the same individuals. For example, managers tend to rate employees who are similar to themselves in background, values and style of behavior higher than they rate employees with dissimilar life styles. This has been labelled the **similar-to-me effect**. Conversely, the appraiser often does not see certain kinds of defects in the performance of the employee because they are the same or very similar to his own (the so-called **blind spot effect**).

The **halo effect** arises when an appraiser rates an employee as good or bad on all characteristics based on the assessment of only one characteristic. In other words, the rating given to just one characteristic strongly influences or contaminates the rating given to all other characteristics. Thus, there appears to be an unreal similarity in the rating scores.

**First-impression errors.** Here the manager makes an initial favorable or unfavorable judgment about an employee and then ignores subsequent information, so as to support the initial impression.

**Excessive leniency or strictness.** Managers may be afraid to give low ratings for fear of antagonizing their subordinates and making them less cooperative. Conversely, some managers may be excessively strict in their appraisal judgments. The specific causes of this hypercritical or horns effect include "the perfectionist boss", undesirable personality traits of the employee, and self-comparison, i.e., the employee does not do the job as the manager remembers doing it when he or she held that position.

**Recency.** Recent events are given greater weight in the appraisal process than those occurring at the beginning of the rating period.

**Central tendency errors** are committed by managers who want to play safe by giving the same or very similar ratings to all employees in a given group. Central tendency and leniency errors frequently go together, with the result that appraisees are bunched together as above average.

**Influence of the job.** It is common to give senior managers higher ratings just because of the positions they occupy.

#### The open-ended report form

The simplest procedure for judging the annual performance of the employee is the open-ended report form. This type of form requires a 'pen-picture' of the individual's performance to be prepared by the appraised. Some written report-type of forms are on a 'controlled' basis. In other words, the appraiser is given guidelines, headings or factors which should be covered in the report as appropriate.

There are obvious drawbacks to the open-ended report form, most notably the high degree of subjectivity involved and problems of inter-individual comparison. Randell et al. conclude that "despite the fact that some managers find this a more natural way of assessing staff, the degree of subjectivity and variation makes it difficult to reconcile the method to the main objectives of an appraisal system" (Randell et al., 1984:58).

#### Direct rating scales

In practice "most criteria boil down to ratings" (Smith, 1976:746). As a result, an enormous amount of effort has been spent exploring the potential effects of various rating formats. The designing of an appraisal form based on direct rating scales involves: (i) the "dimension definition" of the scales; (ii) the actual calibration of the scale using various "anchors" and (iii) the weighting of each scale dimension according to their perceived relative value in the appraisal process of each type of employee.

Dimension definition: Rating scales normally consist of varying combinations of behavioral and results-oriented dimension criteria.

Scale anchors: Four types of scale anchors or categories can be employed in rating schemes: numerical, alphabetical, adjectival, and descriptive. Numerical and alphabetical ratings have scales of categories from high to low (or similar) identified in numerical terms (i.e., 1 to 7) and alphabetically (i.e., A to E) respectively. With adjectival ratings, each anchor is identified by adjectives (i.e., excellent, good, average, weak/unsatisfactory). Descriptive ratings are anchored on the basis of short written descriptions of the type of performance associated with each scale category. Research has shown that descriptive anchors are relatively more effective than simple numerical, alphabetical or adjectival anchors. The optimal number of response categories has been found to be between five and nine (see Landy and Farr, 1980).

Weighting: If the rating criteria are not considered to be of equal importance, then it is necessary to weight them. This is a common practice in many rating schemes.

Rating scales can also be used in output by objectives appraisal schemes in order to gauge the extent to which goals and objectives have been attained. However, greater emphasis is normally given to the appraiser's written assessment of appraisee goal attainment, since this provides more adequate information, particularly in relation to improving future performance.

Rating schemes suffer from many of the judgmental errors discussed earlier. Central tendency, leniency and halo errors are particularly serious in most schemes. Over time these errors become well-entrenched habits that are difficult to break. However, training managers to recognize and thus avoid rating errors has proved to be at least partially successful.

The severe limitations of rating scales as an accurate and reliable method of measuring individual performance have meant that they have become increasingly less popular over the years.

### Ranking

Appraisal schemes based on individual rankings offer a distinct alternative to conventional scale rating schemes. Unlike the latter schemes, which appraise individual performance in an absolute sense against specific performance criteria, with rankings the appraisal is made by comparing an appraisee against other appraisees on the dimensions of interest. These can be weighted and combined in order to obtain an overall ranking of individual performance in the relevant employment group.

There are various ranking schemes, the details of which need not concern us here. These schemes have been widely used in private-sector industrial R&D organizations in the U.S. and other high-income industrial countries. Reviewing these schemes, Decker and van Atta conclude that "we are aware of no substitute for the ranking process for defining a professional's overall value to the organization" (Decker and van Atta, 1973:22).

The main advantages of appraisal ranking are that they are not subject to leniency, central tendency, and strictness judgment errors. The principal disadvantages are (1) rankings are merely ordinal, so they do not indicate by how much one individual is better or worse than another. This is clearly unsatisfactory where the differences in individual performance are relatively small. (2) It is difficult to rank the performance of heterogeneous research groups and specialists. (3) Ranking appraisals are of virtually no value for developmental and feedback purposes. Typically appraisee rankings are kept secret.

## Chapter 2

### PERFORMANCE APPRAISAL IN PRACTICE

What can be called the traditional philosophy or approach to annual performance appraisals typically prevails in agricultural research organizations in developing countries. There are some AROs where this is not the case but they are exceptional.

#### 2.1 The Traditional Approach

The traditional appraisal approach has a number of related characteristics. These are summarized below:

Evaluation: The evaluation of the employee is considered to be the primary objective of the appraisal process. This is therefore a limited conception of the appraisal process because it excludes other major appraisal functions, most notably the explicit incorporation of performance planning and the motivational and developmental needs of the individual appraisee. This preoccupation with evaluation per se is usually most marked in those ministry-based AROs that are required to follow general civil service appraisal policies and practices that typically have remained largely unchanged for many years. Here, the appraisal is concerned to ensure the accountability of the ARO employee as a government civil servant. Thus it is backward rather than forward looking in the sense that the major concern is with evaluating the past performance of the individual rather than using the evaluation in a way that can assist in improving performance in the future.

Rewards and Sanctions: Given that the traditional appraisal approach focuses on evaluation, the main concern of both managers and employees is with the effect the appraisal has on the allocation of financial rewards both in the short term and the long term. Unlike in private-sector AROs, the management of public-sector AROs usually has little or no scope for making variable annual salary awards on an individual basis. Typically the main outcome of the appraisal is whether the staff member should be awarded a fixed increment on a given salary scale. Not surprisingly, where these increments are relatively small and/or are awarded virtually automatically, little importance is attached to the appraisal, either by management or employees. The extent to which annual performance ratings are taken into account in assessing the suitability of an employee for major promotions can, however, be an important factor.

Top-Down, Centralized, and Secretive: The traditional appraisal approach tends to be by its very nature top-down and centralized, since the appraisal is administered by more senior management with limited participation (if any at all) by the appraisee or even his/her immediate supervisor. Furthermore, the whole process is often shrouded in secrecy, with confidentiality of all reporting processes being the norm. Frequently the results of the appraisal are not even divulged to the appraisee. As noted above, the award of a salary increment is the result. In some situations, it is only when the appraisee is rated as being unsatisfactory that the individual is informed. Thus, in general, the traditional approach tends to be an impersonal, bureaucratic process.

Figure 1. Trait behavioral criteria rating form;  
An African example.

Name: \_\_\_\_\_

Institute/Branch/Station: \_\_\_\_\_

Merit Criterion	Weighting Factor	Points Rating	Weighted Rating
Critical and creative faculties	4x		
Judgment	4x		
Professional competence	4x		
Organizing ability	3x		
Written communication	3x		
Oral communication	1x		
Output	2x		
Dependability	4x		
Self-reliance and drive	4x		
Human relations	3x		
Leadership	2x		
Enthusiasm	1x		

Aggregate merit rating \_\_\_\_\_

Comments \_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

Date: \_\_\_\_\_ Reporting Officer \_\_\_\_\_

The Appraisal Form is of preeminent importance in the traditional appraisal approach. Where taken seriously, there is often an **excessive preoccupation with the design** of this form and, in particular, the construction of rating schemes with which to assess the behaviors and results of the appraisee. The form is repeatedly redesigned, often becoming increasingly complex and elaborated. Equally common are appraisal forms that have **vague and ambiguous rating criteria**, many of which have little to do with actual on-the-job performance. Numerical points rather than written descriptions are normally preferred, since these are seen to be more objective and enable individual appraisals to be compared. Typical examples of the kind of rating scales used by AROs are presented in Figures 1 and 2. More sophisticated descriptive rating forms, such as that shown in Figure 3, are relatively uncommon.

Credibility, Anxiety, and Commitment: Typically, the traditional appraisal approach lacks credibility among both appraisers and appraisees. **Managers do not like 'playing God'** and generally lack any strong commitment to the appraisal process. This is often manifested in **excessive lenience and bunching of rating scores** when completing the appraisal form; i.e., nearly everyone is assessed as 'good' or 'very good', with "no one but the rater's sworn enemies receiving 'fair' or 'poor'" (Caplow, 1983:132). The appraisal process thus becomes a virtually meaningless ritual. If employees care at all, the APAS tends if anything to engender anxiety and interpersonal conflict and demotivates rather than motivates. As Zemke puts it, **"most appraisal systems are more noteworthy for the angst they create than the results they achieve"** (Zemke, 1985:24).

Measurable outputs: Among professionals the publication is seen as the unit of objective, measurable output. Given the complex array of outputs produced by researchers in widely differing specializations, most AROs **make relatively little attempt to use objective output indicators** that relate more directly to the impact of individual research activities in meeting specific organizational objectives. Typically, therefore, considerable reliance is placed on individual publication outputs as the only readily available and seemingly objective performance indicator. In some AROs, different types of publications are weighted according to their perceived importance and publication points awarded to each researcher. However, the publication process is itself strongly influenced by subjective factors. Perhaps the most significant and pervasive of these is the Matthew Effect, whereby **better-known scientists are more likely to get their research work published, regardless of its quality** (Merton, 1973).

Ranking: **Ranking of appraisees as part of the annual appraisal process is rarely undertaken.** This is because, unlike private-sector research organizations, AROs in developing countries are not in a position to reward research personnel individually on an annual basis. However, some ranking process does inevitably occur among candidates competing for promotion to higher grades and/or positions.

Figure 2. Trait behavioral criteria rating form;  
A South American example.

FACTORS	GRADE				
	1	2	3	4	5
Output					
Responsibility					
Initiative					
Cooperation					
Mental sharpness					
Respect for authority and regulations					
Tact and social conduct					
Supervisory skills					

Note: Translated from Spanish

Figure 3: Descriptive rating scales used by an ARO in South America.

ELEMENTS TO BE EVALUATED

Elements and Definitions

Description of Elements  
(cross only one of the twelve (12) boxes).

	1 2 3 - = +	4 5 6 - = +	7 8 9 - = +	10 11 12 - = +
<b>1. RESPONSIBILITY AND DEDICATION TO WORK</b>				
Manner in which he faces the consequences of his own acts and neglects. Constantly preoccupied about issues related to his post and the organization.	Puts in all his efforts to accomplish his obligations. A competent collaborator worthy of total trust.	Accepts responsibility of matters that are entrusted to him. Can be trusted. Feels identified with the objectives of the division.	Dedicates all his working time and efforts to the success of the projects he is in charge of. Accepts responsibility for his acts.	Does not try to overcome the obstacles that obstruct the accomplishment of his duties, but justifies himself with them. He does not fully identify with his department's objectives.
<b>2. CONDITIONS OF PREPARATION</b>				
Depth and extent of knowledge according to fundamental principles, disciplines, methods and required procedures for the fulfillment of his job.	Possesses the experience and necessary knowledge to fulfill his work. Knows the administrative aspects that affect him directly.	His knowledge is limited and his experience is insufficient to perform his functions. He knows the Institute but is not worried about finding adequate techniques to improve his performance.	In addition to having the necessary knowledge and experience, he cares to broaden and deepen his knowledge of matters related to his work.	His broad knowledge and experience in his field of work as well as on related subjects allow him to make maximum use of the resources available to execute varied and complex tasks and thus achieving optimum results.
<b>3. INTERPERSONAL RELATIONSHIP</b>				
Amiable and courteous behavior with superiors, colleagues, subordinates and the public in general.	Keeps good relationships with superiors, colleagues, and public. He achieves appreciation for his work and personal acts.	He gets respect, confidence and admiration quickly and easily. He shows solidarity and understanding with people.	Most people react favorably to him. Some even show him respect and admiration.	He doesn't relate to the others very well, but he does not irritate them. Not everybody feels they can trust him.
<b>4. INITIATIVE</b>				
Ability to act independently within the frame of his obligations without needing specific instructions.	He generally finds quick solutions to problems. He has the ability to discover new relations and to apply them in benefit of his own job.	He very seldom makes a contribution to his job, but even then it is of little value.	Suggests ideas that activate and improve work.	Always contributes the best ideas, showing high creativity that results in the success of his work.

5. APPLICATION OF THE RULES

The way in which he respects and applies internal institutional norms and rules.

1 2 3  
- = +

He applies the rules in his job. Sometimes he fails on the discipline rules but with a justified reason.

4 5 6  
- = +

He strictly applies the rules, taking them as his own rules. His discipline is admirable.

7 8 9  
- = +

He doesn't worry about performing his job within the norms, nor about applying the discipline rules.

10 11 12  
- = +

His interest is reflected in that he always adjusts his work to the existing rules. He applies the institutional discipline.

6. COOPERATION

Disposition to perform tasks together with other people that benefit his own work and that of the institution.

1 2 3  
- = +

He shows indifference for the work of other colleagues. He achieves better results in individual jobs than in a team.

4 5 6  
- = +

He has an outstanding disposition for teamwork. He makes the team task easier and stimulates the group reaching excellent results.

7 8 9  
- = +

He is always willing to cooperate and does it efficiently.

10 11 12  
- = +

He cooperates spontaneously with teamwork.

7. PLANNING ABILITY

Ability to establish programs indicating objectives, phases and steps to follow related to the existing needs and the resources available.

1 2 3  
- = +

Doesn't program any activities or only partially. Does not take into consideration the needs and the available resources nor does he set any priorities.

4 5 6  
- = +

He plans carefully, based on thorough studies of objectives, human material and time resources. He sets priorities and forwards several alternative actions.

7 8 9  
- = +

He sets plans to achieve objectives, considering the existing needs and available resources.

10 11 12  
- = +

Most of the time he sets programs that foresee the basic factors for its execution. But sometimes he omits important aspects.

8. PRODUCTIVITY

Quality and quantity of work in the performance of the tasks entrusted to him.

1 2 3  
- = +

His productivity is higher than what is normally expected.

4 5 6  
- = +

Generally, the work he produces does not reach the expected standard.

7 8 9  
- = +

His productivity reaches the expected volume, although sometimes it is not fully satisfactory.

10 11 12  
- = +

The work he produces is of good quality and is above the minimum expected.

## Chapter 3

### IMPROVING THE APPRAISAL PROCESS

Given the serious inadequacies of the traditional APAS, it is clear that a new approach to performance appraisal is urgently required. In this section we first outline the objectives and requirements of such an approach and then go on to describe in greater detail two appraisal schemes; namely, performance review and development and behavioral observation scales that between them fulfil these objectives and requirements.

#### 3.1 Objectives and Requirements

According to this new approach, the overriding objective of an APAS is to improve individual performance and productivity in a purposeful manner. In order to achieve this, it is necessary that:

- \* Information is assembled and shared, which provides both the individual, the manager, and the organization as a whole with a learning experience.
- \* The appraisal process is accorded central importance in the management of human resources and thus of the organization as a whole. From being of only marginal concern to managers, APAS should become one of the key vehicles for managing personnel and improving their performance. Often, therefore, it is only feasible to introduce this new approach to APAS as part of a concerted attempt to create a new organizational culture. There is always the danger that APAS can be expected to do too much.
- \* The individual appraisee and his/her needs become the focus of the appraisal process. Organizational needs for appraisal of staff members must still be met but these should be of only secondary importance.
- \* The appraisal process is dynamic and forward looking. The traditional APAS is concerned only with looking back at an individual's performance. The new approach, on the other hand, is more concerned with the development of the individual in the future. It is therefore dynamic and interventionist rather than simply passive.
- \* The appraisal process serves multiple functions. Not only does it evaluate the individual performance, it helps management to motivate staff, plan and monitor their work activities, and generally develop their work-related skills. A more appropriate description for the appraisal process, therefore, is annual performance planning and appraisal.
- \* The appraisal process, in seeking to improve individual performance, should be strongly goal oriented.
- \* There is a high level of participation in the appraisal process by individual staff members. This in turn requires that there is considerable openness between managers and their staff during the appraisal process. The appraisal interview is of greater importance than the appraisal form.

- \* **Management should be highly committed and competent in appraising staff.** The appraisal process is "an act" that has to be learned through training and supervised experience.
- \* **Performance must be accurately, reliably, and equitably measured.** However, **this will always involve some degree of subjectivity.** Managements need to accept and come to terms with this.
- \* **The appraisal process should be continuous rather than discrete.**

### 3.1.1 Motivation: Information Feedback, Goals, and Participation

The explicit use of the appraisal process to motivate staff is one of the most important features of the new approach to APAS outlined above. Motivation is enhanced in three distinct but interrelated ways. First, the appraisal process enables the individual staff member to obtain a clear, unambiguous, and comprehensive assessment of his performance during the previous year. This is essential because individuals, regardless of their culture, have a powerful psychological need to know where they stand in the eyes of their managers. Failure to receive adequate feedback of this kind results in internal tensions and anxieties in the individual staff member which adversely affect motivation and thus performance. For research scientists, in particular, while they may be required to work on their own for long periods and be "self-starters", they still require detailed feedback on their performance. As Ahmad points out, "interest, praise, and recognition are among the most valued rewards of R&D professionals" (op.cit:76).

Many managers believe that their staff already know where they stand, without having to undertake a formal appraisal process. However, interviews with individual staff members rarely bear this out. While it is common for the manager and the individual to discuss particular problems, rarely do they sit down and reflect on the job as a whole.

The second way in which the new appraisal process seeks to enhance motivation is by setting well-defined and suitably challenging goals. Again, research has clearly shown that individuals have a fundamental psychological need to know what is expected of them in the future and that well-defined goals are strong motivators.

Third, allowing individuals to participate actively in the appraisal process has strong positive effects on their motivation. While AROs are supposed to be participative and collegial in terms of their management style and decision-making processes, this rarely extends to the appraisal process itself. Because participation is so minimal, it is easy for the appraisal process to be subverted or even rigged.

The annual appraisal interview provides the main opportunity for individual participation in the appraisal process. This is a key event for both the individual and manager because it is here that past performance is reviewed and future work goals and specific actions for performance improvement are discussed. Critical self-appraisal by the appraisee is seen as an important part of the preparation for the appraisal interview. The structure and conduct of appraisal interviews is discussed in greater detail in Section Five.

Participation should also extend to the actual design and introduction of the appraisal scheme. It is essential that any scheme meets individual needs and goals as well as those of the organization. Thus all staff members must be consulted about the utility, objectives and scope of the proposed scheme. "If there is not a fair consensus after consulting on the above areas you should seriously question the wisdom of proceeding" (op.cit:15).

### 3.1.2 Management Commitment and Competence

The new approach to performance appraisal highlights the need for high levels of management commitment and competence. The tendency in the past has been to focus mainly on the design of appraisal forms and related procedures with relatively little attention being devoted to the role of managers in the appraisal process.

Without high levels of management commitment to the new appraisal process, it is obvious that it will founder. "The focus on papers and processes - how the evaluation forms should be designed, how the information should be collected and presented, how the meeting should be conducted and so forth - is misplaced effort. The real issue is does line management buy it ...., if management does not own the system, forget it. The game is over" (Zemke, 1985:29). Thus, the motivation of management to do a good job in appraising staff is probably the most important factor in determining the success of this approach.

For the majority of agricultural research organizations, such an approach represents a major departure from earlier methods of appraisal. The new approach clearly involves managers giving far greater attention to human resources management, since it makes explicit the over-riding responsibility of the manager to improve the performance of his/her staff on the basis of a detailed understanding of their needs as individuals and how these can be met. It also entails acceptance of considerably greater responsibility in judging the performance of staff. The whole appraisal process, being a central part of human resources management, is more time-consuming than before. Managers have to be convinced, therefore, that the payoffs will be sufficiently large to justify this increased level of effort and exposure.

To gain acceptance, this new appraisal process must be strongly supported by senior management. As noted earlier, it is ultimately counter productive to try to foist a new scheme on an organization's management. However, because such a scheme is a major intervention into the "culture" of an organization, it is inevitable that senior management must play a very active promotional role in ensuring its successful implementation. Some agricultural research managers are likely to view such changes with caution, if not outright resistance, at least in the initial stages of discussion. Of particular concern is likely to be the increased participation and openness of the new approach to annual appraisal. Managers correctly recognize that "the appraisal interview is likely to be one of the most difficult interactions likely to be encountered by a manager" (Pratt, 1984:22). While probably unhappy with the existing appraisal process, they are inevitably fearful of a new form of appraisal which entails important changes in their expected responsibilities and skills as managers of people. Many are likely to justify their resistance by arguing that such an appraisal scheme is incompatible with local culture.

These apprehensions by research managers are understandable. They can only be dealt with effectively by developing the competence of managers to effectively manage the new appraisal process. **More than anything else this requires training in the necessary appraisal skills.**

### 3.2 Performance Review and Development

We have described above some of the key features of what we have called the new approach to performance appraisal. In practice, of course, appraisal schemes based on this approach are different in important respects, in particular the emphasis which is given the various appraisal functions (evaluation, motivation, planning, etc.) and the specific modalities for carrying out the appraisal.

A good example of how the key features of this new approach have been integrated in a comprehensive and coherent manner is the appraisal scheme called performance review and development (PRD) (see Olson 1981). As can be observed in Figure 4, PRD comprises six interrelated sets of activities which enable the manager to review past and current performance and plan for future performance. PRD focuses on job definition and annual work goals as the primary means for the assessment of past performance. The appraisal interview is the principal means for the communication of this assessment to the staff member. A future course of action is mutually agreed upon by the manager and the staff member. This specifies operational task objectives in the form of an annual work plan and also identifies specific areas for performance improvement which often will involve training activities.

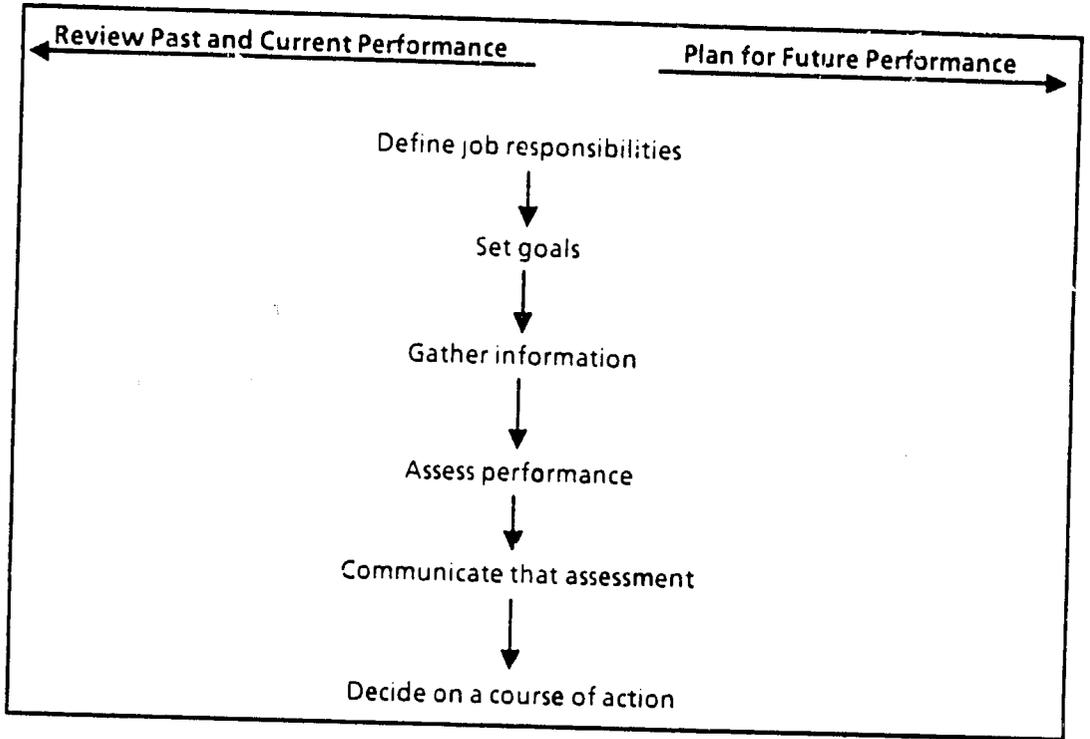
The difficulties involved in objectively measuring and then commensurating the results produced by each type of ARO staff are, in practice, largely insurmountable. Proponents of the PRD approach assert, however, that it is still possible to assess in a relatively objective manner the extent to which each ARO employee has achieved specific predefined goals. In other words, the intention is not to derive objective, absolute indicators of job outputs which can be used as a basis of performance comparisons between employees performing the same or similar jobs, but rather develop measurable annual performance goals and objectives for each individual. While the PRD approach stresses the need to develop measurable goals and objectives, considerable subjective judgment is still involved on the part of the appraiser in the setting of objectives and in assessing the extent to which these objectives have been met. Moreover, management has still somehow to compare individual job performances in allocating any financial rewards to ARO staff.

#### 3.2.1 Goal Setting and Performance Assessment

The PRD appraisal scheme comprises two interrelated sets of activities - goal setting and performance assessment.

Individual goals and objectives are the yardstick against which individual performance is assessed at the end of the year. They should therefore be clear, realistic but challenging, highly specific and controllable. Ideally all goals should be quantified. Where this is not feasible, well-specified goals should enable the appraiser to make reasonably precise qualitative assessments of goal attainment.

Figure 4. The main elements of PRD



Source: R.F. Olson (1981:35).

**It is the joint responsibility of the appraiser and appraisee to set the latter's annual performance goals and objectives.** The appraiser needs therefore to undertake a careful analysis of how his section, department (or whatever area he/she is responsible for) is functioning and where there is potential for beneficial change. This analysis would seek to answer the following kinds of questions:

- \* What areas for improvement in efficiency can you identify if you are to use your staff to best effect?
- \* What activities will have the greatest success in improving your section's overall success?
- \* What 'failures' occurred last year and how can they be avoided in the future?
- \* What contribution do you expect from each member of your staff?

Once this analysis has been undertaken, the manager should be in a good position to develop appropriate goals and objectives for his/her staff.

The Action Plan forms the basis for setting individual goals. The appraisee is first requested to provide the following information: (1) job title and purpose of the job, (2) main activities and duties, including an indication of their importance and the time likely to be allotted to them, (3) specific objectives which relate directly to operational tasks to be completed as a matter of priority during the coming year. In addition, personal improvement objectives should, where appropriate, be specified, (4) resources managed; i.e., the staff, expenditure and other resources controlled by the appraisee in order to give a broad indication of the true responsibility for the cost-effective and efficient use of resources. Scientists in AROs that have well-developed strategic planning and programming functions should have little difficulty in specifying what their specific research goals and objectives for the year should be, although frequently an additional effort will have to be made in order to ensure that the anticipated research outputs are measurable and the goals and objectives for non-research activities are made specific. With the exception of unskilled manual workers, all technical and administrative support staff should also be required to elaborate their annual work goals and objectives in an action plan.

An example of an Action Plan form (called in this case a Forward Job Plan) currently used by an ARO is presented in Figure 5.

Once the Action Plan has been completed, the appraisee discusses his ideas with the manager to whom he/she is directly responsible. The manager assesses the individual goals and objectives in order to ensure that they are (1) consonant with the overall objectives of the unit for which he/she has responsibility, (2) sufficiently precise in their definition, and (3) achievable, given the competency of the individual and the likely availability of resources. While the manager must always take the initiative in setting standards and defining the main duties, **ultimately the manager and employee must both agree with the goals and objectives that are elaborated.** It is important that the manager expresses confidence in and support of the employee.

Figure 5. Outline of a Forward Job Plan of an ARO.

**Forward Job Plan**

Name ..... Grade ..... Division .....

**Set out below the purpose and main duties of your job.**

*Try to set the duties out in order of importance under a number of headings. Do not forget staff management and training responsibilities.*

Job title ..... Percentage

**List specific objectives.**

*These should show what you are expected to do and how well. For some parts of your job this may be in clear-cut terms, e.g. quantity, cost, target dates. But other objectives could be about how the job is done or the effect on other people. Be as specific as possible, so everyone is clear how you are to be assessed. Do not set too many objectives; 4 or 5 may be enough. Be realistic. They should be possible but a challenge.*

**Give a broad indication of the resources you manage and any changes you plan.**

*Only a broad indication is required. Examples include the total number of staff you are responsible for and how much expenditure you advise upon and control directly. Are you planning changes to get better value for money?*

Timescale of FJP .....

Note changes agreed through the year on the back of this form

The goals and objectives contained in the Action Plan should be discussed and, when necessary, amended throughout the year. They should not therefore be set in concrete.

The Action Plan is used as the basis for assessing performance. Ideally the employee should be required to make a self-appraisal of his/her own performance in relation to the goals and objectives laid down in the Action Plan. With this information, the manager then completes a performance assessment report. Part of the report form used by our example ARO is presented in Figure 6. In part (b) the manager must assess how effectively the main duties have been carried out and specific objectives achieved. No formal performance rating of these duties and objectives is called for in this form although, as noted earlier, some forms do have simple rating schemes to help managers gauge objective attainment. In addition, weights can also be attached to these ratings. Part (a) of the form comprises a conventional results-oriented rating scheme.

Once the performance assessment report has been completed by the manager and reviewed by a more senior "countersigning" officer, the appraisee is normally allowed to read the assessment as part of his/her preparation for the annual appraisal review interview with his/her manager.

### 3.3 The PRD Interview

The traditional APAS approach, being based on written reports and/or conventional rating procedures, places little or no reliance on interpersonal interactions between appraiser and appraisee. The PRD appraisal scheme, on the other hand, regards the appraisal review interview as the most important aspect of the appraisal process, since it enables the appraisee to obtain clear feedback on job performance in relation to well-defined and agreed upon objectives and enables the appraiser to perform important coaching and counselling roles.

To be successful, the appraisal review interview must be taken seriously by all the managers involved. It also requires considerable skill on the part of the appraiser. Where the necessary attitudes and skills are deficient, the appraisal interview will usually be a disappointment for both parties. More serious still, a badly conducted interview can undermine the appraisee's self-esteem and adversely effect relationships between the appraiser and appraisee. It is essential, therefore, that appraisers receive appropriate training in order to develop their interview skills and generally build up their commitment to and confidence in the PRD process.

#### 3.3.1 Objectives and Style

An interview is a skillfully conducted conversation with a purpose. The main purpose of the PRD interview is twofold, namely to provide the opportunity for the appraiser and appraisee to review in an open and constructive manner the progress made by the appraisee during the last year in meeting the goals and objectives laid down in the individual's action plan and, in addition, to look to the future by beginning to develop new goals and objectives for performance improvement. The interview, by letting the appraisee know where he/she stands and providing strong positive feedback on his/her work, serves as a powerful motivator.

In addition, however, it should provide the opportunity to discuss specific problems and difficulties, particularly those that are potentially remediable in the future. It is clearly unrealistic to think that the appraiser and appraisee can cover all aspects of past and potential future performance and achieve complete understanding during an interview which will not normally last more than 45-60 minutes. However, with careful preparation, a focussed discussion can normally address many of the key issues that are of greatest concern to both the appraiser and appraisee.

The review interview should not be an event in isolation, but an extension of day-to-day leadership and supervision. While it may be the case that the exceptional talented manager is able to meet the objectives of the PRD approach without a formal interview, this is not true for the large majority of managers. Similarly, however talented or well-known the individual employee, the review interview should never be treated as a mere formality.

In order to achieve the PRD interview objectives, the style in which the interview is conducted is a crucial factor. Not surprisingly, a considerable amount of discussion has focussed on this issue.

Three interview styles are commonly identified:

- \* "Tell and sell", in which the appraiser communicates the evaluation to the appraisee as accurately as possible, gaining acceptance of the evaluation and getting him/her to follow a plan for his/her improvement. In the more extreme versions of this interview style, the manager in the role as evaluator informs the appraisee of his/her faults in a straightforward no-nonsense fashion.
- \* "Tell and listen", where the appraiser communicates the evaluation to the appraisee, outlining the main strengths and weaknesses and then lets the appraisee respond to it.
- \* The problem-solving approach. Here the appraiser adopts mainly counselling and coaching roles; i.e., weaknesses in performance that are remedial are jointly identified and discussed. The intention is to discuss these problems in a non-judgmental atmosphere so as to stimulate the appraisee to think about them and propose positive suggestions rather than the appraiser attempting to offer solutions.

In general, the problem-solving approach is preferable, although this should not result in the appraiser glossing over important weaknesses. The responses of a large sample of UK civil servants appraised using either the 'tell and sell' and 'problem-solving' styles are summarized in Table 1. It is clear from these responses that the appraisees who were interviewed using the problem-solving style generally got far more out of the interview process. Central to this was the opportunity for the appraisee to express fully his/her points of view during the interview, not only about past performance but also the future.

### 3.3.2 Preparation and Structure

Careful preparation for the interview by both the appraiser and appraisee is essential. This will help to ensure that in the limited time available both parties are able to address their principal concerns in a focused and

Figure 6. PRD Report Form for an ARO

## Performance Assessment by the Reporting Officer

Definition of ratings

1 Outstanding	4 Performance not fully up to requirements, some improvement necessary
2 Performance significantly above requirements	5 Unacceptable
3 Performance fully meets normal requirements of the grade	

a Give a rating 1-5 for each relevant aspect of performance making full use of the space for your comments

<p><b>Work Activity</b></p> <p><input type="checkbox"/> Quality of work</p> <p><input type="checkbox"/> Output of work</p> <p><input type="checkbox"/> Planning of work</p>	
<p><b>Management</b></p> <p><input type="checkbox"/> Management of staff</p> <p><input type="checkbox"/> Effective use of other resources</p>	
<p><b>Communication</b></p> <p><input type="checkbox"/> Oral communication</p> <p><input type="checkbox"/> Written communication</p>	
<p><b>Working relationship</b></p> <p><input type="checkbox"/> Relations with other staff</p> <p><input type="checkbox"/> Relations with the public</p>	
<p><b>Knowledge / skills</b></p> <p><input type="checkbox"/> Professional and technical knowledge</p> <p><input type="checkbox"/> Application of knowledge and skills</p> <p><input type="checkbox"/> Numeric ability</p>	

b. How effectively have each of the main duties been carried out and specific objectives achieved?  
Give examples of work done well and areas where performance could be bettered

Table 1: Responses of two groups of appraisees to 'tell and sell' and 'problem-solving' appraisal interviews.

<u>'Tell and sell' style</u>	<u>%</u>		<u>'Problem-solving' style</u>
The interviewer did nearly all the talking in the interview	54	46	I did most of the talking in the interview
The interviewer seemed wholly concerned with assessing my work performance over the last year	50	50	The interviewer seemed chiefly interested in improving my work performance in the year ahead
I took the line of least resistance when criticized	23	77	I discussed the assessments with the interviewer when I did not agree with him
The interviewer did not allow me to offer my viewpoint on the way I coped with the job	6	94	The interviewer allowed me to put forward my own views on how I coped with the job
The interviewer seemed to have made up his mind about things before the interview started	28	72	I got the impression that the interviewer was willing to change his views on things in the light of what I said
Almost all the ideas for getting round job difficulties came from the interviewer	45	55	I provided most of the solutions to the problems we discussed
The interviewer made no attempt to understand my feelings about the job	11	89	The interviewer made every attempt to understand the way I felt about the job
The interviewer did not appear to be paying attention when I was speaking	6	94	The interviewer listened most attentively when I spoke
The interviewer did not invite me to put forward any ideas or suggestions about the job	14	86	The interviewer continually pressed me for my ideas and suggestions about the job
The interviewer did not really make my own thoughts about my job any clearer	38	62	The interviewer helped me clarify my own thoughts and ideas about the work

Source: C.A. Fletcher, 1973. "An Evaluation Study of Job Appraisal Reviews." In Management Services in Government. HMSO: London.

efficient manner. While the appraiser will have already completed the performance appraisal form, it is necessary that he/she has a clear idea of how he/she will discuss the appraisal with the appraisee and, in particular, what specific issues he/she would like to single out for a problem-solving discussion during the interview. More generally, the appraiser in preparing for the interview should ask the following questions:

- Will what I propose to say actually help?
- How can I control the situation in a non-defensive manner?
- How will it maintain or enhance the employee's esteem and self-image?
- When the employee walks out of the room, what are the four or five questions I'd like to be able to answer about this person?

Similarly, the appraisee should carefully study the performance appraisal form so that he/she is in a position to discuss issues perhaps requiring clarification from the appraiser and, if necessary, question specific aspects of the appraisal. It may be helpful for the appraisees to organize their thoughts using an interview preparation form. An example of such a form is presented in Table 2.

The precise structure of the agenda of the review interview will vary to some extent according to the needs of the appraiser and appraisee. However, the following broad format is frequently adopted.

**Warm-up:** Both appraiser and appraisee will normally feel nervous and apprehensive. It is important for the appraiser to establish as soon as possible a cordial, relaxed atmosphere. A natural 'opener' to the discussion could be a recent incident that is of mutual interest to both parties.

**Appraisal and interview objectives:** With the introduction of a PRD scheme, the appraisee may not be clear about the precise objectives of the appraisal process in general and the interview in particular. As a general rule, the appraisee should normally be allowed to talk first; so here the appraiser would seek to get the appraisee's views on how he/she sees the appraisal and interview process.

**Performance review:** The appraisee is asked to first respond to the appraiser's written appraisal. This forms the basis for an interactive two-way problem-solving discussion about key aspects of appraisal performance during the last year. The appraiser should praise the appraisee for specific goal achievements, in particular those where significant performance improvement has been achieved and where specific goals have called for special effort and persistence. If performance has been poor in certain areas, this should not be avoided. The best approach here, maybe, is to invite the appraisee to comment on the performance of a specific goal. Normally he/she will recognize that performance has been less than that specified in the Action Plan. Alternatively, the appraiser can ask general questions, such as: What has disappointed you most about your job in the last year? In what areas do you feel least effective? What have you been doing to increase your effectiveness in these areas?

Table 2: Individual Review Interview Preparation Form

SELF APPRAISAL	NAME
<p>1. (Circle appropriate answers, and comment below)</p> <p>(a) Do you have an up-to-date job description?..... Yes Partly No</p> <p>(b) Do you have a list of objectives?..... Yes Partly No</p> <p>(c) Do you understand all the requirements of your job?.. Yes Partly No</p> <p>(d) Do you have regular opportunities to discuss your work, and your objectives?..... Yes Partly No</p> <p>(e) Have you made the improvements agreed with your 'manager' (at the last appropriate meeting)..... Yes Partly No.</p>	<p>6. Is there any special help or 'coaching' you would like from your manager? Can you suggest ways of improving your working relationships, with him, or others?</p>
<p>2. What have you accomplished over and above the minimum requirements of your job description in the period under review? (Consider the early part of the period, as well as more recent events.)</p>	<p>7. Can you suggest training which would help to improve your performance or development?</p>
<p>3. List any difficulties you have in carrying out your work (including personal difficulties).</p>	<p>8. Additional remarks, notes, questions, or suggestions.</p>
<p>4. What parts of your job, do you:</p> <p>(a) do best?</p> <p>(b) do less well?</p> <p>(c) have difficulty with?</p> <p>(d) fail to enjoy?</p>	
<p>5. Have you any skills, aptitudes, or knowledge not fully utilized in your job? If so, what are they and how could they be used?</p>	

Source: Randell et al., 1984

**Areas for improvement:** The last part of the interview should be concerned with the questions: Where do we go from here? The approach is therefore positive and forward looking. The appraiser and appraisee should seek to identify possible areas of performance improvement for the appraisee during the next year. After the review interview both parties can think about these further. Some of them will eventually be incorporated into the individual's action plan for the next year.

**Wrap-up:** At the end of the interview, the appraisee's general reactions to the session and ways to improve it should be sought. The main points discussed should be summarized.

Immediately after the interview, the appraiser should, using an interview record form, provide a written summary of the main points and agreements made during the interview. This should then be sent to the appraisee for comments and signature. An example of an interview record form is presented in Figure 7.

### 3.4 Can PRD work?

The PRD approach is closely related to Management by Objectives. In the past, MBO management systems have been criticized for a number of reasons.

1. MBO requires very sophisticated management with well-established planning and evaluation procedures.
2. Because goals and objectives are set for each staff member, this makes the allocation of rewards more difficult.
3. By placing particular emphasis on measurable standards, there is a danger that more intangible factors which are equally important for overall organizational effectiveness are ignored or undervalued.
4. It is often very difficult to develop meaningful and reasonable objectives. "It is one thing to say that outcomes must be measured against objectives but another (far more complex) thing to come up with a list of assessment items which does justice to the entire range of an individual's professional and organizational involvements" (Ahmad:73).
5. MBO tends to encourage a short-term rather than a long-term orientation.
6. The organizational and managerial environments in the majority of developing countries are fundamentally incompatible with such an approach.

Faced with these problems and difficulties, Badawy observes that even in developed countries, research managers "tend to reject MBO, and dismiss the possibility of its successful implementation" (Badawy, 198:36).

While these criticisms should not be taken lightly, they are far outweighed by the proven benefits of adopting a PRD approach to performance appraisal. PRD is logical, simple and universally applicable. Whatever the job, performance goals can be defined and

Figure 7. Interview Record Form

**Interviewers' Action Record**

Record what you have agreed in the interview. This should include comments on training needs and the Job Holder's view and preferences. Where performance did not meet normal requirements you must set out what action is proposed.

Signature \_\_\_\_\_ Grade \_\_\_\_\_ Date \_\_\_\_\_

**Job-Holder's Comments**

Please sign below to show that you have had the opportunity to read this performance report and discuss it with your interviewing officer and that you have agreed and recorded your job description for the next reporting period.  
*Comment below if you wish.*

Signature \_\_\_\_\_ Date \_\_\_\_\_

assessed. Clearly the specific cultural and other social environments in which each ARO has to operate must be taken into consideration and any PRD scheme that is introduced should be appropriately adapted. A comprehensive training program is also essential to building management commitment and competence.

### 3.5 The Behavior Observation Rating Scheme

In its pure form, PRD is an individualized scheme of appraisal. However, managers must still be able to compare the work performances of staff within each relevant employment category. Thus an additional appraisal instrument is required that can be used in conjunction with PRD. In many AROs, the Behavior Observation Rating Scheme (BOS) mentioned earlier is an appropriate instrument for this task.

BOS consists of specific behaviorally based measures that are based on detailed profiles of effective performance for each type of job being appraised. More specifically, BOS identifies the key work behaviors typically required for effective performance in each type of job and then assesses the extent to which each individual staff member has displayed these behaviors during the past year.

The identification of these key work behaviors is usually based on a job analysis procedure known as the critical incident technique (CIT). Essentially, CIT requires people who are aware of the aims and objectives of a given job and see the staff members performing this job on a frequent basis to describe incidents of effective and ineffective job behaviors that they have observed over the past year. These incidents are then categorized into broad behavior-based performance criteria (e.g., technical competence, planning skills, interpersonal skills). Each behavioral criterion is then rated using a standard scale. Examples of two BOS rating scales for agricultural researchers in the areas of planning and interpersonal relationships are presented in Table 3.

Table 3: Hypothetical examples of BOS rating scales for agricultural research scientists

PLANNING

1.	Completes project review forms carefully and on time						
	Almost always	0	1	2	3	4	Almost never
2.	Discusses intensively with scientist colleagues working in relevant areas						
	Almost always	0	1	2	3	4	Almost never
3.	Consults extensively with other interested individuals; e.g., extension						
	Almost always	0	1	2	3	4	Almost never
4.	Sets research goals that are difficult, but attainable						
	Almost always	0	1	2	3	4	Almost never
5.	Has clear idea of overall objectives of the research programs in which he/she participates						
	Almost always	0	1	2	3	4	Almost never
6.	Rigorously evaluates research undertaken on an annual basis						
	Almost always	0	1	2	3	4	Almost never

INTERPERSONAL RELATIONSHIPS/TEAM PLAYING

1.	Looks for ways to support research colleagues						
	Almost always	0	1	2	3	4	Almost never
2.	Is able to comment on colleagues' work in a critical but supportive manner that does not antagonize						
	Almost always	0	1	2	3	4	Almost never
3.	Prepared to put the interests of the research team above his or her own						
	Almost always	0	1	2	3	4	Almost never
4.	Admits when he does not know the answer						
	Almost always	0	1	2	3	4	Almost never
5.	Encourages candid comments on own work						
	Almost always	0	1	2	3	4	Almost never
6.	Actively supports management decisions once they have been made						
	Almost always	0	1	2	3	4	Almost never
7.	Works well with his support staff						
	Almost always	0	1	2	3	4	Almost never
8.	Procrastinates in dealing with poor performers						
	Almost always	0	1	2	3	4	Almost never
9.	Clearly defines the responsibilities of support staff						
	Almost always	0	1	2	3	4	Almost never

#### CONCLUDING REMARKS

We have three major conclusions. First, annual appraisal schemes should be central to the overall management of human resources in AROs, regardless of their size or location. However, this requires high levels of management commitment to making the appraisal process work.

Second, the traditional appraisal approach that is so prevalent in AROs in developing countries is seriously inadequate in meeting the key objectives of a viable appraisal process.

And third, the PRD appraisal scheme offers the greatest potential as the basis of a new approach to annual performance appraisal for AROs. While PRD is not a simple panacea, it can be made to work in most developing-country contexts.

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