DEVELOPING A PATTERN OF PERFORMANCE APPRAISAL FOR HIGHER EDUCATION INSTITUTIONS IN LITHUANIA

Rita Bendaravičienė
Vytautas Magnus University
Tel. +370 37 327964, mob. +370 620 50234
e-mail: rita@adm.vdu.lt

The paper explores the status quo of performance appraisal in Lithuanian higher education institutions (HEIs) with particular emphasis on purpose, criteria and other key operating principles of the appraisal process pointing out main problem issues and disadvantages that should be bridged over. A brief case analysis of good practice of performance appraisal at HEI is provided. The article presents results of research carried out to at one Lithuanian HEI with the focus on employees perceptions and expectations towards formal performance appraisal system. These data are used to develop a pattern of most appropriate and effective performance appraisal system for HEIs in Lithuania and to define essential characteristics it should possess.

Key words: performance appraisal, higher education institution, academic and administrative staff.

Introduction

Competition, reduced public funding, ownership shift from State budget to public institution, prime government change from Senate to stakeholders’ Council, etc. Probably the need for effective personnel management in Lithuanian higher education institutions (HEIs) has never been more important as nowadays when the overall reform of higher education, launched on April 30, 2009 by legislation of the new Law on Science and Studies, has raised new complex tasks and challenges. In parallel to organization of studies, production and spread of knowledge and science development, HEIs have to introduce modern management approaches and focus on the total quality assurance. Success of HEI as knowledge-based organization exceptionally relies upon the excellence, expertise, commitment and innovation of their staff (Simmons, 2002). Academic staff as intellectual capital of HEI creates an added value, which is very hard to copy, imitate, or repeat. Systematic staff appraisal procedures are generally assumed to comprise an important part of quality management and development in HEIs (Lonsdale, 1998), as well as substantially contributing to their overall productiveness, effectiveness and successful rival in the market.

According to Decramer et al. (2008) the HE sector is one area of the public sector where the introduction of private management instruments faces certain dilemmas or yet fails. Even though human resources are the most valuable asset of HEIs, the accounting and administration of personnel predominates over managing approach. That could be mostly explained by the organizational particularity of HEIs, i.e. flatter structure, more collegial than hierarchical management, weaker control and regulation mechanisms. In HEIs employees usually possess more self-discipline, freedom of action, decision-making, stand to professional standards and code of ethics and their status derives basically from their personal competence, knowledge and excellence (Simmons, Iles, 2001). A number of researches, especially within HE sector (ex. Simmons, 2002) state that application of hierarchic, control-pointed performance appraisal is “unwarranted, unworkable and unacceptable in knowledge based organizations”. Simmons, Iles (2000) note that common principles of flexibility, procedural justice, staff commitment and self-reflection should be applied while developing an equitable and robust performance appraisal system at HEI as well as recognition and consideration of stakeholders’ interests and developmental approach are crucial.

The article raises problem questions: what kind or performance appraisal is prevailing in Lithuanian HEIs? What problems does it generate? What would be the most appropriate performance appraisal system for Lithuanian HEIs to motivate and empower staff to do their best and continuously enhance teaching, learning, research, study quality and, accordingly, influence the successful development of HEI?

The above mentioned issues and questions are very relevant in present context of Lithuanian HE reform, but are not widely analyzed in scientific literature, especially Lithuanian one, therefore the performance appraisal of academic and administrative staff in Lithuanian HEIs was chosen as the object of research. The aim of the research was to develop a theoretical pattern of most appropriate and effective performance appraisal system for HEIs in Lithuania. The following objectives were set to achieve the defined aim: to review how performance appraisal manifests itself in Lithuanian HEIs, reveal it’s cons and pros, highlight employees attitudes towards introduction of formal performance appraisal, define the main characteristics effective performance appraisal system should possess. During the research the following methods were used: scientific literature review, qualitative secondary data analysis of documents used in the process of appraisal, case analysis of performance appraisal system employed at particular HEI, questionnaire survey and theoretical patterning.
Theoretical background

According to Seta et al. (2000) initially performance appraisals were quite brief, consisting mainly of a few comments from a supervisor to his subordinate to the extent that he or she was doing a „good job“ or, conversely, a “bungle job”. However, afterwards performance appraisals have become widely viewed not simply as a means of informing employees on where do they stand, but also as a valuable tool for helping them develop in ways beneficial both themselves and the company.

Armstrong (2006) defines contemporary performance appraisal as a “formal evaluation process, when a review of performance over a period takes place, covering achievements, progress and problems as the basis for a revised performance agreement and personal development plan”. Currently performance appraisals usually comprise 1) explicit feedback on various aspects of job performance; 2) identification of employee’s strengths and weaknesses in comparison to the requirements for current position; 3) the agreement on concrete objectives to be attained by the employee during the next evaluation period; and 4) preparation of personal development plans, a statement of each employee’s career goals, decisions on merit pays, etc. (Seta et al., 2000).

Performance appraisal may be used for a full-scale of various purposes. Fisher et al. (2005) define the following principal purposes of appraisal: employee development (identification of training needs and preparation of personal development plans), administrative decisions (merit, pay, career, etc.), organizational development (personnel planing, prevention of conflicts, implementation of motivation system, etc.) and documentation (conformity to official regulations, certification of accordance to formal requirements, etc.). Actually, the above mentioned purposes of performance appraisal in practice usually overlap and thereafter two key opposite approaches are referred to. These are, as Haslam et al (1993) define managerialist (aimed at control, primarily concerned with assessment of performance outcomes, and linked to promotion and merit pay awards) and developmental (intended for the purposes of staff development, explicitly stated and backed up with adequate resources and effective procedures designed to ensure that identified training needs are met).

The almost crucial step in developing a performance appraisal system is to determine which aspects of performance to evaluate. According to Fisher et al. (2005) the most frequently used appraisal criteria are traits, behaviors, and performance outcomes.

Türk (2008) stresses that performance appraisal has a pivot role in reforming the educational system and increasing productivity of academic staff, as well as raising the overall quality of HEI. According to Allen (2003) “performance appraisal is one of the most valuable instruments in the manager’s toolbox, <…> a careful appraisal process can help improve an employee's performance for an entire year. More broadly, an effective evaluation process is part of the strategic first-rate people management that helps organizations to succeed.”

Practice of performance appraisal in Lithuania

It should be pointed out that formal performance appraisal is obligatory in all Lithuanian HE institutions and is regulated by the Laws of the Republic of Lithuania. The subject of such appraisal or to be more exact – assessment or certification - is academic staff. Periodical certification is conducted to evaluate conformability for current position only at the end of each 3 to 5 years cadency (according to Lithuanian regulations). But the purpose of such certification is exceptionally administrative-managerial (i.e., renewing or termination of employment contract, demotion or promotion) and not at all focused on motivation or development of academic staff.

Academic staff appraisal criteria, set by the resolution of the Government of the Republic of Lithuania (i.e., scientific degree or academic title, scientific productivity – articles, monographs, textbooks, methodical material – experimental work, attending international scientific conferences, etc.) are oriented towards results of scientific activity. Meanwhile behavior, competencies, enunciation skills, personal features – criteria that are of great importance revealing and evaluating teaching quality and dynamics – stay apart. Some HEIs or just some departments involve students as important stakeholders (appraisers) into assessment process of academic personnel. Questionnaire surveys allow finding out how good academic employees are in teaching, do they properly transfer the knowledge, how comprehensive their communication is, etc. Consequently to evaluate teaching quality and make steps improving it. And the latter is where HE institutions usually fail, because results of such surveys are not applied properly and stay mostly in the frames of the survey process itself. On the other hand student evaluation should be used with certain caution, since student opinion – do they like a teacher, whether or not the material in the course is
interesting, are lectures clear, interesting, stimulating, and perhaps amusing. Rosovsky (1990) notes that “to some degree, these are measures of popularity and may have little to do with the essence of teaching: to cause someone to understand a subject”.

According to Bakanauskiene and Juoziliaityte (2001) the existing performance appraisal system of academic personnel in the Lithuanian HE institutions don’t motivate to develop and/or improve their teaching abilities and competencies. The main problems pointed out by authors are purpose of appraisal (suitability for position), appraisal criteria (predominant scientific results orientation), frequency (too rare), selection of appraisers (not all or at least main stakeholders involved).

Moreover there is a very few evidence of performance appraisal of administrative personnel at the HEIs in Lithuania, although their activity is soundly influencing the common organizational success and institutional quality.

Nevertheless Lithuanian HE sector already has some pioneers and success stories of performance appraisal introduced within HEI. The one to be mentioned is Kauno kolegija (Kaunas College), which have designed and implemented the inner quality assurance system, based on the self-examination – data collection, filing and analysis downwards and upwards faculty, department and lecturer levels. Separate performance appraisal forms for academic employees (Docent, the known Artist, Lector) of 1) Physical/ Biomedicine/Technological Sciences, 2) Social Sciences/ Humanities and 3) Arts are developed and announced at the webpage of Kaunas College1. The forms include self-assessment subsection (subject taught, performance during tenure - requirements and evidence), student opinion (evaluation), which can be marked as „perfect response“, „more advantages than disadvantages“or „more disadvantages than advantages“. „Student opinion“ is a mutually by employer and the Head of Department agreed criteria after discussion about student evaluation results. The last subsection is allocated to the comments of the Head of Department on the positive aspects of employee’s performance, implications for improvement and recommendation for the Certification Committee.

The specific attention should be paid to the requirements for „Performance during tenure“. Besides the performance (certification) criteria to academic staff during their cadency (tenure) or electing to the position determined by the Government of the Republic of Lithuania, the requirements for „Performance during tenure“ at Kaunas College include such criteria as:

- Constant self-analysis and self-examination (assessment);
- Constant renewal of study programs taught and study materials used;
- Participation in projects, preparation of new programs;
- Improvement of professional and student teaching competencies.

Common criteria, indicators, spheres and subspheres provide the comparative approach and, accordingly, preparation of development plans. All academic employees are involved in self-assessment process and according to Stravinskiene (2009), it is „closely related to the planning cycle of further Kaunas College as united institution development“. Students play an important role in teaching quality appraisal and a feedback is provided both to lecture appraised and students afterwards. Definitely, introduction of such system faced a number of tensions, e.g. resistance, ignorance, different understanding of quality, attempts to hide shortages, etc., and that is the broad-based issue.

It should be added, that new scheme of administrative staff appraisal has been developed and approved at Kaunas College recently and will cover the whole personnel of this HEI. The first pilot appraisal is planned to be conducted in the nearest future.

Research Methodology

Using continuous anonymous questionnaire survey method the employees of one (X) Lithuanian higher school were surveyed. The name of the HEI has not been revealed in consideration of confidentiality, but is known by the author as well as the editor.

Non-random sample of both academic and administrative full-time staff has been selected for the survey. 61 questionnaires were distributed, 38 were returned filled in and processed. Consequently, the response rate of 62 per cent does not provide the satisfactory level of accuracy and confidence, but yet allow getting clear implications on employees’ point of views.

The questionnaire consists of 21 questions, 3 open and 18 closed ones. Closed questions were asked to be evaluated using Likert Scale at the sensitiveness from 1 to 10 or to choose answers from 1 to 11.

variations. Respondents were asked about their attitudes towards performance appraisal necessity, benefit to organisation, appraisal purposes, criteria, subject, appraiser and frequency.

The average working experience of the respondents at X institution of HE was 2.5 years, the average common working experience was 10 years. The conduct of „witness“ interviews were under consideration, but the possible bias, low confidence, high time consumption, employees reluctance has made to abandon the plans.

Analysis of data of empirical research showed that many (39%) employees do not receive a feedback from their immediate superior on their accomplishments and progress seeking personal and organisational goals. It is noteworthy that in modern organisation such a tendency could point out an insufficient communication, therefore it should be the sphere that formal performance appraisal system would definitely improve. On the other hand majority of respondents (63%) clearly know their activity goals, although the part of employees (37%), to whom the goals are not defined is large enough. It stays unclear how to assess the employees’ contribution in the latter case. The larger half (66%) of respondents does not have personal training and development plans. It turns out that actual performance management situation in the surveyed X institution of HE is based on self-discipline, high-trust and independency.

When answering the question „Do you think formal performance appraisal system is necessary at X institution of HE“ the mean of responses is 4 using the values from 1 to 10, where 1 comes to „very necessary“ and 10 comes to „very unnecessary“. On contrary, to the status quo employees advocate for the formal feedback and implementaion of performance appraisal scheme.

Subsequent questions examine what kind of performance appraisal system respondents would see as right and appropriate one.

**Appraisers of academic staff.** As it is shown in Figure 1, „Students/clients“ were chosen as appraisers by all „academic“ respondents, the vast majority (79%) has marked an immediate superior as the main appraiser as well. 42% emphasize self-assessment, 34% of respondents would see colleagues as proper appraisers. When it comes to external appraiser or the inner ad hoc committee only 21% of respondents stated for the involvement of such appraisal bodies. It may be proposed that employees are positive and open-minded enough towards their close working environment, but do not trust official formations.

![Fig. 1. Appraisers of academic staff (average evaluation of selection)](image)

**Appraisers of administrative staff.** The selection of appraisers for administrative staff is correlative to the data of academic staff appraisers. „Students/clients“ (63%) and an especially immediate superior (92%) are supposed to be most right appraisers. Self-assessment got a fair amount of choices as well and it advocates for the high level consciousness of both academic and administrative staff. The minority of respondents trust external appraiser or the inner ad hoc committee as well. The articulated orientation towards opinion of students/clients seems to be a very mature attitude and consciousness comprehension of the main stakeholder of HEI.

**Frequency of appraisal.** When studying the frequency of appraisal, 42% of respondents requested it once a year, which could be related to annual students admission plans, duration of academic year, i.e., period when achievement of goals could be measured against plans and it is very rational point of view.
50% of employees would prefer appraisal to be conducted once half a year. Only 5 respondent link performance appraisal to promotion or demotion procedure.

**Purposes of appraisal.** Evaluating purposes of performance appraisal (increase of motivation, loyalty, differentiation of pay and incentives, decisions about promotion, annual review of performance goals achievement, preparation of development plans, improvement of organisations results, personnel selection effectiveness) at the scale from 1 to 10, where 1 means „totally disagree“ and 10 „totaly agree“, the averages of responses distributed from 6 to 8, implicating the importance of overall purposes. It should be noticed that a fair number of respondents underline administrative functions of performance appraisal, which could be explained by a priori interconnection between appraisal and formal certification kept in mind. Forasmuch HEI is a knowledge organisation, training and development are seen as substantial values, thus many employees anticipate performance appraisal to be related to the nourishing of these values too.

**Emotional pressure.** When it comes to the statements, that performance appraisal evokes emotional pressure, fear to get negative evaluation, or may be bias, the average of responses in the scale from 1 to 10, where 1 means „totally disagree“ and 10 „totaly agree“, is 6, which comes for „agree“. And that acknowledges once again the fact that performance appraisal should be fair, transparent, clear, comprehensive and objective in order to prevent such unacceptable correlations.

**Appraisal criteria.** Exploring appraisal criteria employees were asked to think of academic and administrative staff separately. Students-orientation (82%), academicity (76%), modernity (76%), striving for perfection (74%), scientific activity (71%) and responsibility (63%) are seen as the main criteria academic employees should be assessed in accordance with (see Fig. 2). Such a selection may be stipulated by the intangibility of product academic employees are providing, therefore focus on „how“ instead of „what“ while appraising academic employees performance is obvious. In addition creativeness, loyalty, expertise, flexibility and practical activity were mentioned as possible appraisal criteria of academic employees.

According to respondents administrative staff should be assessed using such criteria as responsibility (87%), result-orientation (76%), planning of activity (74%), striving for perfection (74%) and change management (66%) (see Fig. 3). Employees don’t think that loyalty (45%), accuracy (47%) should be appraised. It could be explained by matter-of-course point of view. Respondents added that important criteria assessing administrative employees are effectiveness, vitality, team working, representation of HEI, positivism and self-discipline. Summarizing the choice of appraisal criteria for administrative and academic employees, it should be noticed that competencies are emphasized for academicians and activity results stand first for administration.
Fig. 3 Appraisal criteria for administrative staff (average evaluation of selection)

Theoretical patterning

Scientific literature review, qualitative secondary data analysis of documents used in the process of appraisal at Lithuanian HEIs and Kaunas College in particular, questionnaire survey at X institution of HE provided with implications, which are delineated by the author in the performance appraisal process diagram below (see Fig. 4) as a theoretical pattern of such a system for HEIs in Lithuania.

Accordingly the following characteristics of “appropriate” and effective performance appraisal system Lithuanian HEIs should adopt are defined as essential by author: 1) Performance appraisal purpose at HEI should be merely aimed at motivation and development; 2) All employees – both academic and administrative staff of HEI should be regarded as subject to performance appraisal scheme; 3) Due to the particularity of HEI and distribution of roles (more tangible for administrative staff and more intangible for academic staff) the performance appraisal system evaluating both criteria - behavior (traits) and performance objectives/outcomes should be developed and implemented. It is noteworthy that only outcomes of mutually agreed upon, but not directed objectives should be measured. The list of essential competencies for each position should be developed and the level required measured against the factual level observed. Eventually, the handbook of competencies of HE institution should be available.

Fig. 4. Theoretical pattern of performance appraisal for Lithuanian HEIs.
4) An immediate supervisor should be usually considered as the most acceptable and „proper“ appraiser, as it is also very common to start performance appraisal from appraisees self-assessment and self-reflection stage. It would be advised to incorporate students’ opinion into the academic staff performance appraisal scheme, once it is properly obtained, systematized and documented. It provides valuable information on employees teaching, communication, and etc. abilities on daily basis. As well as colleagues may be welcome to express their voice, though bias, inadequacy, over or under evaluation may be present because of competition or a team spirit. 5) Although it turned out during the survey that a significance number of respondent (50%) would appreciate performance appraisal interviews once half-a-year, it would be highly recommended to stand for once a year frequency at HEI, since the latter duration comes in line with academic year, annual students admission plans, other strategic and managerial processes. It is noteworthy, that performance appraisal interview requires adequate preparation that is very time consuming; besides shorter duration would not allow evaluating accomplishment of long-term objectives. On the other hand, mid-year or termly review, definitely less formal and comprehensive, would be useful both to allow priorities to be refocused if necessary and to identify help/support, guidance and resources needed to achieve planned performance. Of course, the continuous daily feedback and support should be a must.

Conclusions

The review of performance appraisal situation in Lithuanian HEIs has revealed that obligatory managerialist approach is prevailing when academic staff is evaluated against conformity for the position and only few pioneer evidences of contemporary performance appraisal systems were observed. This obviously does not motivate HEIs employees and does not provide the means for quality assurance and effective personnel management, which are of prime importance in the presence of HE reform.

The carried out research disclosed that employees of HEI speak for the formal performance appraisal system. Employees acknowledge its benefits, although they feel it could evoke some emotional pressure. Forasmuch a feedback about accomplishments, agreement on activity goals and preparation of personal development plans is not the major case, respondents assume that formal performance appraisal would fill the gap. Diversity of supposed appraisal criteria between academic and administrative staff are influenced by the particularity of more intangible product provided by the academic staff, or as it is called „knowledge workers“.

The theoretical pattern of performance appraisal system for HEIs in Lithuania developed by the author is predicated on the summarized overall data and strongly advocate for the developmental approach, the whole staff involvement, evaluation of both behavior and performance outcomes, consideration of students opinion besides the feedback from immediate supervisor and once-a-year frequency. Though the author acknowledges that particularities of process and content of performance appraisal are discretionary and, accordingly, the adopted pattern of performance appraisal would manifests differently from institution to institution.

Exploration of performance appraisal in Lithuanian HEIs is limited by a very few cases of performance appraisal developed and implemented at HEIs, therefore it stays an important subject to scientific and experiential research.

The above analyzed research at X institution of HE has been carried out about five years ago and during that time performance appraisal system based on the outcomes of the research has been developed and is undergoing its first pilot application cycles. Therefore repeated survey would be advisable in order to find out staff opinion on “how are they feeling about actual performance appraisal system” as well as any requests for improvements in appraisal and development.

References