

Lecturers' Perception of the Purpose of Performance Appraisal System

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ABSTRACT

The Performance Appraisal System (PAS) has purposes that are oriented towards individuals and institutions to improve the performance of higher education. This study explores lecturers' perceptions of the purposes of PAS. Data were collected via questionnaires from 269 lecturers at higher educational institutions in Indonesia. Confirmatory factor analysis was used for data collection. The results showed that the lecturer agreed that the PAS purposes would have an impact on lecturers and universities. Lecturers have a perception that PAS is the basis for management's decision-making for promotion and reward, the process of documenting, and recognizing lecturers' performance. PAS provides information about the weaknesses and strengths of lecturers and provides feedback for them. PAS also has role-definition purposes of providing clarity about the role of lecturers in higher educational institutions. Also, PAS is recognized by lecturers, which can support the strategic purpose of higher education. The results of this study provide information to universities to develop the performance appraisal system because lecturers recognize the important role of PAS in achieving university goals.

Keywords: Performance Appraisal System, Performance Appraisal Purposes, Role-Definition Purpose, Strategic Purpose

1. INTRODUCTION

Performance appraisal has been implemented in public and private institutions. Performance appraisal can be done in various ways [1]. PAS is a formal system used to measure the performance periodically. Performance appraisal is part of performance management that is beneficial to the institution. PAS is also one of the crucial aspects of managerial and human resource control [2]. The usefulness of PAS depends on achieving the objectives which were designed and implemented in the institution [3]. Performance appraisal leads to improved performance and enables integrated communication that supports individual policymaking and development strategies. PAS effectiveness occurs when there is alignment between PAS objectives and individual goals as well as organizational goals.

The results of previous PAS studies show mixed results [4]; most of the studies have not met the objectives set by PAS [5]. PAS is considered something less productive and less enjoyable [1], [6]. If employees consider PAS unfair, then they will show a negative attitude towards the system, so that it will affect the institution poorly [7].

Research at universities also shows that the implementation of PAS motivates educators to improve their performance [8]. However, there are also some research results showing that there is often a mismatch between the goals of PAS and the goals of higher education [9]. The lecturers are the

cause of this condition, because they, as the core actors in higher education, are professionals who have different professional values compared to the profit-oriented organizations. Lecturers cannot be managed using the managerialism model as in profit-oriented organizations. The managerialism model will result in lecturers who need to set aside the time for bureaucratic procedures. It will have an impact on the main tasks of lecturers, which are neglected because they are preoccupied with administrative tasks, namely reporting on each performance [10]. However, other research believes that to achieve good performance, it is necessary to have a performance management mechanism itself, including for lecturers at universities [11]. They believe that the lecturers may not be able to regulate their performance, so it is necessary to carry out performance management through a performance measurement system that is aligned with the objectives of the higher educational institution. PAS provides the clarity of indicators of achievement targets that must be achieved by lecturers to support the achievement of university goals. Although the purpose of performance appraisal is to motivate individuals and align individual behavior with organizational goals, the performance assessment is not always smooth and productive [12]. Moreover, performance appraisal becomes destructive, if it does not consider objectivity and fairness. If PAS is considered as a system that does not have a purpose, PAS will lose its value and role in the universities. Individuals will argue that PAS as a formality for filling in an assessment form, which has

no serious implications for their development and appreciation, and it will not have an impact on university performance.

This study explores lecturers' perceptions of the objectives of PAS, so it is expected that by knowing the lecturers' perceptions of PAS, information about the possibility of successful PAS implementation will be obtained. This study looks at lecturers' perceptions of the goals of PAS, which are oriented towards individuals and institutions. Individual-oriented performance appraisal has administrative and developmental purposes. Whereas for institution-oriented, PAS has a role-definition and strategic purpose [13]–[15].

2. LITERATURE STUDY

The PAS research so far has focused more on the purpose of applying PAS for individuals [16]. However, in recent years, researchers have recognized the importance of PAS goals and also pay attention to PAS that focuses on individuals and organizations [15]. This study explores lecturers' perceptions of the purpose of PAS so that it will provide information about the possibility of PAS effectiveness being highly implemented at universities.

2.1 Performance Appraisal System

PAS measures the quality of individual performance, which provides information for decision-making and suggestions for improvement [17], [18]. PAS supports organizations in dealing with a competitive environment [19]–[21]. As such, PAS provides a diverse set of actions related to essential parts of the institution, as well as integrates the cross-functional strategic steps to achieve organizational goals based on vision and mission [19].

2.2 Administrative purposes of PAS

Assessments for administrative purposes focus on traits that trigger an increase in individual performance. The expectancy theory forms the basis of the relationship between PA administration and appreciation [22]. This theory states that, if employees are valued according to their performance, their motivation increases; so, they will be interested in the activities of the institution. Individuals, in general, will perceive that the higher their performance, the higher the reward they will receive [23].

2.3 Developmental purposes of PAS

The purpose of PAS for development is to evaluate the employee's competency-oriented performance [15]. Management using PAS for development will utilize the performance appraisal information to improve performance through development activities at the individual or

institutional level. PAS will assist the training needed to develop higher-education lecturers, so they can manage the change and develop the institutions according to the objectives to be achieved.

2.4 Role-Definition purposes of PAS

The effectiveness of the performance appraisal system can be achieved if entering the attributes used are relevant to the activities that need to be carried out by the lecturer [24]. The competition among higher education due to globalization and information technology causes lecturers to improve their competence. Lecturers need to modernize the learning model, for example, by using the blind method in the learning process by utilizing e-learning systems. New attributes need to be developed to support the work of lecturers so that they can keep up with renewable developments. The performance appraisal system needs to support the new roles of lecturers and the skills needed. Therefore, the system needs to always update job content and skill requirements to improve organizational performance or to retain competent employees [15].

2.5 Strategic Purposes of PAS

The strategic objective of performance appraisal is to align institutional relationships with individual goals [24]. Performance appraisal will increase lecturers' understanding of the goals of higher education because the lecturer will evaluate the achievements of the goals set by the university [1], [25]. PAS for strategic purposes also provides information for organizational planning that increases organizational effectiveness, productivity, and performance [26].

3. RESEARCH METHODOLOGY

The development of questionnaires was conducted with the help of expert translators. Pilot tests were conducted among lecturers and they were requested to advise if there were questionnaires that needed improvement. The pilot test results formed the basis of the final questionnaire.

In this study, data was collected by distributing questionnaires to lecturers at Indonesian higher education. The questionnaire was distributed directly to lecturers in tertiary institutions. Also, it was distributed using Google Form tools. At the beginning of the questionnaire, it was stated that the information they provided would be kept confidential and used solely for research purposes. The questionnaire was distributed to 1000 lecturers spread across universities in Indonesia. There were 300 returned questionnaires, but only 269 questionnaires could be used for analysis.

Perceptions about the objectives of the performance appraisal system were measured by using four dimensions, namely "Administrative Purpose," "Developmental Purpose," "Role-Definition Purpose," and "Strategic

Purpose." Indicators used to measure administrative, developmental, and role-definition purposes used the instruments developed from previous studies [15], [27], [28]. Each dimension consisted of three question items that represent the choice of lecturers on the objectives of the performance appraisal system. The strategic purpose was measured by using six-question items developed by Kuvaas [29]. This question item measured whether the performance appraisal provided information including the objectives, vision, and strategy of the lecturer with the institution. It also contained the suitability between individual and institutional goals. Question items were measured using a 5-point Likert scale from number 1 (Strongly Disagree) to

number 5 (Strongly Agree). In addition, to interpret the results, researchers used interpretive scales, namely: 1.50 or less = Strongly Disagree; 1.51-2.50 = Disagree; 2.51 - 3.49 = Neither Agree nor Disagree; 3.50 – 4.49 = Agree; and 4.5 or greater = Strongly Agree.

4. RESULTS AND DISCUSSIONS

Confirmatory factor analysis test results are shown in Figure 1 and Table 1.

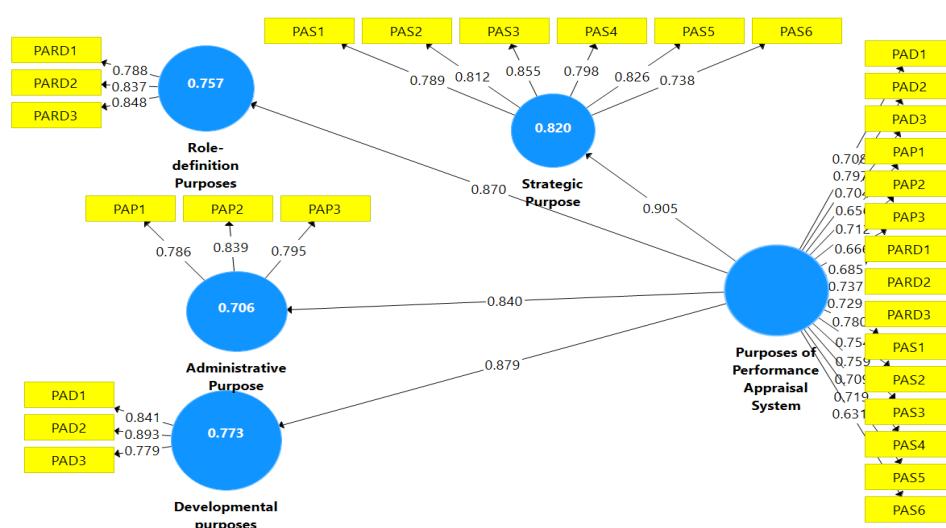


Fig. 1. Structural Model

The results showed that the measurement tools for each goal of PAS were valid and reliable, and all have met standardized values.

Table 1. Validity and Reliability Test Results

Variable	Outer Loadings	Cronbach's Alpha	rho_A	Composite Reliability	Average Variance Extracted (AVE)
Administrative Purpose	0.786 - 0.839	0.732	0.734	0.849	0.652
Developmental purposes	0.779 - 0.893	0.788	0.795	0.877	0.704
Role-Definition Purposes	0.788 - 0.848	0.765	0.767	0.865	0.680
Strategic Purpose	0.738 - 0.855	0.890	0.893	0.916	0.646

In this study, the lecturers perceived that administrative purpose was important. The lecturers agreed that PAS is a process of documenting and recognizing their performance (mean value of 4.435), performance appraisal as a basis for promotion (4.368), and as a basis for determining the increase / additional salary received by the lecturer (4.26).

It shows that the performance appraisal has an administrative goal with a score of 4.354 meaning that the lecturers believe that performance appraisal supports the Expectancy Theory as the basis of the relationship between PA administration and awards [22].

Table 2. Lecturers' Perceptions of Administrative Purposes

Item	Mean	Std. Deviation	Response Category
Performance appraisals help determine whether to promote, retain or terminate an employee.	4.368	.739	Agree
Performance appraisals determine what raise someone should receive.	4.260	.801	Agree
Performance appraisals process documents and recognizes employee's performance.	4.435	.623	Agree
Overall Score	4.354	.584	Agree

The scale measuring lecturers' perceptions about the developmental purposes of PAS, suggests that lecturers agreed on performance appraisals giving them performance feedback (4.327), providing information on their performance positions (4.294), and identifying their

strengths and weaknesses (4.249). Lecturers agreed on performance appraisal as information about their performance (4.290). This is in line with the purpose of PAS for development, which is to evaluate the employee's performance-oriented competencies [15].

Table 3. Lecturers' Perceptions of Developmental Purposes

Item	Mean	Std. Deviation	Response Category
Performance ratings let employees know where they stand.	4.294	.743	Agree
Performance ratings are used to provide feedback about employee's performance.	4.327	.771	Agree
Performance appraisals identify individual strengths and weaknesses.	4.249	.806	Agree
Overall Score	4.290	.648	Agree

Lecturers' perceptions about Role-Definition Purposes shows that the lecturers agreed that performance appraisal provides information that helps to make positive changes in a job (4.357), provides information about what lecturers still need/need to do in achieving their work-related targets (4.331), and provides information about what kinds of work

that become their responsibility (4.234). This result (4.307) indicated that the lecturers agreed that PAS illustrates the extent of their important role in accordance with the rules of the higher education by identifying work assignments that are not necessary to do [15].

Table 4. Lecturers' perceptions of Role-Definition Purposes

Item	Mean	Std. Deviation	Response Category
Performance appraisals provide information about what employees are responsible for accomplishing	4.234	.815	Agree
Performance appraisals provide information that helps make positive changes in the job itself	4.357	.732	Agree
Performance appraisals provide information about what employees actually do in their jobs."	4.331	.690	Agree
Overall Score	4.307	.615	Agree

The results of data processing show that lecturers agreed that performance appraisals help them understand what is expected from them, so they can contribute to the effectiveness of institutions (4.335), performance appraisals help lecturers prioritize various work of activities (4.167), performance appraisals provide clear goals that can be understood (4.164), performance appraisal has a clear link between the responsibilities of lecturers and the performance of departments and higher education (4.138), performance appraisals provide information about university goals (4.037), performance appraisals help lecturers understand the vision and strategy of higher education (4.022). It shows that the strategic objectives of PAS had been understood by lecturers (4.143). This

condition will have a positive impact, because if the university implements it well, then it will align the relationship of the institution with individual goals [24].

Table 5. Lecturers' Perceptions of Strategic Purpose

Item	Mean	Std. Deviation	Response Category
PA helps me understand what is expected from me in such a way that I can contribute to organizational effectiveness.	4.335	.685	Agree
PA provides clear goals I can direct attention to	4.164	.730	Agree
Provides me with information about organizational goals	4.037	.841	Agree
Helps me prioritize between different work activities	4.167	.786	Agree
Helps me understand the organization's vision and strategy	4.022	.828	Agree
I see clear coherence between my own work and the performance of my department.	4.138	.717	Agree
Overall Score	4.143	.617	Agree

5. CONCLUSIONS

This study described the perceptions about the purpose of the performance appraisal system from the point of view of a lecturer as the party whose performance is assessed. The results of this study provide empirical evidence that lecturers agreed that PAS has a useful purpose for the institution. Lecturers agreed that PAS has administrative objectives, so it is expected to trigger an increase in individual performance. Lecturers also agreed that PAS provides information and feedback on their competencies so that it can be used as a basis for the development of individual lecturers by university management. PAS was also agreed to be able to provide direction on the role of lecturers in the development of higher education. Lecturers agreed that the existence of PAS has caused them to know more about what the university wants from them. It was also agreed that PAS will align individual goals with those of higher education.

The results of this study provide information to university management that, in general, lecturers can accept the purpose of PAS, so that they are more likely to accept the application of PAS in higher education. This study looks at the purpose of PAS from the lecturer's perspective as the party whose performance will be assessed, and future researchers can then develop it by looking at the perspective of the assessors, non-educative employees, and management. In addition, future researchers need to pay attention to the impact of PAS on the lecturer's performance.

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