PERFORMANCE EVALUATION AND ITS EFFECTS ON EMPLOYEES IN CONSTRUCTION INDUSTRY.

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Keywords

ABSTRACT

This research is about the Performance evaluation and beneficial process in construction industry, these provides annual feedback to staff members about job effectiveness and career guidance. Appraisal is an important instrument in the manpower management, if it is performed correctly and logically, it can conduct the organizations to their goal and the personnel will achieve their interests. In this paper we study the effects of performance appraisal results on the employees in construction industry. For studying the research 395 samples was selected by chance. The data collection instrument was a 37-question questionnaire including 35 closed questions measured by Likert's scales. Sign tests were used to analyze the data. The total results, Performance Evaluation were average and high. The effects of result's annual Performance Evaluation on the job motivation were high. On the basis of the findings this research and those analyses, Performance Evaluation is major factor on motivation. For this reason, its need to attention's managers and personnel.
1. INTRODUCTION

Performance appraisal has occupied the attention of researchers in human resource management, organizational behaviour, and industrial/organizational psychology for many years. A review of the hundreds of articles written on the subject revealed significant concern for the reasons behind ineffective performance appraisal. Many articles emphasized management style and offered suggestions about how to appraise staff (Gail Spence, 2007). Performance appraisal is the process of obtaining, analyzing and recording information about the relative worth of an employee. The focus of the performance appraisal is measuring and improving the actual performance of the employee and also the future potential of the employee. Performance appraisal and evaluation is identified as the identification, Measurement and management of human performance in organizations and provides individuals with useful feedback and coaches them to higher levels of Performance (Gomez-Mejia, 2007). The studies use the terms “performance evaluation” and “performance appraisal” interchangeably, stating performance appraisals are a systematic way of evaluating the standard of a worker’s performance (Grote, 2002). According to Dickinson (1993) Performance appraisals are an important part of organizational life because they can serve a number of functions/purposes, including solving performance problems, setting goals, administering rewards and discipline, and dismissal (Dickinson and Ilgen, 1993). It is a powerful tool to calibrate, refine and reward the performance of the employee. It helps to analyze his achievements and evaluate his contribution towards the achievements of the overall organizational goals. By focusing the attention on performance, performance appraisal goes to the heart of personnel management and reflects the management’s interest in the progress of the employees. The Performance appraisal program is based on the evaluation of two components at the end of each year: the competencies and levels identified for the position and the key objectives established between each manager and their staff members for the period covered by an appraisal cycle.

Performance appraisal has different objectives for management and for the employees. Employees are interested in having an assessment of their work from the viewpoint of personal development, work satisfaction and involvement in the organization. Management assesses the performance of employees to maintain organizational control and disburse rewards and punishments to further organizational goals. Effective appraisals are believed to motivate nurses to improve their practice (Longenecker, 1998), provide job satisfaction, and improve staff morale (MacKenzie, 1995). Thus, a spirit of mutuality is essential in an effective performance appraisal system.

Performance appraisal is a management tool which is helpful in motivating and effectively utilizing human resources. Assessment of human potential is difficult, no matter how well designed and appropriates the performance planning and appraisal system is. Performance appraisals are an important part of organizational life because they can serve a number of functions/purposes, including solving performance problems, setting goals, administering rewards and discipline, and dismissal (Dickinson and Ilgen, 1993). Therefore the performance appraisal system should:
- be correlated with the organizational mission, philosophies and value system;
- Cover assessment of performance as well as potential for development;
- Take care of organizational as well as individual needs; and help in creating a clean environment
- Linking rewards with achievements,
- Generating information for the growth of the employee as well as of the organization and Suggesting appropriate person-task matching and career plans.

Feedback is an important component of performance appraisal. While positive feedback is easily accepted, negative feedback often meets with resistance unless it is objective, based on a credible source and given in a skillful manner (DeVoe and Iyengar, 2004). The act of motivation the employees are in the heart of the organizations. Success in every organization depends upon the personnel motivation conducted by their directors. According to Herzberg (1990), there are many factors (job) identification, the essence of job, responsibility, advancement and improvement (Herzberg, 1990). In addition, there are other factors, such as: the administration quality and its policy in an organization or company, the supervision quality, the (niutual) relations between personnel, terms of reference, pays and status, security and performance appraisal (Najafi, 2010). Identifying the proficient employees and presenting them rewards (bonus) as a sign of motivation, in order to improve their performance are among the essential factors in performance appraisal (Stephen P Robbins, 1998). KavussiShal (1999) believes that the appraisal system is a good instrument to improve the quality and quantity of the manpower’s performance. Nowadays, performance appraisal is considered as an important aspect in human resources management and a part of the control process in administration (KavussiShal, 1999). Planning the appraisal process is an important subject in the government’s official system which is annually conducted in the governmental organizations, spending a large amount of time and expenditures to reach the objectives like: manpower development, including improvements, promotions and assignments in managerial positions, persuasion and punishment, salary increase, personnel’s performance feedback and determining their educational needs (Najafi, 2010). In spite of the permanent efforts in planning more effective system for performance appraisal, there is convincing evidence of the authorities’ dissatisfaction of the appraisal methods. The main reason for such dissatisfaction is the complexity of the process, leading to an incapability of planning an exhaustive appraisal system. The appraisal systems are usually involved with the following problems: the lack of adequate support by managers, impracticability, the appraiser’s failure in conducting a right and fair appraisal, and the lack of accordance with realities. Many of the problems, with which, the employees of the state organizations concern are the direct result of the manager’s incapability in the appraisal process. Solving many job problems in various fields, such as: job assignment, promotion, transfer, dismissal, training and salaries mainly upon the inefficiencies in the appraisal system (Zavvarzadeh, 1997).

According to Mirsepassi (1998) the present appraisal system is a window-dressing and may not lead to expected results. It wastes the manager’s time as a mere formality. He believes that despite of the reasonability and scientific importance appraisal, it has usually failed in various organizations (particularly the state ones) as a
result of complete indifference and has been criticized by personnel and even by manager (Mirsepassi, 1999). Many managers filling out the appraisal forms emphasize the employees' seniority. In this way, they put an end to the spirit of the creativity, perseverance and sincerity of the junior employees. The present writer has observed several times that the excellent grades are periodic, so that the unit supervisor gives grade with the question "whose turn is this year?", before she/he fills up the forms. In addition, the HR department (personnel department) changes the appraisal grades in such a way that the high grades will be allocated to the approved persons. Nonetheless, even if an employee obtains a high grade, this will be no benefit to him/her according to the minimum entitlement. Answering the question "Is performance appraisal necessary?" some of the managers state as follows: "We usually tell the HR not to grade the employees such a way that they would be deprived of group upgrading and we sign the graded forms. Or we tell them to divide the final grade between the appraisal factors, so that the employee can obtain the expected grade" (Najafi, 2010).

Purpose:
As we said above this study aims to investigate the effect of the performance appraisal results on the job motivation of Hamedan’s health centers.

Method:
This study was an applied and descriptive analytical study that it was implemented in 2008-2009. (From March 20, 2008 to March 19, 2009). The research population were the official personnel of Hamadan’s health centers staff. Data were collected via the 37-quastion questionnaire including 35 closed questions measured by Likert’s scales and two open ones. The reliability coefficient of the questionnaire was calculated by "Cronbach's Alpha" and estimated about 0.85. This is a large number which indicates a high reliability. After providing the proper questionnaire, 395 questionnaires were sent to employees who were employed in the official personal of Hamedan’s health centers.

Data Analysis:
After gathering the questionnaires, the necessary data were obtained from them. Various statistical tools were used in order to analyze the data, in the following fields:

1. Descriptive statistics: including the frequency tables, and the calculation of the central indices and distribution indices.

2. Inferential statistics: in testing the research questions, the harmony between the answers was calculated using a T-test in order to indicate whether there is an agreement between the respondents. This test was used to compare the frequencies and percentages too. In addition, T-Student, ANOVA, Kolmogrov- Smironv and sign tests were used.
3. CONCLUSION

a. Analyzing the data shows that the appraisal is some high medium according to the respondents. This indicates that the performance appraisal results have some effect on increasing the motivation level. Sorush (2000) expresses different point in this field. The research outcome shows that the performance appraisal results have a little effect on increasing the motivation level. Various factors can increase the personnel's motivation which itself results in the employee’s improvement and more organization efficiency, including: the observance of justice and fairness in appraisal, practicing the realistic (and not mental) appraisal, the managers complete control over the appraisal process, the appropriateness of the educational needs, providing timely feedback and participation of the appraised in the appraisal.

b. According to Sorush (2000), performance appraisal has a little effect on job motivation. The present research shows that the appraisal results have so much influence on the personnel job improvement. Abedi (2004) has reached the conclusion that according to 95 percent of the respondents, the present appraisal process has had a very little effect on their success and promotion. Analyzing the percent data also shows that about 78% of the respondents believe that the current appraisal process has a medium or strong effect on identifying the creative and talented employees.

c. According to Abedi, a majority of the respondents (about 87%) consider performance appraisal as a weak process. It is obvious that the manpower as an important and valuable resource has the capacity of creation, innovation, reasoning, thinking and managing in the field of the other organizational resources in order to make use of all executive potentials of human resources and reach the strategic organizational objectives. Javadein (2001) believes that identifying the meritorious personnel is one of the primary goals of the performance.

d. A majority of the respondents believe that the present appraisal has a strong effect on the personnel reinforcement and activity programming so; it can be considered as an effective process in this field. Abedi have come to the conclusion that more than 65 present of the respondents believe that the appraisal process has a poor effect on the need announcement and educational programs.
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REFERENCES


