

Introduction of Performance Appraisal System in Civil Service



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1. Purpose of the Research

The research aims to evaluate the progress of introduction of the civil servant's performance evaluation system undertaken in the framework of the Civil Service Reform and including evaluation procedures, methods, results, importance, impact on staff performance and organizational development. In addition, the research focuses to determine the attitude of the civil servants towards the evaluation system and identify the key issues facilitating the development of the evaluation system in civil service and making the civil service reform more effective.

Research subject:

- Civil servant evaluation methods;
- Compatibility of job description and evaluation criteria;
- Civil servant evaluation procedure;
- Distribution of evaluation scores;
- Legal implications of evaluation;
- Challenging the evaluation results.

2. Activities to be carried out

2.1. Selection of target organizations for research

The following public institutions have been selected for the research purposes:

- Ministry of Environment Protection and Agriculture of Georgia;
- Ministry of Internally Displaced Persons from the Occupied Territories of Georgia, Labor, Health and Social Affairs;
- Ministry of Regional Development and Infrastructure of Georgia;
- The Parliament of Georgia;
- City Hall of Akhaltsikhe municipality;
- City Hall of Batumi municipality;
- City Hall of Gardabani municipality;
- City Hall of Telavi municipality;
- City Hall of Senaki municipality;
- City Hall of Kutaisi municipality;
- City Hall of Kazbegi municipality;
- Civil Service Bureau.

2.2. Overview of the legislative regulations

The issue of evaluation of the civil service performance is regulated by the Georgian Government's Decree #220 „On approval of the procedure and conditions for evaluation of professional civil servants”.

Upon studying the Law on Public Service and the governmental Decree #220, we have outlined all the commitments and responsibilities of public institutions in terms of employee evaluation. The given research allowed to analyze the evaluation procedure introduction process and the implementation of

legislative regulations, based on which the recommendations for process development and overcoming the existing challenges have been elaborated.

2.3. Document analysis

One of the areas of in-depth study of the evaluation system related practices and some other important issues is the analysis of documents developed in the organizations in terms of evaluation.

Upon determining the type of information/documents required for conducting an in-depth study, the letters requesting public information were sent to the public institutions selected for research. Evaluation procedure related documents were requested and examined using the desk research method:

- the 2018-2020 evaluation procedure developed by the organization;
- completed evaluation forms and job descriptions for the same position (3 pcs. per selected institution);
- the 2018-2019 evaluation reports;
- evaluation manual

It is noteworthy that all the selected public institutions provided the requested public information.

2.4. Statistical data analysis

Alongside the organizations selected for the research purposes, the letters were also sent to the LEPL Civil Service Bureau, which was requested to provide statistical data on evaluation scores for 2018-2019, as well as information on evaluation methods and legal implications obtained from all the ministries of Georgia, the Minister's Office and the municipality city halls.

2.5. Focus groups

The purpose of the professional civil servant survey was to examine the experience gained in terms of introduction of the employee evaluation system in public institutions, to study civil servants' attitudes and perceptions towards evaluation, as well as the available achievements and challenges.

The focus group was selected as a research method. A questionnaire for civil servants was developed at the initial stage. Each focus group involved eight civil servants. Civil servants were split into the manager and specialist' groups so as to more clearly study the issue from both, the managerial and the subordinate employee's perspective.

Given the Covid-19 pandemic, all focus groups / interviews as part of the research were conducted remotely through the Zoom platform. Each meeting was recorded and a transcript was prepared with due observance of the confidentiality principle, without identifying the participants.

Focus group interviews were conducted with the officials of all ranks representing the Ministry of Environment Protection and Agriculture, the Ministry of Regional Development and Infrastructure and the Georgian Parliament's Office (8 participants per group).

In addition to the focus groups provided for by the research plan, during research process it was considered that for effective implementation of the research it would be important to conduct an

additional focus group bringing together the civil servants from the city halls of the selected municipalities. For this purpose, a focus group involving civil servants from all seven municipalities (ranks III - IV) was held in December.

As for the Ministry of Internally Displaced Persons from the Occupied Territories, Labor, Health and Social Affairs, they expressed readiness to holding focus groups; however, given that the Ministry is overwhelmed with COVID-19 focused activities and the large number of its employees are infected/self-isolated, the Ministry refused to participate in focus groups.

2.6. In-depth interviews

To profoundly study the evaluation system, the in-depth interviews were conducted with the HR managers and independent HR experts from the ministries and parliament, who have been actively cooperating with public institutions since the initial stage of implementation of the reform and who have been well-informed about the reform progress. Questionnaires for HR managers and HR experts were developed at the initial stage of the research.

3. Key findings

3.1. Evaluation method

Decree #220: A civil servant shall be evaluated in accordance with the results of evaluation of the civil servant's functions, competencies, skills, rules of conduct and / or the goals and objectives (components) implemented by him / her.

Current practice: There is a great variety of evaluation methods, each having its pros and cons. The present-day HR management practices mostly apply the mixed evaluation method, which combines the management by Objectives (MBO), functions-based and/or competency-based evaluation methods.

The advantage of the Management by Objectives is its obvious link with the organization's performance and strategic plans. In addition, the measurable indicators make the evaluation process much simpler and more objective. The major challenge of the MBO is that it is difficult to set out goals and break them down into indicators, which requires specific knowledge and experience. For the effectiveness of the MBO, an organization should have a strategic development plan and the organizational goals should be managed accordingly.

The main advantage of the functions-based evaluation method is that in this case it is easier to evaluate the employee performance and to find the existing correlation between the work performed and the evaluation outcome. To apply the functions-based evaluation method, it is necessary that the functions of each position be precisely and accurately laid down in the job descriptions, otherwise employee evaluation based on general or inappropriately prescribed duties will be associated with many shortcomings.

Competency-based evaluation is an important component of the evaluation system in terms of the employee professional development. Identifying the competencies to be developed is important for the employee professional development planning.

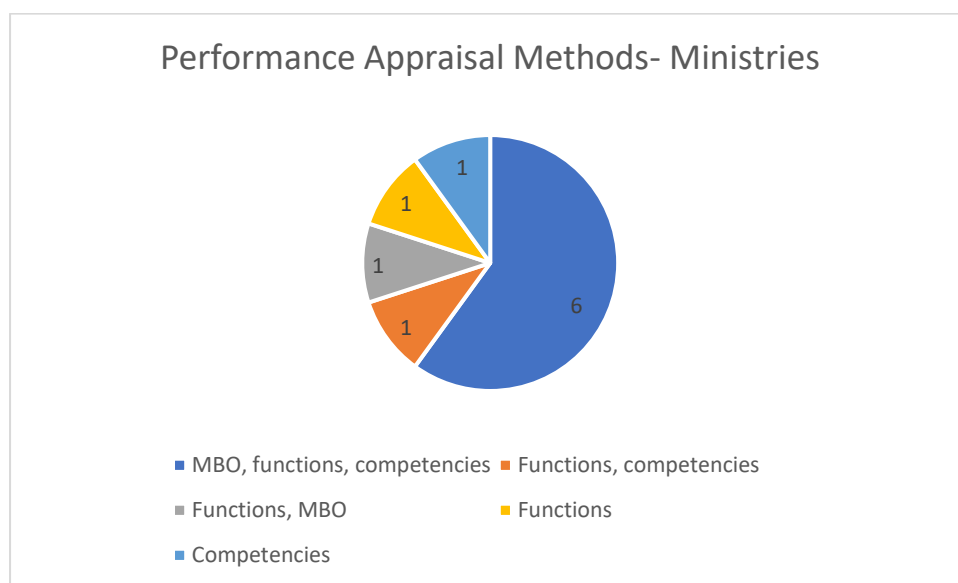
It is highly recommended to use the mixed evaluation method, which brings together different combinations of the above methods with due account for the organization’s development stage, its specifics and capacities.

Research outcome:

As part of the research, we requested the Civil Service Bureau’s automated system (e-HRMS) data on the evaluation methods available in the ministries, the Minister’s Office and the municipality city halls throughout Georgia. The research includes the 2018-2019 data, since the organizations were committed to reflect the 2020 evaluation results in the electronic program until January 31, 2021. Therefore, the 2020 data were not available at the research stage.

Ministries and the Minister’s Office: In 2018-2019, most of the ministries (six ministries) applied the mixed evaluation method, combining all three components: MBO, functions and competencies. Two ministries apply a two-component mixed method – the functions-competency and the MBO- functions based methods, while other ministries (a total of 2 ministries) applies only the functions-based or the competency-based evaluation method.

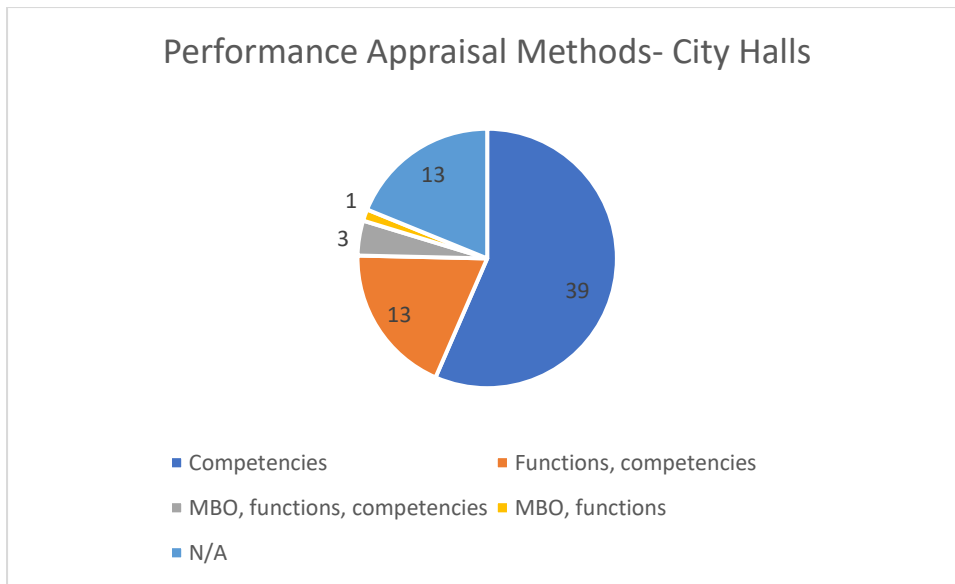
It is noteworthy that the Interior Ministry is not included in the ministries’ list, as the commitment to introduce the evaluation system does not apply to it (*Articles 4, 3, a) of the Law of Georgia on Public Service*).



Municipality City Halls: The results revealed in the municipality city halls were different from those of the ministries. In 2018-2019, most of the organizations applied the competency-based employee evaluation method – 39 city halls, while the city halls of 17 municipalities evaluated their employees based on the mixed method.

In 2019, the city halls of eight municipalities updated their evaluation method and replaced the available competency-based evaluation method, switching onto the mixed method of employee evaluation.

It is noteworthy that some municipality city halls have not uploaded their data to the automated human resource management system (eHRMS): in 2018, the number of such municipality city halls made 11, with two more municipality city halls added in 2019. Consequently, the aforesaid organizations’ data are not included in the research.



Indicators:

Big majority of the organizations are trying to establish the mixed evaluation method and use measurable indicators during the evaluation process. However, in many cases it is just a formality, since the objectives and functions are basically too general and do not comply with the SMART (specific, measurable, achievable, relevant, time-bound) criteria. Definitely this makes it more complicated to undertake objective evaluation, link the evaluation with the staff performance, find correlation between individual evaluation and organization’s performance.

Evaluation System’s Link with Organization’s Performance:

At this stage, there is no link between the employee evaluation results and the organization development. However, one of the main goals of introducing the evaluation system is to support the organization’s development and improve the organization’s results.

“We have the sectoral strategies. We have brought together the managers for the first time this year. The heads of the departments have been asked to set out their department’ objectives. Those objectives have been further processed and then broken down to the employee level. We have done that so that the employees could see their role and to make the evaluation more transparent. We are trying to introduce the result-oriented work.”

HR Manager

3.2. Evaluation scores

The Law of Georgia on Public Service sets the evaluation levels and the definitions thereof.

- a) excellent (4 points) – the duties were performed and/or much more work than expected was done perfectly, a civil servant is markedly distinguished by his/her results and/or professional skills;
- b) good (3 points) – the duties were performed well, a civil servant’s results and/or professional skills consistently meet the set requirements;

c) satisfactory (2 points) – the duties were performed well partly and need to be improved; a civil servant is not essentially distinguished by his/her professional skills;
d) unsatisfactory (1 point) – the duties have not been performed; a civil servant’s results and/or professional skills do not meet the set requirements.

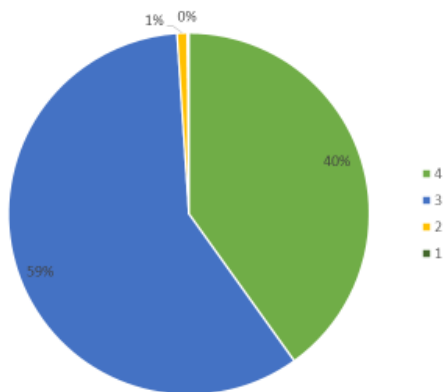
Statistical Data:

In 2018-2019, the evaluation score distribution in the ministries and municipality city halls was as follows:

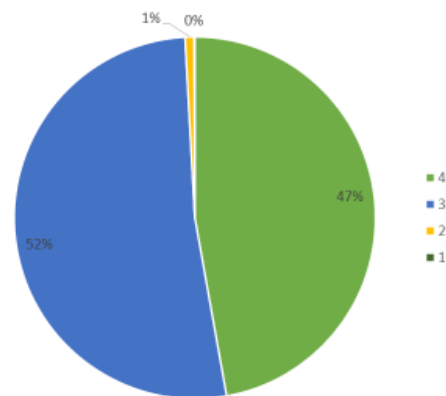
Ministries

Percentage indicator

2018

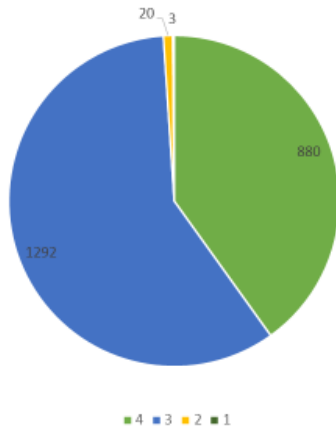


2019

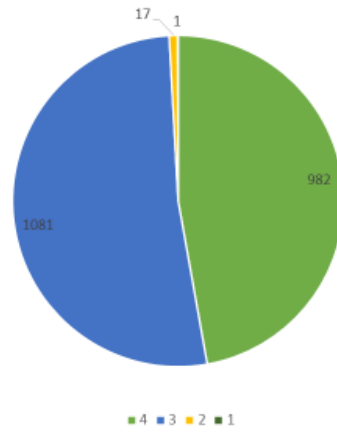


Quantitative indicator

2018



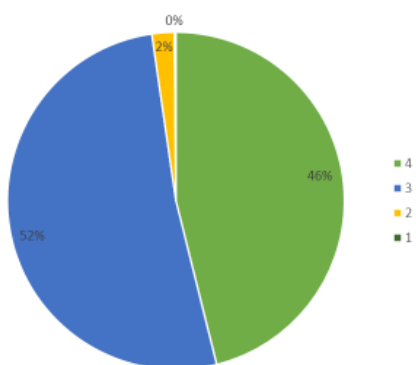
2019



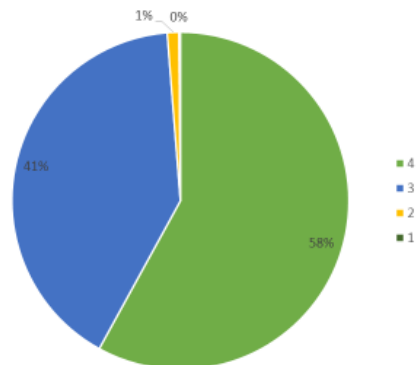
Municipality City Halls

Percentage indicator

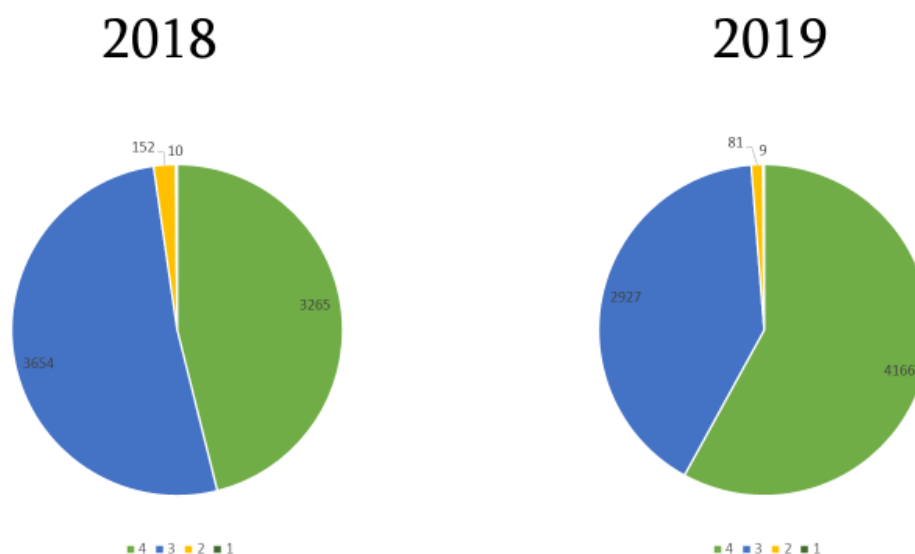
2018



2019



Quantitative indicator



The presented diagrams show that over the past years, the absolute majority of evaluation scores (98% and 99%) were high (3 and 4 points) and that an upward trend could be observed in a period from 2018 through 2019: 40% of the ministry officials were rated with 4 points in 2018, and this figure increased to 47% in 2019. The municipalities show similar dynamics.

„The year 2018 was the best one in terms of objectivity, as if it was some other kind of responsibility. In 2019, the picture was already radically different and there was a higher rate of 3–4-point evaluation, which further increased in 2020. If the number of those with excellent performance made 100 in 2018, this figure doubled in 2019.

Although this process is confidential, the information on individual evaluation ratings was spread among the employees. When the managers learned about other departments' evaluation, while they themselves were impartial in the assessment of their employees, they regretted evaluating their employees that way.”

HR manager

“There are many reasons, why managers are not rating employees objectively:

- when instructed to do so by the superior*
- when influenced by personal relationships – unwillingness to mar the relationship*
- when one is making scenes and you try to avoid further aggravation of the conflict*
- when other managers do not give objective evaluation and you are influenced by it as well*
- social background - since the employee does not earn that much, then why not giving him/her that rating point so that he/she would not lose the reward. “*

HR manager

“A 4 –point rating scale is not enough; I would make it at least a 6-point one. Based on the available rating points an employee is either bad or good. It would be nice if there were more opportunities for maneuvering. “

HR manager

The research showed that the managers, for the most part, make widespread mistakes when assigning scores during the employee performance evaluation process. At the same time, some specific common features could be also found. The following challenges have been identified in course of assigning the evaluation scores:

Misinterpretation of evaluation scores - Professional civil servants’ interpretation of the evaluation scores is rather ambiguous. Some of them believe that the excellent evaluation implies doing the job properly, while in fact the highest score should be assigned to an employee exceeding the expectations.

“I did not think there would be such a bad attitude among the employees even in case the evaluation was good. The employees have had a perception that if rated with three points, one was not a good employee, but the explanation was that this is a good employee. We have had to explain that too.”

Civil servant (rank I-II)

“I do not like the principle of assigning four points. As far as I know, four points are assigned in case of international studies or similar cases. I work on internal legal expertise and may have to deal with international law once a year.”

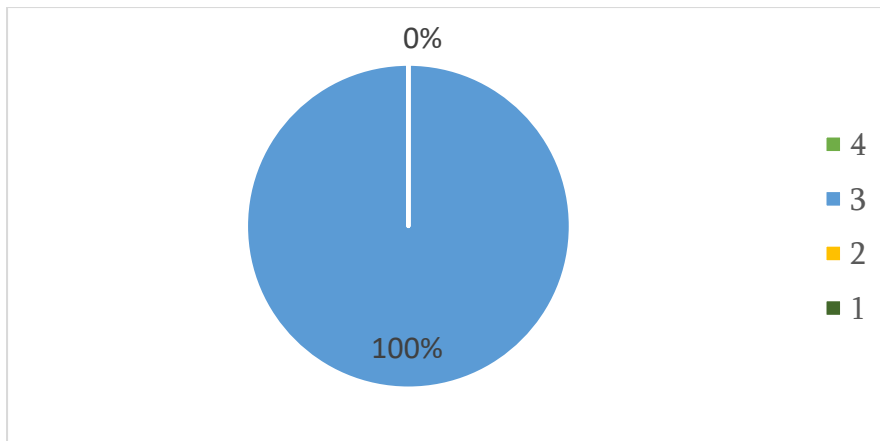
Civil servant (rank III-IV)

- one is assigned 4 points for doing one’s job well.
- when I proved to be better than my boss though I was.
- in case of certain competencies there is no much difference between 3 and 4 points.

Civil servants (rank III-IV)

Central trend – some managers are using the so called “juste milieu” position for the employee evaluation and are evaluating the majority of them as average employees. The managers are using this strategy in order to avoid the tension during the evaluation – this way he/she does not have to explain his/her decisions to the employees who received very high or very low evaluation.

The most clear-cut example of the central trend is the evaluation made by one of the ministries in 2019, when all employees were evaluated in a uniform manner and were rated with 3 points.



Loyal evaluation – there are some managers, who are too loyal when evaluating their employees. For example, they are assigning the same scores to average, or below average employees that they are assigning to the best employees.

School grade association – the rating points are associated with school grading system, where being a ‘C student’ rated with 3 points is considered to be a bad manner.

“The employees do not perceive 3 points to be a good evaluation. All of them wanted to be assigned four points. It was similar to school grades. “

Civil servants (rank III-IV)

3.3. Self-assessment

Self-assessment is one of the composing parts of the evaluation profession, which is important for the manager in order to receive the feedback from the employee, to trace the differences between the evaluations of the employee and the manager and to make fair evaluation based on the given analysis. Majority of the organizations studied by us have introduced the self-assessment component. The research found that some of those organizations are successfully using the self-assessment in the evaluation process, but there are also others where self-assessment involves certain deficiencies:

- Managers are using the self-assessment data of the employees instead of doing their own evaluations.
- Some of them are directly copying the scores the employee has assigned to oneself during the self-assessment.
- Some managers feel awkward when exchanging the self-assessment scores and the scores assigned by the manager,
- Some are afraid of creating conflict situation.

“I filled out both, the self-assessment and the manager’s evaluation forms. In our case, it’s not that we agree with the managers. Quite the contrary, it is they who agree with us.

Civil servant (rank III-IV)

“I have had the evaluation of myself done by one of my employees from the very beginning. The result I got was really amazing – it was a 90% match. Those who were the best employees assigned themselves less scores than I thought I would assign them. On the other side there were the employees who were doing nothing, but they assigned themselves much higher score than I thought I would give them. I have had to bring pretty much arguments to convince that group. You may not remember that, so you have to make records, as they are needed for such cases”.

Civil Servant (Rank I-II)

“I find it more difficult to evaluate others than being evaluated myself. It is very hard, especially when you see the self-assessment document and your evaluation is different. You are influenced by many factors: many years of co-working; you’ve been promoted from that group; you have the subordinates who are much older than you; it’s much easier to write it down on the paper than to hold a dialogue. “

Civil servant (rank I-II)

In addition, there was some misunderstanding with regard to the use of the self-assessment method:

“We wanted to include self-assessment in the evaluation, but the legal department didn’t allow us to do that, saying it was at variance with the law.”

HR manager

It is advisable to profoundly study the experience of those organizations that have introduced the self-assessment component. It is expedient to analyze the pros and cons of its application and to make the research results available to the managers of the public sector human resource managers so that they can take into consideration the challenges in the process of introduction of self-assessment, as well as the benefits accompanying the application of this method.

3.4. Non-uniform approach and interpretation of normative acts

Periodicity

According to the provision of the Law of Georgia on Public Service, the “Public Institution shall be obliged to evaluate the civil servant of any hierarchy once a year” and according to the resolution of the Government of Georgia on “Approving the Rules and Terms for Evaluating the Professional Public Servant” the “Servant shall be subjected to evaluation at least once a year”.

The lawyers of some organizations are guided only by the law provision and do not agree with the HR managers who believe that the servants shall be evaluated twice per year.

“I would give more freedom to public institutions: why isn’t it possible to do the evaluation several times a year. It is done once a year as prescribed by the law and our lawyers oppose it.”

HR Managers

Interim evaluation

Provision on interim evaluation cannot be found in any legal provisions. It can only be located in the rules of evaluation recommended by the Civil Service Bureau. The attitude of the organizations towards

the interim evaluation is not uniform. Majority of them are exercising the interim evaluation tool once a year, there are others who are doing it twice, or three time per year. The research has identified the organizations that are not doing any interim evaluation at all and the servants are receiving the feedback about their performance only at the end of the year.

“ It is a rather lengthy, one-year period. We don’t have any interim evaluation. The period is so long that at the end of the year we forget what we’ve agreed upon. If the evaluation is done several times a year, then we will have to fill out those bureaucratic papers over and over again. Thus, there should be a much simpler system and, most importantly, the results should be weighty and tangible.”

Civil servant (rank I-II)

Evaluation period

In some cases, the evaluation period covers the whole year – from January to December, but in case of some organizations it only covers several months.

“The review period does not cover the whole year and the greater portion of the work done by us is left beyond the evaluation. December and January are the busiest months and we are not evaluated in this period.”

Civil servant (rank I-II)

Evaluation of the servant on long-term leave

There is a non-uniform practice in civil service in respect of an evaluation of a servant on pregnancy leave, maternity leave, sick leave or a leave to take care of a child. Some organizations are evaluating the employee prior to taking a leave (basically for pregnancy, giving birth, or childcare reasons), other organizations are summoning the employee from the leave to undertake the evaluation. The research has also detected the cases when the servant was not evaluated at all. This type of nonuniform approach leads to establishment of an unequal practice in the civil service, while the key principle of the civil service reform is the introduction of uniform and equal management methods throughout the whole civil service.

3.5. Legal implications of evaluation

Evaluation may have the following legal implications:

- civil servant grading;
- civil servant incentives: commending, granting a monetary reward, presenting a valuable gift;
- determining civil servant’s professional development and training needs;
- civil servant’s dismissal from office

As part of the research, we have studied all types of legal implications, except for determining the professional development needs, since the issue of civil servant’s professional development was subject to a separate research conducted as part of the External PAR Monitoring project. A research report has been drawn up focusing, among others, on the link between the evaluation and professional development systems.

Civil servant incentives – monetary reward

According to the law, monetary reward is linked to the evaluation results, and it can only be issued based on the evaluation results.

One of the important findings of our research is related to the issue of granting post-evaluation monetary rewards. It is noteworthy that before the implementation of the civil service reform, a monetary reward was issued for the New Year, which was not related to the civil servant's performance and was a holiday bonus. Following the reform, this regulation was annulled, and the monetary rewards are nowadays awarded only based on the evaluation results.

Since the public institutions are issuing the monetary rewards by the end of the year, the civil servants are not linking it with the earned evaluation results and are not considering it as the evaluation outcome, but the holiday bonus issued for New Year holidays that used to be issued in the context of old legislation as well prior to the undertaking of civil service reform. Therefore, the monetary reward is not taken as a novelty and is not linked with the evaluations by the employees.

“We have never had any post-evaluation monetary rewards. There are only the New Year bonuses. As for the rest of the year, we have never received anything. “

Civil servant (rank III-IV)

The research revealed that the majority of the managers are aware of the new regulations concerning the monetary reward and they are deliberately assigning high scores to their employees in order to make them eligible for the monetary reward by the end of the year.

“The evaluation timed to coincide with the only annual bonus, the New Year bonus. The New Year (holiday) bonus can no longer be issued, but psychologically they have failed to make the dissociation. At first, the evaluation process went well, but then, because of that bonus, the attitude was softened and the confidence in the evaluation system was lost.”

Civil servant (rank I-II)

“Monetary rewards are the objective reason they fail to assign differentiated scores.”

Civil servant (rank I-II)

“The period of issuance of the monetary reward shall be separated from the thirteenth salary (end-of-year bonus) payment period. People managed to find each and every loop-hole in this system, thus making this process formal.”

HR manager

“It will be very difficult for a manager if he/she is not granted the end-of-year bonus. We all live in this country and, in the present-day situation, it would be inappropriate to cut the financial resources that could be vital for that person's family.”

Civil servant (rank III-IV)

“It would be nice if the New Year bonus is issued separately, the evaluation is conducted in some other period throughout the year (preferably several times) and the monetary rewards are issued at that time.”

Civil servant (rank I-II)

“Given our income, financial motivation comes to the fore. If the salaries were so high that one wouldn’t have to focus on how to make both ends meet, then there would be some other more weighty motivators.”

Civil servant (rank I-II)

Due to this situation, many have a negative attitude towards such a form of evaluation-related incentives. They believe that if the evaluation and monetary reward were not linked, the evaluation would be more successfully implemented.

“It would be nice if the monetary reward is not linked to evaluation.”

HR manager

“It is irrelevant when one can only be encouraged at the end of the year and cannot be encouraged even if he/she has worked well throughout the year. This encouragement should not be linked to evaluation.”

Civil servant (rank I-II)

“Even if I reschedule the evaluation for August, I will not be allowed to issue monetary rewards in August, therefore I prefer it to be conducted in December.”

HR manager

Here it should be noted that there is no legislation regulating correlation between the issuance of monetary awards and the evaluation scores. Therefore, it is unclear whether a monetary reward can be issued in case of satisfactory evaluation (two points).

The law also sets a maximum amount of the annual monetary reward, that is, 10% of the annual salary. However, there is no regulation setting a recommended interest to be issued in each particular case. Consequently, this issue is within the scope of responsibility of the organization’s management and in case of similar evaluation, the amounts of monetary rewards issued by different organizations will be different, and in the case of most of the municipality city halls, no monetary rewards will be issued at all.

Civil servant grading

Under the regulation in effect, a civil servant will be assigned the first grade if he/she earns the best evaluation twice or three times. Since the evaluation system was introduced in 2018, therefore, the grade counting also started from that period: the first year when officials were assigned a grade should have been the period following the 2019 evaluation.

It should also be noted that those civil servants who had previously been assigned a grade rank, were equated with the grades in accordance with a relevant procedure and those civil servants could have been assigned a new grade after the 2018 evaluation, but since such civil servants are fewer in number, this issue has not been studied separately as part of the research.

The research proved, that based on 2018-2019 evaluation results, in some organizations, employees that earned best evaluations (4 points) twice were not assigned the grade. Majority of the organizations were guided by the general provision of the law stating, that a servant might be assigned a grade based on

the evaluation. The detailed rule for assigning the grade is explained in the resolution on “Approving the rules and terms for assigning grades to civil servant”.

“No one has been assigned any grades, as the management found the scores non-objective and therefore the grades have not been assigned. “

HR Management

“We have not assigned any grades. The law stated that it ‘may be’ assigned and everyone referred to it.”

Civil servant (rank I-II)

To avoid the ambiguity, in February 2020 the law was amended and was formulated as follows: “A servant is assigned the grade of the servant according to his/her evaluation results”. After the above-mentioned amendments, the managers who are not willing to assign the grade to the employees, are stating that they are guided by the article 15 of the resolution of the Government of Georgia on “approving the rules and terms on evaluating the civil servant”, that provides the general list of the legal outcomes of the evaluation.

As far as the grading is concerned, it is also noteworthy that the amount of grade increment in case of assigning grade 1 makes 1% of salary. The increment rate is undoubtedly very low and it could hardly have a motivating effect.

“The grade increment is very small. It could hardly motivate the employees.”

Civil servant (rank I-II)

Limited choice of incentives

The Law of Georgia on Public Service provides for the following forms of incentives for civil servants: commending, issuing of monetary reward, presenting a valuable gift. The law provides for a limited choice of incentives for civil servants and the manager does not have the possibility to use the evaluation system for further motivation of the employees. That is one of the reasons why many people consider the evaluation to be the formal and meaningless procedure.

Two major demands in civil servants have been identified: the influence of evaluation results on the promotion system and a kind of intangible motivation such as additional vacation days in case of excellent evaluation.

“We cannot actually have a managerial influence on the employee through this evaluation system. At some point, it has taken on a more formal character and it is far from being the means of influencing the employee. As for me, the purpose of this evaluation is rather vague from a managerial point of view, the legislation does not provide for the employee promotion or demotion; when we cannot make this influence, the evaluation becomes fragmented. In my opinion, one should be promoted without any competition.”

Civil servant (rank I-II)

“The fact that the law does not provide for a promotion mechanism is a challenge that gives rise to something artificial. As an alternative, it should be possible to promote employees in exceptional cases.

It is very embarrassing to make an employee who has been winning high evaluation for 2-3 years take part in the competition. "An internal competition is artificial, let's face it."

Civil servant (rank I-II)

"Material incentives are always a problem; it would be a bonus for me if you don't come to work for two days. We can't do that and we have no right to do that either."

Civil servant (rank I-II)

Legal implications of negative evaluation

As for the legal implications of a negative evaluation (1 point), an employee will be dismissed from office in case he/she received a negative evaluation twice, which implies two years. According to the civil servants, a two-year period is very lengthy and it would better be reduced.

"The law is a little bit loyal to a civil servant. Even if he/she doesn't do anything, you do not have much leverage to influence him/her. How come that we can't make an employee do anything for two years?"

Civil servant (rank I-II)

"It would be good to have a probationary period, let's say, a six-month period for negative evaluation. In case one achieves the set goals, he/she could maintain the job."

Civil servant (rank III-IV)

"The available regulation with regard to negative evaluation is very inappropriate, one has to tolerate an employee with poor performance for two years. This period should be slightly reduced at least to 1 year. Why should one be paid money for doing nothing for 2 years?"

Civil servant (rank III-IV)

3.6. Challenging the evaluation results

The performance evaluation procedure allows a civil servant to appeal his/her evaluation scores provided that he/she disagrees with the immediate supervisor's evaluation. As far as the appeal is concerned, the head of the organization is entitled either to personally conduct or assign an authorized person to conduct re-interview and evaluate the available documentary material.

This record is rather general and needs to be further clarified. First of all, it is important to know what does re-interviewing and studying the documentation imply in case of an appeal. It is preferable that there be more clarity in this regard. For this purpose, the Civil Service Bureau should develop the supporting material- a manual that will facilitate the appeal process for public institutions.

It is also advisable that a civil servant could appeal the evaluation results through the commission procedure, as is the case during the selection process, so as to avoid single-handed decision-making on such issues. The study of the present-day practice revealed that the appeals are reviewed by the organization through the commission procedure, but it is advisable that a similar record be included in the evaluation order.

The research revealed that the greater part of civil servants is neither aware of the appeal possibility nor show any interest in it. As they themselves pointed out, this process is so formal that they have never had to focus on this issue.

If following the appeal, a civil servant still disagrees with the decision that has been made, he/she shall be entitled to challenge the evaluation results through the administrative procedure and turn to court.

There have been just a few appealed cases accumulated throughout a three-year period since the introduction of the evaluation system, including several administrative appeals, and there are also court rulings available.

“We have had two appeal cases, one of them was settled within the organization and the other one was sent to court. In the first case, the final score was not changed, but the broken-down points were partially changed and the employee was satisfied. In the second case, the manager evaluated the employee by the duty that could not be performed for some reason, and the employee complained for being evaluated by the job that had not been done by him. So, the other case was sent to court.”

HR Manager

It is advisable that a research be conducted in this regard, involving both, the organizations with reported appeal cases, as well as the civil service, as a whole, in order to thoroughly study the issue. It is important that a similar research be conducted in the court system as well, so as to identify the situation or the existing challenges there.

3.7. Electronic Software

The law requires the evaluation data to be reflected in the human resources unified electronic software, which should include the evaluation scores, information about legal results of the evaluation and methodic support needs. The research revealed that at this stage the organizations either are not entering the comprehensive data in the software or are not filling in this module of the software at all.

It is noteworthy that the available module is not refined and does not allow for the evaluation process to be fully electronic, which would have made the evaluation process more flexible, would minimize the shortcomings in the information publication process, allowing to perform the evaluation system analysis.

It is advisable that the unified electronic human resource management program should fully reflect the evaluation process. It is important for both, the individual organizations and the Civil Service Bureau, to monitor the evaluation process, analyze the available data and further develop the evaluation system based on the results obtained.

It is also necessary to monitor the use of software, so that the results obtained are relevant and not fragmented, and that they do not distort the overall picture. The monitoring will ensure a full-fledged use of the electronic software by the organizations.

At this stage, the eHRMS module is being introduced by the Civil Service Bureau. Starting from 2021, all organizations will have an opportunity to work in this software.

It is also important that upon its introduction, the updated software be monitored and analyzed so as to identify the existing challenges and make it possible to simplify the processes and expand the opportunities for data analysis.

3.8. The role of the Civil Service Bureau

The research proved, that it is recommended to increase the involvement of the Civil Service Bureau in respect to the civil service reform and the development of the evaluation system. The Bureau has relevant legitimacy to provide methodological support to the organizations in the evaluation introduction process.

Some organizations fail to properly implement the procedures developed under the Civil Service Reform, and it is advisable that the Bureau be informed about these processes in order to further refine and develop the HR procedures under the Civil Service Reform.

“It would be good if the Bureau could intensify its efforts in the HR area. It would be nice if the Bureau could be a source of novelty. Within the organization, there is a need to continuously work on these issues, to identify the organizations with successful cases. As for sharing the experience and knowledge, there are successful examples in particular organizations and it will be very good if it is shared. It will be much more effective than the assistance of some external consultants, because the latter believe that it’s impossible to do certain things in the public domain. When they see this, they will make sure themselves that it can be done in public service as well.”

HR expert

“The Bureau should analyze the results. The Bureau should do it the same way as a project manager, who makes the analysis and evaluation, who provides feedback and makes updates. “

HR expert

“It would be good if it could prepare the HR materials, especially those focusing on the development area.”

HR manager

“It would be interesting if the Bureau could produce the organizations’ rating based on the ongoing processes there, and it should not be merely the HR evaluation, but should apply to the top management as well.”

HR manager

4. Recommendations

4.1. Evaluation method

1.1 The research revealed that the bigger part of organizations does not apply the **Management by objectives (MBO)** method in the employee evaluation process, while this method is most conducive to objectively evaluating the employee performance, making the evaluation process more comprehensible, transparent and fair.

1.2. The main advantage of the MBO method is that it makes it possible to evaluate the implemented activities by **indicators**. The research showed that even the organizations applying the MBO method

fail to properly set out the indicators, thus making the process more formal in nature. Therefore, it is important that the managers' training in this area be further continued and include more organizations.

1.3. The research showed that there is no **link between the organization's performance and the evaluation system of the civil servants**. To evaluate their performance and improve the efficiency, the organizations need to develop an organizational strategy planning and management process. It will then be much easier to introduce the MBO evaluation system, and these two processes will considerably enhance the organization's performance.

It is advisable that the work in this regard be intensified and various activities be carried out to promote the introduction of the MBO method in public institutions:

- It is advisable that the Civil Service Bureau should update the evaluation recommendatory procedure (evaluation procedure) for organizations and make it available to all organizations.
- It is advisable that the Civil Service Bureau should monitor the process of introduction/updating of the evaluation method and offer positive incentives to the organizations successfully implementing the MBO method.
- It is advisable that the government administration should intensify work in the organization's strategic planning and management area. For this purpose, it is necessary to support organizations for strengthening their strategic management skills, as well to conduct monitoring and offer incentives.
- The internal competences available in the organizations at this stage of the civil service reform process are still insufficient for a full-fledged implementation of the evaluation system and it is recommended that certain institutions be further supported, including through provision of trainings and external expertise by donor organizations.
- It is recommended for the organization HR managers to undertake the study of evaluation system introduction among the employees. Various methods can be used for this: questionnaires, focus groups, in-depth interviews and etc. The main goal of the research must be the attitude of the managers and specialists, identification of the existing deficiencies, study of the servants' opinions regarding the development of the evaluation system. Based on the analysis of the collected information, it will be much easier to further develop the evaluation system.

4.2. Evaluation scores

Judging by the evaluation results available, there is an obvious tendency of the majority of employees being evaluated with the highest scores. This is one of the most explicit measures of the effectiveness of the evaluation process. Such score devaluation does not merely affect the objectivity of a single employee evaluation, but also the value of the evaluation system, as a whole. To successfully introduce the evaluation system in the civil service and make it an effective tool for managers in the employee management process, it is necessary to eliminate the score devaluation problem and to carry out some important activities in this area.

- The heads of the organizations can make significant contribution to the effective introduction of the evaluation system. Their involvement will considerably minimize the score devaluation problem. Therefore, it is preferable for the agencies responsible for implementation of the civil service reform to plan relevant activities that would change the awareness of the high rank managers about the evaluation system and as a result, they will become the main guarantors of the successful implementation of this process in their own organizations. The available

experience makes it clear, that the evaluation system was most successfully established in the organizations, where the managers very actively involved in and supported the process.

- It is recommended to introduce the measurable methods (Management by Objectives (MBO)), that will make it possible to define the evaluation indicators for each evaluation component and the evaluation indicators be broken down into the evaluation scores.
- It is recommended for the Civil Service Bureau to provide more detailed explanation of the evaluation scores, to draft relevant document to support the servants involved in the evaluations process to interpret the evaluation scores uniformly.
- It is recommended to hold meetings inside each public institution, where the managers will consider the evaluation indicators of their subordinates and make comparisons, provide explanations about the relevance of the assigned rate.

4.3. Non-uniform approach and ambiguous normative act records

One of the key tasks of the civil service reform is to develop a unified civil service system and to introduce the uniform management methods throughout the entire civil service. Naturally, each organization should be flexible enough so as to manage the existing challenges as effectively as possible. Uniformity shall not be equated with one and the same management system. Though, it is important to provide civil servants with an equitable environment, thus avoiding arbitrary evaluation of an employee being on leave by the management of a particular organization or incomplete coverage of a one-year evaluation period, which creates certain gaps in the evaluation process.

For a uniform interpretation and application of the law, it is important that the normative acts be additionally interpreted in case of ambiguous or vague interpretations of any of the norms. It should be noted that in some instances this ambiguity is caused by different entries made in the Civil Service Law and by-laws. It is important that those documents be edited so that one regulation has the same wording in two different documents.

It is advisable that the following activities be carried out to regulate the aforesaid issues:

- It is advisable that the Civil Service Bureau should develop explanations with regard to the periodicity of evaluation, making it available to all public institutions. This explanation should include information on the number of employee evaluations per year, the legal implications of each evaluation, as well as the procedure for assigning grades in case of different evaluations throughout the year etc.
- It is advisable that the same entry with regard to the periodicity of the evaluation be made in the law and the resolution so as any misunderstanding in future.
- It is advisable that the Civil Service Bureau develop a document / manual on interim evaluation, providing a detailed explanation of the importance of interim evaluation, legal implications and positive experiences of organizations that have been already applying interim evaluation in the employee evaluation process.
- It is advisable that the evaluation be a continuous process and a period that it covers be clearly defined. Emphasizing continuity of the evaluation process will make it clear to HR managers that evaluation should not cover just a few months of the year and that the employee evaluation process should be managed according to the year-round results. It is also advisable that the evaluation be made not at the year end, but rather at the beginning of the following year so that the evaluation period be fully covered.

- It is advisable that certain legislative changes be made in terms of evaluation of employees on leave and a unified approach be developed to regulate this issue in terms of evaluation time limits and early evaluation to ensure that all civil servants are in equal conditions and the civil service integrity policy is not violated.

4.4. Legal implications of evaluation

Monetary reward

In respect to the monetary reward, it is important to change the existing practice, since the present-day system is less effective. This can be done in several ways:

- An additional form of employee incentive – a holiday reward, could possibly be re-introduced in the law. It could be an independent incentive component not related to the employee evaluation. It should be noted that the reward should be issued to all employees, all of them shall be rewarded equally and the civil servant identified based on some subjective or objective criteria shall in no way be selectively encouraged. Evaluation-based monetary reward issuance procedure shall be maintained alongside the additional holiday reward, since material incentives is an important motivator in the evaluation results.
- The existing 10% annual bonus may be divided on holiday and evaluation-based rewards, but it is important that the evaluation-based reward should not be a very small sum with only a symbolic character. At least, the available annual 10% shall be evenly distributed between both components.
- In the future, it is necessary to review the salary policy and make the servants' salaries competitive.
- It is important to ensure that the organizations are flexible to issue monetary rewards at their own discretion, at different times of the year, not as a lump sum, but rather as a series of payments made several times a year. In this case, it will be possible to make evaluation several times a year, allowing one to issue several monetary rewards.

Servant grading

Recommendations with regard to assigning grades:

- Based on the nonuniform interpretation of the obligation to assign the grade, the civil servants of different organizations are treated unequally. It is crucial that the organizations taking part in the implementation of the civil service reform start dealing with this issue in a uniform manner. It is advisable that the Bureau should make clarifications with regard to this issue and introduce its position to the heads of the organizations where civil servants are employed.
- It is recommended to enter amendments in respect to the bonus amount related to grade. The existing bonus – which is 1% of the salary is an extremely low amount and cannot serve as the motivator for an employee. Total amount of the bonuses issued throughout the state will be a rather big amount, however it still cannot yield the effect it was aimed for.
- Refusal to assign grades due to the small amount of bonus assigned for the grade, will not be a proper decision, since it is an obligation prescribed by the law and it will be neither legal, nor ethical in respect to the civil servants not to assign the grades.

Diversification of incentive forms

It is recommended to provide more diverse choice of incentives, that will allow the manager to use relevant motivators for separate employees that will prove to be effective in given case.

- First of all, it can be the intangible forms of motivation, including giving additional day-off to the best and outstanding employees, that sounded most interesting to the servants.
- Also, it is recommended to develop material motivators and possibilities of salary increase based on the received evaluation.
- An important issue shall be the establishment of the evaluation-based carrier growth system for the employees. This was the desire expressed by the HR managers and HR experts, as well as the civil servants involved in the research – executive managers and specialists.

Legal implications of negative evaluation

Changes can be undertaken in this direction and instead of two final evaluations, the employee may be dismissed in case of receiving negative interim and final evaluations (collected 1 score in each evaluation).

This, however, could be done only under the condition that an interim evaluation will be introduced in the organizations on mandatory basis, the interim evaluation will be followed by the employee professional development planning and implementation, and then the final evaluation of the employee will be made.

4.5. Challenging the evaluation results

With respect to appealing the evaluation results, we would recommend as follows:

- In respect of appeal, the head of the organization is entitled either to personally conduct or assign an authorized person to conduct re-interview and evaluate the available documentary material. This record is rather general and needs to be further clarified. First of all, it is important to know what does re-interviewing and studying the documentation imply in case of an appeal. It is preferable that there be more clarity in this regard. For this purpose, the Civil Service Bureau should develop the supporting material- a manual facilitating the appeal process for public institutions.
- It is also advisable that a civil servant could appeal the evaluation results through the commission procedure, as is the case during the selection process, so as to avoid single-handed decision-making on such issues. The study of the present-day practice revealed that the appeals are reviewed by the organization through the commission procedure, though it is advisable that similar record be included in the evaluation order.
- It is advisable that a research on evaluation result appeals be conducted in this regard, involving both, the public institutions with reported appeal cases, as well as the court system, so as to identify the situation or the existing challenges with regard to appeals.

4.6. The role of the Civil Service Bureau

The Civil Service Bureau plays a very important role in the successful implementation of civil service reform. The Bureau has the legitimate powers to examine, monitor and issue recommendations to public

institutions on the procedures implemented in the HR management sphere, including with respect to the evaluation system.

Under the Civil Service Law, the Civil Service Bureau shall perform the following functions:

- to study and analyze the situation in the civil service sphere; to monitor the implementation of a unified national policy in the civil service sphere and execution of the normative acts related thereto, as well as to develop relevant recommendations;
- to render methodical assistance to public institutions for uniform implementation of standards, instructions and normative acts in the civil service field;
- to study and generalize the available practice of servant recruitment, appraisal, career development, career management, professional development, ethics, as well as dismissal of civil servants, and to develop relevant recommendations;
- to analyze the official legal disputes and develop relevant recommendations so as to improve the existing practices.
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Based on the research findings and conclusions, we would like to offer some recommendations with regard to the Civil Service Bureau:

- It is advisable that the Bureau should strengthen its monitoring function and, upon examining particular public institutions, should issue the organization-tailored recommendations with respect to violations and disciplinary misconduct revealed in each organization. It is also advisable that such recommendations be generalized and disseminate among public institutions in the form of general recommendations in order to prevent misconduct in future.
- It is advisable that the Civil Service Bureau should study the present-day situation and share the experience of the organizations distinguished by their efficiency and successful results achieved in course of implementation of the evaluation system
- It is advisable that the Civil Service Bureau should develop an auxiliary manual/material on the issues that currently represent a challenge to civil servants, managers and HR management professionals.
- It is advisable that the Civil Service Bureau should be more intensively working with public institutions' management – government and political officials, LEPL chief executives and other organizations' managers.