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PROPOSAL OF ASSESSMENT OF WOOD PROCESSING COMPANY EMPLOYEES

The paper focuses on a new way of assessment in a wood processing company with reference to assessment criteria relevance. The description of the main criteria and sub-criteria provides an opportunity for supervisors to evaluate their subordinates objectively and thus motivate them to achieve higher performance. The suggested system of assessment enables an organisation to systematically work on human resources.

Keywords: employee assessment, criteria of assessment, human resources management

Introduction

Human resources management is the part of a company management that focuses on issues connected with human factor in working process and the importance of the workforce for the company as well as on recruitment and formation, operation, utilisation, and organisation of human resources, and finally on combination various activities. It is aimed at the results of work of employees, their working skills and behaviour, relation towards work done, company and colleagues, and last but not least at their personal satisfaction resulting from their performance and personal and social development. Assessment of employee performance is inseparable part of company management. The role employee assessment is to find out what is the human potential at the company's disposal. If the assessment is carried out properly it is beneficial to employees, their supervisors, and organisation as well. Every employer needs to know their employees, their working habits, how they support the company operation and its

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reputation. On the other hand, every employee also is entitled to know if the employer is satisfied with their performance. Employees look for feedback concerning their performance which motivates and leads them in their future activities.

Goal and object of the article

Issues concerning employee assessment were identified in a wood processing company in the central part of middle Slovakia. The company deals with primary wood processing and has no complex system of employee assessment. Until now such system was substituted with a motivational system which was determined for employee remuneration based on coefficients of assessment. Work performance assessment was carried out only for employees fulfilling technical and economic functions. Their assessors were their direct supervisors. It was suggested to conduct the assessment once a year.

The organisational structure of the company is a functional one and is based on labour division and specialisation of individual divisions. It is hierarchically structured from the highest to the lowest level. It concentrates on performance and fulfilment of the company's goals.

On 31st December 2008 the company had 798 registered employees and in comparison to 2007 the number of employees decreased by 146 people. The employee structure was as follows: 12 top executive managers (out of it 3 women), 54 administrative employees – middle management (out of it 17 women) and 732 workers (out of it 149 women). Currently there are 25 employees with tertiary education, 243 employees with secondary education, 435 with apprentice school education, and 95 with primary education.

Methodology

Assessment is considered a natural need of every employee which is in a specific way connected with a higher social human need – a need of social affiliation (response). When employees are assessed they also get a feedback concerning their performance and working behaviour which leads to strengthening or modification of their actual activities. Employees based on information they get from managers, colleagues and on their own reflexion (self-assessment) adjust their actual and future activities and goals. From the point of view of managers provision of assessment or feedback is one of basic tasks involved in their working post.

There are two ways to organise assessment in organisations, i.e. formal and informal, and they both serve as a tool of employee development. Even if from social and psychological viewpoint the above-mentioned processes are almost the same some differences should be mentioned due to their utilisation.

Formal assessment is periodical, planned, and systematic. Documents concerning assessment are included into personal files. Results of assessment are mostly used in the process of remuneration, allocation (promotion, case shift, and labour contract termination), and education, and also as a tool of motivation to improve employee performance.

Informal assessment (feedback) is a wider term. It is natural part of human communication. It is mostly provided in an informal way and is not based on standard procedures [Repková 1989]. Informal assessment results from every day contact of the manager with the employees [Vetráková 1996].

The assessed period is a time interval during which employee assessment is carried out. Recommended frequency of a regular assessment is 1 assessment per 1 to 3 years. Executive managers and important employees should be assessed at least once per two years and also when they are promoted.

An appropriate method connected with selection of particular criteria provides the best and most objective assessment of employees and brings information on the differences between evaluated employees resulting from assuming particular criteria [Pichňa 1994]. There are a lot of methods for employee assessment. In general, they can be divided into two groups, i.e. ex post methods and ex ante methods.

If the assessment is to become a real tool of employees' development and company's growth it should be:

- Objective – the assessment should take into account characteristics of a particular working post. Employees should know its standards and how to achieve them,
- Universal – the assessment should be applicable to all employees performing the same job defined by the same indicators of evaluation,
- Comparable – the results of many evaluators should be almost the same. This proves objectivity from the point of view of the situation and applied methods of evaluation,
- Oriented at present – it is not possible to connect current performance with past successes or failures, but based on current performance it is correct to define potential performance goals and motivation tools,
- Oriented at performance – although the level of work performance is closely connected with personality of employees, their family background, social activities etc. only precisely determined and standardised criteria of work performance and other aforementioned indicators should become the object of assessment to the extent to which they concern employees and influence their standards,
- Focused on positive aspects – it follows from psychological research that people tend to strengthen and repeat these formulas of behaviour they are positively awarded for. It also concerns working behaviour,

- Actual –in formal and informal assessment the interval between evaluated periods should be particularly determined, i.e. it should not be too long, because in this case employees cannot see the direct relation between the assessed performance and character of their assessment and adopted measures. It concerns especially the assessment of unusual situations such as exceptional successes or failures, where the topicality of assessment and adoption of a corresponding measure are the most important factors of its efficiency [Repková 1989].

Results

The topic of employee assessment was identified based on the needs of the wood processing company in which a system of employee assessment does not exist. There is a system of motivation developed by the human resources department, but it is only a replacement of a system defined for employee remuneration based on coefficient of evaluation. Each effective system of assessment should be objective and fair. General frame of its creation consists of the following steps:

- 1) determination and clarification of roles or duties of employees (enables subordinates to participate in goals establishment and performance assessment),
- 2) determination of preliminary and partial goals reflecting company's mission and vision,
- 3) regular meetings and monitoring of the process of achievement of set goals,
- 4) assessment at the end of the agreed period.

Regardless of the method of working performance assessment the company is required to pay attention to who will assess and evaluate working performance and who will provide the feedback concerning the employee performance.

Proposal of the assessment procedure and criteria

The system of assessment suggests conducting an assessment once a year and use a special assessment form and carry out an evaluation interview.

Assessment by means of assessment form – the evaluator conducts this assessment without the presence of people being assessed. The evaluator uses a five-point scale and allocates points to individual criteria. Then all point values are added up and the evaluator obtains the total number of points for individual employees.

The point method is an analytical method of assessment based on comparison of work and verbal description which get corresponding number of points. Its advantage is that evaluators must consider more factors; hence they can avoid simplified judgements. The judgements can be simplified if non-analytical summary methods are used.

Employee assessment by means of evaluation interview – the form used by the evaluator is an evaluation interview. The assessment is successful only if the evaluator discusses its results with individuals. Usually the direct supervisor interviews the employee with the aim of finding out the ways to improve the employee's performance or behaviour and considers suggested all measures. Both partners in the interview must clearly understand the sense of the assessment. That is why the interview must be prepared thoroughly.

The term criterion means an indicator which helps judge the ability to perform a particular working activity or function. The character of criteria is different and depends on the type of work posts. In the paper two main areas of evaluation criteria are suggested:

A – special readiness and predispositions to a job

B – working behaviour.

Each scope of criteria is internally divided into several sub-criteria. The agreed five-point scale is used in the following scope:

Exceptional – permanent performance considerably exceeds standard expectations as to total work.

Above standard/expectations – often exceeds expectations as to standard performance in key working tasks.

Standard/in line with expectations – meets working standards in line with the defined norm and may exceed requirements in some working tasks.

Needs improvement – total performance is acceptable but improvement is required in one or more working aspects.

Insufficient – performance is insufficient in several working areas. A considerable change is a must.

All assessment results need to be based on notes and total assessment of the types like *Exceptional* or *Above standard* should include examples which support particular level of assessment. If the assessment results are *Needs improvement* or *Insufficient* it is recommended to add a written plan of performance improvement to the report. In the following part the characteristic of the assessment criteria and sub-criteria is provided.

A – Main criteria: Special readiness and predispositions to a job:

Special readiness and suppositions for a job are one of the most critical criteria when a supervisor is assessed. Basis for assessment should be deep knowledge concerning the managed area, correctness of decision-making, ability to educate subordinates, creation of a team etc. Apart from formal authority delegated by the organisation and resulting from the post each supervisor should also have natural authority based on the quality of his knowledge and abilities. The above-mentioned criteria are divided into the following partial criteria:

A1 – knowledge in the field,

A2 – ability to make decisions (managerial and organisational skills),

- A3 – authority and prestige,
 A4 – ability to lead a unit,
 A5 – training of subordinates and team creation,
 A6 – interest in further special development.

Sub-criteria A1 Knowledge in the field:

Knowledge in the field means competence and ability to understand specific problems concerning particular field in which an employee works.

5	The employee's knowledge in the field is excellent, including abilities which they fully uses in execution of their function
4	The employee's knowledge and abilities in the field are good and are utilised sufficiently in execution of their function
3	The employee's knowledge, abilities and experience in the field and management are average, sufficient only to carry out ordinary tasks resulting from their post
2	The employee's knowledge, abilities and experience in the field are marginal, some of them require to be renew and rebuild
1	The employee's field knowledge is poor or insufficient

Sub-criteria A2 Ability to make decisions (managerial and organisational skills):

Ability to make decisions and manage is a personality trait. It can be partially influenced by education and environment. Correctness of a decision is seen only after some time, but based on experience, intuition, and specific knowledge it is possible to limit the number of incorrect decisions to a minimum. For a supervisor their managerial and organisational skills are a way to their self-realisation.

5	Organises work in a correct way, motivates a team properly, their authority is strong but informal
4	Has predispositions to manage work effectively, organise it correctly, and motivate the team adequately
3	Has a good formal authority, is able to motivate the team properly
2	When solving operational tasks prefers doing it themselves but in critical situations is able to motivate the team properly
1	Managing a team brings them problems, has no authority

Sub-criteria A3 Authority and prestige:

Authority of a supervisor is the extent to which their orders, recommendations and views are respected by the subordinates. Prestige of a supervisor is an extent to which their priorities, abilities, skills, knowledge, results etc. are respected by their subordinates or colleagues.

5	Has high authority and prestige, all subordinates respect them strongly and try hard to improve their performance
4	Subordinates respect orders and tasks, all orders and tasks are executed in time
3	Most subordinates respect the supervisor's orders
2	Sometimes the supervisor's orders are not respected
1	Subordinates do not respect their supervisor and do not meet their requirements and their tasks

Sub-criteria A4 Ability to lead a unit:

A supervisor has to know how to manage a unit and build positive working atmosphere, allocate tasks to their subordinates, and check the work done.

5	Manages their unit in an excellent way, is able to create fine working atmosphere, properly allocates duties to their subordinates, takes into consideration their specialisation and personal characteristics, is able to inspire colleagues to fulfil tasks exceeding their scope of duties, does not miss checking activities
4	Manages a unit without any problems, allocates work in a responsible way, respects wishes of a team, has good relations with their supervisors and subordinates
3	Has no big problems in unit management, checks work activities regularly
2	Makes considerable mistakes in duties allocation, does not often respect colleagues' specialisation, there is atmosphere of dissatisfaction and stress in a team, neglects inspection
1	Makes big mistakes in team management and the team does not respect them, is not able to allocate work and to check it

Sub-criteria A5 Training of subordinates and team creation:

Each supervisor is supposed to have the correct attitude towards their subordinates and educate and lead them properly. The supervisor's ability to establish a working group (a team) and correctly estimate abilities and skills of the subordinates is closely connected with it.

5	Excellently educates their subordinates and tries to make key employees in the managed team better, is totally committed to the company
4	Properly and successfully leads colleagues, is a good organiser, is able to allocate tasks successfully, adequately estimates skills and abilities of their employees
3	Is able to synchronise their subordinates, sometimes problems arise with team synchronisation
2	Knows what should be done to improve activities of a team, but has a problem to choose the right people
1	Is not able to recognize what is in people, what they should know and manage, is not able to judge the need of their qualification, prefers doing a lot of things themselves, their estimation concerning subordinates is often false

Sub-criteria A6 Interest in further special development:

Each supervisor should make an effort to develop themselves as well. It can be done through self-education as well as by means of special training and courses.

5	Exceeds requirements concerning specific readiness, is interested in their own professional development, spends their free time on professional improvement and development
4	Is interested in training within the scope of business activities, regularly participates in courses and training
3	Occasionally participates in training, their interest in courses is low
2	Is not interested in their professional development, sometimes tries to work on their own growth
1	Is not interested in professional development, does not seek or refuses activities including this content

B – Main criteria – Working behaviour:

The group of criteria under the common name ‘working behaviour’ is closely connected with the character of a person and often influenced by motivation factors. A supervisor should be composed carrying out working tasks, their performance and work quality should be sufficient. The above-mentioned criteria are divided into the following partial sub-criteria:

- B1 – fulfilment of work obligations,
- B2 – work performance and quality,
- B3 – ability to finish a begun task,
- B4 – supervisors’ orders fulfilment,
- B5 – working initiative.

Sub-criteria B1 Fulfilment of work obligations:

Fulfilment of work obligations should be automatic for every supervisor. A supervisor should be a role model for their subordinates in the area of working initiative and composure.

5	The employee executes managerial function intensively, even after working hours, is more than composed, their effort to meet all the obligations exceeds the scope of their duties and obligations
4	The employee fulfils managerial duties evenly and precisely
3	The employee’s concentration and energy use is average
2	The employee in the process of task execution often slacks off and is not fully committed to work
1	The employee’s work commitment is minimum and they is not able to work intensively and permanently

Sub-criteria B2 Work performance and quality:

The group of criteria under the common name ‘work performance and quality’ is closely connected with criteria relating to the company. An employee loyal to the company they works for tries to increase the quality of their work. Within their abilities their performance will be better as well.

5	The employee’s performance is evenly high
4	The employee’s performance is good, there are no changes in the work quality
3	The employee’s performance is average and the work quality is acceptable
2	The employee’s performance is sometimes insufficient, also the quality of work fluctuates
1	The employee’s performance is not sufficient, work quality does not meet requirements

Sub-criteria B3 Abilities to finish a begun task:

Ability to finish a begun task is a feature which should be common to all supervisors. It is not enough just to be inspired by a task but it is important to work on it. And it is critical to finish the begun task.

5	The employee always finishes the assigned task within the shortest period and with the highest quality
4	The employee almost always finishes the assigned tasks in time and with sufficient quality
3	The employee is almost always able to finish the assigned tasks but sometimes not in time
2	The employee always finishes the assigned tasks with the support of other persons and based on a notice
1	The employee is not able to finish the assigned task

Sub-criteria B4 Supervisors’ orders fulfilment:

Supervisors’ orders fulfilment is very important in terms of finishing the given tasks. If case of any doubts a supervisor should consult their opinions with their own supervisor.

5	The employee shows initiative and full independence in execution of their tasks and meets the supervisor’s orders
4	The employee meets the supervisor’s orders in execution of tasks
3	The employee mostly follows the supervisor’s orders
2	The employee often does not follow the supervisor’s orders in execution of tasks
1	The employee mostly contradicts the orders and viewpoints of his supervisor which results in conflict situations

Sub-criteria B5 Working initiative

In human working life very frequently there are problems which must be solved very quickly. The ability to take decisions quickly and correctly is a very important task of a supervisor.

5	Initiatively brings new and original ideas
4	Independently and successfully solves unexpected situations and has a lot of new ideas
3	Is able to predict instructions of others but needs orders
2	Not reliable enough, needs permanent control
1	Does not show any initiative, is not interested in introduction of new ideas

The process of assessment

Zero assessment – creates bases of the assessment system in a company in case when such system is introduced for the first time or when the existing assessment system is being improved.

Zero (initial/starting) assessment means establishment of a positive view of evaluators and people who are evaluated or assessed. The result is that both parties get a precise concept of the assessment. Zero assessment shows assessed employees what their supervisors will require of them in the future. During zero assessment initial goals are defined as well and their fulfilment becomes the object of assessment during the first normal assessment.

Analysis of zero assessment process – brings an answer to the question to what extent the experts who executed the assessment used the assessment methodology, how they defined goals for employees, and how they formulated the assessment conclusion. The experts also get information from the assessed employees concerning their opinion on the executed assessment, i.e. what is benefit from it, how they perceived the assessment interview, what they consider the most important in the process of assessment etc. This information provides the evaluators with feedback. The analysis of the assessment execution shows if the initial/starting assessment caused any problems or if there were any minuses of it.

Conclusions

The results of a well prepared assessment system will be especially reflected in better motivation of employees towards quality of their work, higher performance, willingness to develop themselves, and also in a positive change of attitudes towards the company, its management whose informal authority and trustworthiness will be strengthened. Consequently the quality of management may improve, especially when it is focused on future development of the com-

pany in accordance with the company's strategy and critical company values. Also the work with people is much better. In the area of personnel work especially the quality of education planning and career development of the assessed employees (including building of managerial reserves) and their allocation increased considerably. Also the level of recruitment of new employees improves. The equity and effectiveness of remuneration and satisfaction of employees in the company is higher as well. The total result is better acceptance of the common company values and norms of behaviour by the assessed employees, i.e. an increase of impact of the company culture on the employees' behaviour. If the system of assessment does not bring the expected result it is necessary to go back to the second step and work out a new one. If the system of assessment meets expectations it is implemented and used regularly once per year.

A correct employee assessment shows who is able to take up a higher post and also who should be reallocated to a post requiring lower scope of responsibility. In this way the company can modernise its organisational structure so that every employee holds an adequate position in line with their knowledge, abilities, predispositions and qualifications. If the company provides extra rewards for the high quality of the work done the employees are motivated to perform better and achieve better results, and customers of the company are more satisfied, thus the company not only gain more profit but also its reputation gets higher. When all rules concerning the correct employee assessment are obeyed, benefits are visible in all areas of human resources management.

For the employees of the analysed company the introduction of a new system of employee assessment means:

- acquaintance with a new system of assessment and its criteria,
- acquaintance with the way and form of assessment,
- acquaintance with set goals for the future from the point of view of organisation and individuals,
- acquaintance with the system of remuneration.

In the area of human resources management the dominant position at all levels belongs to employee assessment. Together with motivation and remuneration it has a critical impact on human potential development in the company. Employee assessment presents a rational and systematic comparison between the requirements of individual working activities and employees' abilities to perform allocated tasks properly.

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PROPOZYCJA OCENY PRACOWNIKÓW FIRMY DRZEWNEJ

Streszczenie

Omówiono nowy sposób przeprowadzania oceny pracowników w przedsiębiorstwie drzewnym. Opis kryteriów głównych i drugorzędnych ułatwia obiektywną ocenę podwładnych. Zaproponowany system oceny umożliwia racjonalne zarządzanie zasobami ludzkimi.

Słowa kluczowe: ocena pracowników, kryteria oceny, zarządzania zasobami ludzkimi