Reaching deeper into employee performance

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Abstract

A procedure-based alternative is juxtaposed to the outcome-based assessment of employee performance.

1 The situation

To avoid reducing employees to numbers in employment assessments (e.g. 'worth' points), a more dignifying alternative is to use personalised profiles (e.g. descriptions). This challenges the mainstream managerial option (Taylor, 1911), and calls for more holistic thinking.

2 The problem

Configured as an 'XYZ' problem (Perdicoúlis, 2013, 2010), let us explore performance assessment in two distinct profiling alternatives: the classic *outcome-based* Taylorist approach, and a *procedure-based* holistic approach — Figure 1.
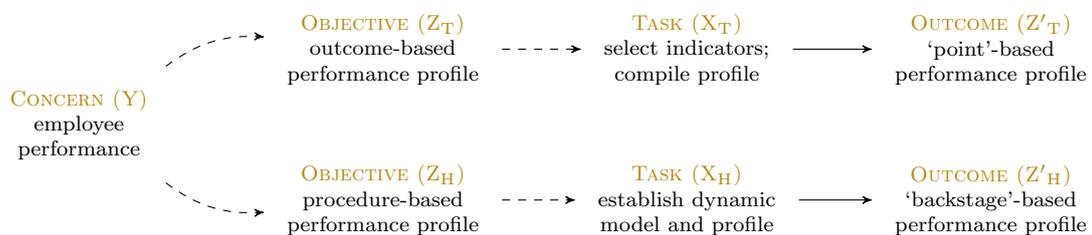

FIGURE 1   The 'XYZ' problem with *outcome-based* (upper) and *procedure-based* (lower) profiling

The alternative approaches share a common concern (Y) — employee performance — while divergence starts with the objectives $(Z_{T/H})$: outcome-based in the Taylorist approach, and procedural in the holistic approach (Perdicoúlis, 2015). The two approaches become comparable since the tasks $(X_{T/H})$ and outcomes $(Z'_{T/H})$ in both cases involve profiles.

3 Mental models

The holistic approach requires an explicit mental model of the work procedure of the employees prior to their assessment, as in Figure 2. Assumptions about causal relationships must be declared openly to form a working base for the performance assessment, even if these arguments are debatable.
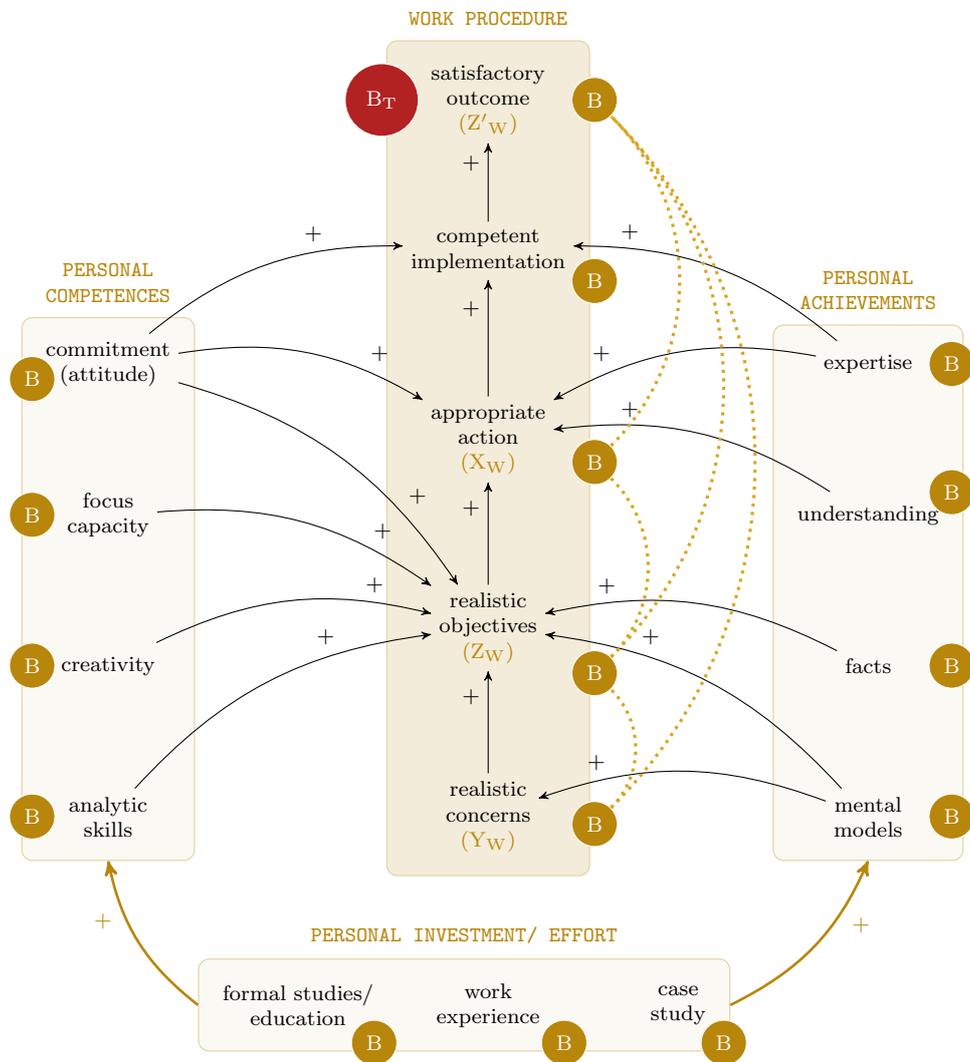

FIGURE 2   Work procedure (in darker shading) depends on various personal factors (Perdicoúlis, 2015); performance benchmarks marked as disks (B_T: Taylor benchmark realm)

The procedure-based holistic approach also requires a mental model of the assessments that can or should be performed within the 'XYZ' problem, such as those displayed in Figure 3.
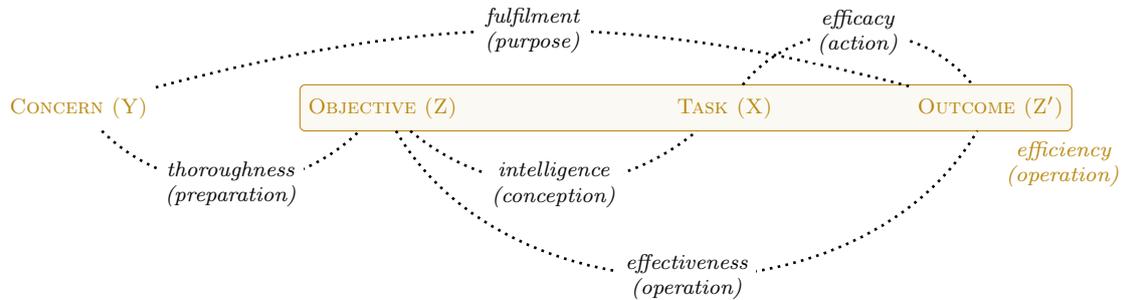

FIGURE 3   Assessments (in italics) entailed in the 'XYZ' problem formulation (Perdicoúlis, 2013)

Figure 3 applies to any 'XYZ'-configured problem — and there are two distinct ones in this article: (a) a sample *case-specific* employee profile assessment problem based on a particular work setting (Figure 2), simulated in § 4, and (b) the *methodological* problem regarding approaches to employee performance (Figure 1), with a corresponding assessment in § 5.

4   Profile assessment

Table 1 presents various sample performance profile perspectives, some based on points and other on relationships. Let us consider a hypothetical 'good' employee, and simulate the performance of this employee in two of these perspectives: one multi-point, broad utility profile (Figure 4(a)), and one procedure-based, line-of-work profile (Figure 4(b)).

PROFILE	BENCHMARKS	CONTENT EXAMPLES
Broad utility	points	productivity, kudos, salary, accidents, disciplinary processes, etc.
Productivity	points	articles, books, research projects, patents, contact hours, etc.
Personality	points	loyalty, patience, perseverance, honesty, integrity, team integration, etc.
Line-of-work	relationships	thoroughness of preparation (Y_W–Z_W), intelligence of conception (Z_W–X_W)
Effort-results	relationships	case study (e.g. the facts); work experience (e.g. accurate mental model)
Competence	relationships	creativity (e.g. in setting up Z_W), expertise (e.g. in implementing X_W)

TABLE 1   Sample performance profile perspectives

With the 'negative' aspects of the employee's performance at the top of the radar-graph, the multi-point profile (Figure 4(a)) demonstrates indeed a 'good' employee. This may cause no particular distress to the employer, but although the performance of the employee is documented, it is not safe to make any projections because the reasons of this performance are not shown.

The procedure-based profile of Figure 4(b) features only one 'negative' aspect (uncertainty in written communication), at the top right. Hence, the particular profile presents an employee who 'delivers', although slightly inefficient in the implementation of action — probably somewhat 'wasteful' with time or money, which could be an area for improvement.
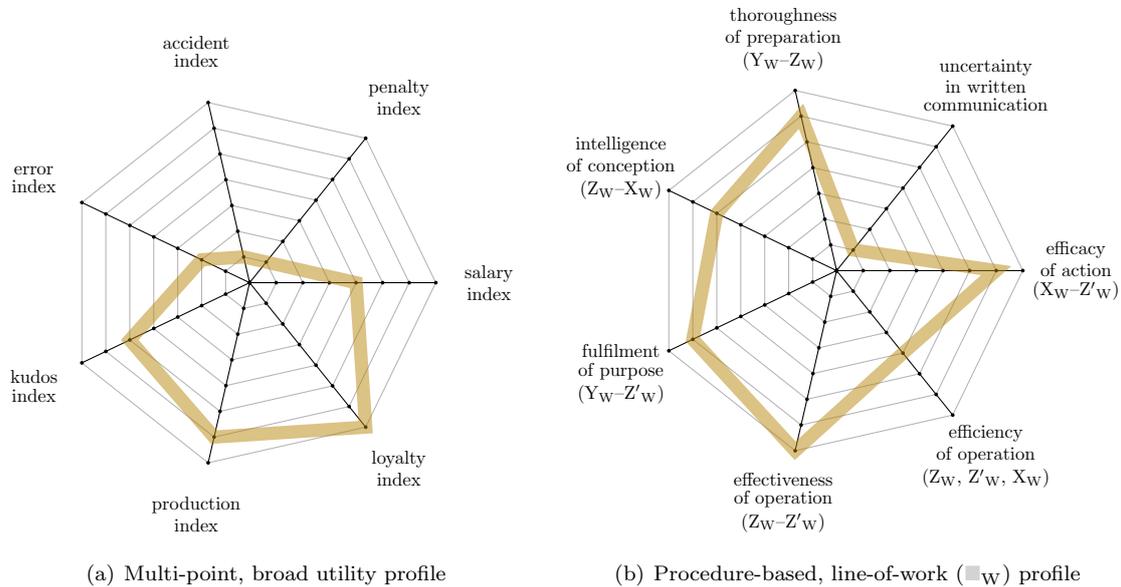
(a) Multi-point, broad utility profile

(b) Procedure-based, line-of-work ($\blacksquare_W$) profile

FIGURE 4 Sample radar-graph performance profiles of a 'good' employee, corresponding to Table 1

5 Methodological assessment

Each methodological solution is assessed on its own merit (Equation 1), and then comparatively against each other.

$$
\underbrace{\text{Efficiency}}_{\textit{of the assessment}} = \frac{\overbrace{\text{Intended Outcomes}}^{\textit{of the assessment}} - \overbrace{\text{Unintended Outcomes}}^{\textit{of the assessment}}}{\underbrace{\text{Required Resources}}_{\textit{for the assessment}}}
\tag{1}
$$

As expected (Figure 1), the outcome-based approach produces a 'point'-based performance profile and the procedure-based approach produce a 'backstage'-based profile. In both cases, these profiles are informative radar-graphs (Figure 4), which could be transformed to histograms or any other equivalent means of graphical data display. The inherent difficulty to justly attribute numerical values is attenuated with the help of benchmarks (Table 1), and no side-effects are expected. Hence, the *effectiveness* (Figure 3) of the two approaches is similar and satisfactory.

The procedure-based approach is relatively new and under-represented in the mainstream practice and literature, but does not require any more time, study, or attention than its outcome-based counterpart when applied by an equally experienced person. Therefore, the inherent *efficiency* of the two alternative approaches is also expected to be comparable — and in any case, improved by study, practice, and feedback.

However, although not perceptible in Equation 1, the procedure-based approach has a substantial advantage over the outcome-based approach regarding the fulfilment of purpose (Figure 3), due to its inquisitive constitution, which delves into the *why*s and *how*s of performance — i.e. well into the 'backstage' of performance (Perdicoúlis, 2015), to understand how it comes about (Figure 2).

6   Discussion

Even outcome-based thinkers are likely to agree that it is important to *understand* how outcomes are being achieved (or not, when they are not), perhaps adding that 'this is a difficult task'. By not searching into the causes or reasons why (or how) performance arises, mainstream point-thinking (Perdicoúlis and Glasson, 2011) reduces people to their performance indices, even if these are bundled together in 'profiles' (Figure 4). And besides reducing people to numbers, point thinking also reduces understanding.

For a fuller appreciation of employees, assessment perhaps should extend into the 'backstage' work that underpins their performance, venturing into intangibles such as personality (e.g. willingness, attitude) as well as culture, competences, and principles. While this in itself is not much more complicated than producing performance indices — given the equivalent background and training —, the transition from the mainstream thinking and practice to a more comprehensive thinking (Carvalho et al., 2002; Perdicoúlis and Glasson, 2011) should require plenty of work. It is also likely that the transition encounters intellectual or practice inertia (e.g. lack of confidence to the 'new', 'alternative', or 'non-mainstream'), or even 'political' resistance — e.g. from consultancies that operate on the mainstream approach, or institutions that have invested in that.

The procedure-based approach is not exempt from cautions. Modellers should take heed of the *causality assumptions* (e.g. relationships) in the mental models, as well as to *delays* between causes and effects (Figure 2). This is important not only for the general validity of the mental models, but especially since these are used to obtain the 'relative benchmarks' through causal relationships.

7   Conclusion

While effective and efficient, the outcome-based approach reports on performance rather condensed. The more comprehensive procedure-based alternative satisfies the common concern better, and is not more laborious — although the transition from the mainstream approach requires a re-investment in learning and institutional arrangements.

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