

Overview of Performance Management System (PMS): Case Study Application of Selected Institutions in Botswana

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Abstract— An overview of performance management in organisations is presented. Critical analyses of the importance of performance management were reported. Case studies of current practice of performance management of selected institutions in Botswana was illustrated. The case study highlighted areas of common application of PMS tools as a way of assessing staff performance. The case study also highlighted variation in reward systems and performance points accumulation. Also, variation in review frequency was highlighted. The University of Maryland School of Medicine Health Initiative in Botswana conducts performance reviews twice a year, whereas the University of Botswana and Princess Marina Hospital undertake performance review once and four times a year, respectively. The review emphasized the importance of regular performance reviews as a necessary feedback mechanism for staff improvement.

Index Terms— Performance management, appraisal, PMS tool, assessment, overview, employee, institution

1 INTRODUCTION

Performance management (PM), which is defined as the assessment and monitoring of employee performance with the goal of boosting effectiveness of the organization, is becoming more common in businesses [1]. Individual performance assessment involving a subordinate's annual report of performance have evolved over the years. Subordinates receive ongoing feedback through PM systems, which are made up of various aspects that each represent only a part of the PM process [2]. Performance Management systems typically include a set of performance criteria and techniques for measuring and evaluating performance against those criteria (i.e., performance evaluation), and tools for improving performance (e.g., incentives) [3].

Performance management system is important in every organization since it is an indicator of the organization's success or failure. Both the supervisor and the employee view performance management as a collaborative process whereby they both develop common targets that are linked to the organization's goals [4]. Performance relates to how well a job's tasks are conducted. It is contingent on one's capabilities and efforts. Performance assessment, also known as review of per-

formance, is the process of evaluating an individual's performance and progress on a specific assignment, as well as their potential for future growth [5].

Performance appraisal refers to a discrete, formal, organizationally sanctioned event that takes place once or twice a year and has clearly established performance measures or criteria that are employed in the evaluation process [6]. Taylor [4] further describes the nature of performance appraisal as neither a method nor a specific project, but a systematic flow that includes employee incentive to perform well, employee knowledge as to what their senior management expect of them, and performance evaluation aimed to identify areas where improvements are needed.

There are several reasons why a company requires a robust performance appraisal system, including making accurate decisions about promotions, demotions, pay packages, and transfers, and as such performance appraisal must be used to determine employee pay raises, job assignments, and promotions, amongst other factors [7]. Thus, a performance assessment not only assists individuals in identifying their strengths and weaknesses, but it also assists directors, managers, and

supervisors in making early predictions and taking prompt action to adjust [2].

Effective performance measurement system is one of the most reliable ways to determine the employee performance in an organization. It ensures that an employee receives feedback on their work on a regular basis. This paper reviews the procedures of performance management in three Botswana-based enterprises which are University of Botswana, Botswana University of Maryland School of Medicine Health Initiative, and Princess Marina Hospital. The University of Botswana is an academic institution offering undergraduate and graduate studies; the Botswana University of Maryland School of Medicine Health Initiative is a non-profit organization founded in 2015; while Princes Marina Hospital is a tertiary medical centre located in Gaborone.

2 APPRAISAL SYSTEM - OVERVIEW

Appraisal system dates back to the previous century in China and is still in use today [8]. Performance appraisal is a type of evaluation that compares an employee's actual performance to predetermined outcomes; it is a method of evaluating an employee's performance over time [9]. Therefore, Performance Management is a process of preparing an employee's future work aims and outcomes, monitoring employee's job productivity behaviour, assessing progress towards specified work goals, and discussing the employee's training and development needs. Performance Management should be aligned with the organization's strategic plan and established in accordance with each employee's job description, though in practice it is rarely the case, and the process is consequently ineffective in most cases [5].

Performance appraisals are undertaken at least once a year and yearly employee performance reviews are common practices [10]. It has been recognised that appraisals conducted more regularly (more than once a year) may have good impacts for both the organization and the employee [11]. Providing employees with regular performance reviews may help to avoid any unpleasant and/or surprising feedback during year-end discussions.

According to some experts, the objective of performance ap-

praisals and the regularity with which feedback is provided is determined by the nature of the job and the employee's qualities [12]. For effective performance management, supervisors and employees must engage in constant feedback and performance evaluation sessions. Constant discussion sessions can improve the quality of assessment systems, implying that whenever an employee has a problem, it should be managed with their superior rather than waiting for months to grade and document their performance [3]. Managers are required to specify what they genuinely want from their employees in an effective performance review system. Employees must engage with their managers about their performance management, including seeking access to possible resources required to meet their goals [12].

Performance management (PM) is viewed as a tool for improving performance. The PM process leads to a better performance and suggests that PM methods influence employees' views, attitudes, performance, and eventually organizational performance. PM methods are associated to employee perceptions of those methods which impact employee attitudes, conduct, and outcomes [13], [3].

The use of appropriate incentive techniques and schemes, skills development strategies and plans, feedback, individual career planning, and procedures for measuring the success of performance management systems and interventions are components of PM [14]. Blahova et al., [15] argue that PM should include all human resource activities that provide employees with the tools, motivation, and opportunity to improve business performance. As the society puts more demand on government agencies to demonstrate their efficacy and impact on complicated challenges, understanding how to appropriately manage staff performance has become increasingly crucial [2].

Effective performance management (including mediocre performance) is considered an issue of good management practice in the workplace. Establishment of solid management policies and practices for managing employee performance is an important requisite for an effective organisation. There are sufficient literature to support establishment of good PM practices [8]. Scholars have argued that having adequate managerial capacity, which is defined as having procedures, frame-

works, and measures in place to facilitate an organization's operations, is a key predictor of its success [16].

Performance management is viewed as a strategic tool because it allows members of the company to improve the quality of their relationships by expressing expectations and fostering an organizational atmosphere of trust, among other things [17]. According to Jain and Gautam [10], even exceptional performers in some businesses have a negative perception of organizational procedures and structures, which leads to difficult working conditions, with subordinates of such persons being unsatisfied and even resigning. Good performers, on the other hand, can benefit the company by cultivating a healthy and mutually beneficial work atmosphere. As a result, assessing employee behaviour is crucial because it helps determine how the task is completed [10].

It is unrealistic to believe that after implementing a Performance Management System, employees will be immediately motivated to improve their performance and that any performance-related difficulties will be remedied [18]. To reap the full benefits of the PMS, the organization must be willing to invest resources to ensure that employees and managers feel accountable to the system; otherwise, the system will be considered as a compliance function, and neither the employees nor the organization will benefit [17].

Different organisations employ different tools and approaches to performance management. While the expectation is usually to measure the effectiveness of staff, unfortunately some tools are inherently defective and lead to poor assessment of performance. This scenario breeds dissatisfaction among staff, who view the assessment tool as disadvantageous. While staff could perceive assessment tools negatively, there is usually a contrary perception of positivity by management.

3 CASE STUDY OF PMS IN BOTSWANA

Different organisations employ different tools to conduct PM. Typical case studies are illustrated in this section. A comparative analysis of performance management practices in three Botswana-based organizations: the University of Botswana, the Botswana University of Maryland School of Medicine Health Initiative, and Princess Marina Hospital is presented.

In this study, the qualitative non-experimental study approach was used. Different tactics such as one-on-one interviews, case study research, and record keeping are among the methods that can be used while adopting this method. Secondary document analysis was used as part of the process. Performance management system (PMS) tools were obtained from each of the institutions understudied and analysed to conduct a comparison. Each PMS tool has predefined objectives or key performance indicators (KPI). The only common elements across the three institutions were the periodic review and review outcome actions, hence these were the common variables that could be used for comparative analysis.

The University of Botswana evaluates employee performance once a year, whereas Princess Marina evaluates staff three times a year. The performance assessment for Botswana University of Maryland School Initiative takes place twice a year. The results are shown in Table 1.

Table 1: PMS Frequency for Selected Institutions

Institution	Appraisal Frequency
University of Botswana (UB)	Annual
Botswana University of Maryland School of Medicine Health Initiative (BUMSMHI)	Twice a year
Princess Marina Hospital (PMH)	Quarterly

According to UB, corrective measures are considered in relation to the overall assessment. Similarly, BUMSMHI includes certain specific remedial actions related to the overall score, particularly when one has not performed as expected. The remedial actions could include coaching, mentoring, counseling, and job shadowing. However, the PMH PMS tool makes no mention of any corrective actions in relation to the overall performance evaluation.

A common attribute of the PMS of case study institutions is the reward system. While the reward varies from one institution to another, all institutions have established reward schemes tied to performance. However, staff of the institutions are of the view that the reward schemes are not motivational in their current form. In UB, the PMS scheme is currently undergoing

review for improvements.

Performance classification for each sampled institution is as in Table 2. Table 2 shows variations in classifications, as there are also variations in reward system.

Table 2: Performance Classification for Case Study Institutions

Rating	Points
UB	
Outstanding/Exceptional Performance	90 – 100
Above Average Performance	80 – 89
Average Performance	70 – 79
Below Average Performance	60 – 69
Poor Performance	0 – 59
BUMSMHI	
Exceptional Performance	4.5 – 5.0
Exceeds Expectation	4.0 – 4.4
Competent/Meets Expectations	3.0 – 3.99
Weak/Inconsistent Performance	2.0 – 2.99
Unacceptable Performance/Does Not Meet Expectations	1.0 – 1.99
PMH	
Outstanding	95% - 100%
Very Good	80% - 94%
Good	65% - 79%
Satisfactory	50% - 64%
Unsatisfactory	49% and below

4 CONCLUSION

An overview of performance management was undertaken. Case studies were used to illustrate practices in Botswana. PMS tools collected from the three different institutions under discussion in this article were used to conduct a comparative analysis on Performance Management. The only components eligible for comparison were the periodical evaluation and corrective activities relevant to the overall score because each

business pre-defines their objectives in accordance with the nature of their job. The University of Maryland School of Medicine Health Initiative in Botswana conducts performance reviews twice a year, whereas the University of Botswana and Princess Marina Hospital do them once and four times a year, respectively. Some researchers claim, however, that regular performance evaluations result in effective performance management because the employee is provided feedback on what areas to improve, as opposed to waiting an entire year to find out if they are efficient or not [11].

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