

The Role of Performance Assessment in Strategic Management of Public Authority

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Abstract: The article considers the authors' approach to evaluation of the performance of public authority and government officials. The presented model of performance evaluation reveals the measurement of performance conditions considering the strategic direction of the public authority. The paper considers the basic approaches to performance management in the Western and former Soviet countries. A key feature of the work is the description of conceptual approaches to assessment of the government officials' involvement in the main strategic values of the public authority. A special place in the presented assessment approaches is taken by a strategic and operational planning, taking into account the functions of the public body. The role of evaluation in the achievement of the strategic objectives of the public authority has been examined. The obtained results may be used in the development of strategic documents of the state bodies and in the evaluation and certification of government officials carried out by the services for human resource management.

Key words: Public authority % Government officials % Strategic values % Human resource management

INTRODUCTION

Strategic management should provide a long term vision, taking into account the development and growth of activities in the rapidly changing conditions of the organization functioning, which is extremely difficult without efficiency improvement.

Strategic management is bound with strengthening of the long-term viability and effectiveness of public sector organizations in terms of basic policy and management capacity [1]. The system of performance measurement has been a key topic among researchers since its introduction in the industrial era already in 1960 [2]. In Western countries (U.S. and Europe), the system for performance measurement is more elaborated that is caused by their development, while in the developing countries the issue is still at the crossroads.

Methodology: In our model, performance management is used as a tool for binding individual jobs with strategic development. In the developing countries (former Soviet states) the current overload, bureaucracy and command and control methods prevent from implementing effective measures to improve efficiency. In this regard, it is

important to develop such a performance management model that will take into account the level of preparedness for forming the performance evaluation system in the long term, considering the level of public administration development.

Traditionally, the studies more focus on the efficiency increase through the involvement of employees in strategic or operational values of the organization. Our model follows the same way but considers the back action. Here we find important how an organization creates the conditions for involving employees in its activities. Both remain unchanged that generally increases the efficiency of the organization. In this regard, we propose to evaluate employees according to their contribution to the strategic goals of the organization and assess the organization performance depending on the conditions created for the maximum realization of such activities of its employees.

Conceptual Approaches to Performance Management: Performance management appeared in the 1980s in Western countries partly as a reaction to the negative aspects of assessment of merit and management by objectives. Certainly, at first the concept included a set of

elements of the earlier approaches, for example, rating, setting and revising goals, paying by the results of work and tend to the assessment of personal qualities [3]. In this context, the issues of performance management were mainly studied by the western scientists: M. Armstrong [3, 4] and A. Baron [3] R. Bailey [5] P. Drucker [6] A. Neely and David Wagoner [7] R. Cardy [8]. Besides, it is worth noting the following researchers: P. Smith and M. Goddard [9], A. Sacks and J. Gruman [10], D. Melkers [11], T. Poyster and G. Streibs [12], S. McKenna, D. Richardson and L. Manroop [13] and others. The following scholars of post-Soviet countries made a significant contribution in investigation of the topics related to organization performance assessment: V. Khrutsky and R. Tolmachev [14], Y. Odegov, K. Abdurakhmanov and Kotova [15]. However, in post-Soviet countries, there is little scientific literature on the justification of the concept of "performance management". However, the bases of personnel management and organizational behavior are actively developed and some of the works on the evaluation of effectiveness are published.

Western researchers, on the contrary, actively develop ways to connect the methods of HR management and performance management into a single integrated system, although non-monolithic and low-lying, but a flexible system that takes into account all the factors of the organization functioning. First of all, let us turn to a system of performance management as a component, including the assessment of organizational effectiveness and employee behavior.

In theory, performance management is significantly different from previous approaches, although in practice, the term is often used as a synonym for "performance assessment", as well as "human resource management" is often used as a synonym for "personnel management" without any major changes in the approach, i.e. there were lot of distinctions but a little difference [3].

Rise of Human Resource Management (HRM) also played a specific role in the emergence of the concept of performance management. The objectives of HRM include: the use of a strategic approach, where HTM strategies are integrated with business - strategies; approaching people as assets in which to invest for the benefit of the organization; increasing the contribution of people to work by means of remuneration (award) management within the Human resources development (HRD); promotion of employees' loyalty to the goals and values of the organization; and creating a strong corporate culture reflected in the mission statement and values and enhanced with communication [3].

A key component of performance management and in fact a cornerstone of the process is the appraisal and evaluation of employee performance. In the context of employee engagement, this process should also include an assessment of an employee's engagement behavior (e.g., persistence, proactivity, role expansion and adaptability) in addition to job performance. The main activities during this stage are performance appraisals and feedback. However, for the purpose of enhancing engagement, trust and justice perceptions are especially important [10].

The role of performance management in strategic management is defined as one of the components of its implementation. In strategic management the managers can use performance management (Figure 1) to link the responsibilities of their subordinate managers and so on down the job ladder, in measuring their efforts to fulfill the organization mission in the annual performance evaluations, programs of job compliance assessment, as well as in the reward system as a whole [12].

General businesses' objectives are profit-based; but public sectors regard public interests of society as the main objectives - providing public goods and services to members of society, which determines the difference in the starting points of performance between enterprises and public sectors [16].

Another barrier to the orientation of the post-Soviet countries to effectiveness improvement is a narrow approach, which is still used in government agencies (Table 1).

Conceptual Model of Evaluation: At limited incentive instruments, including the material ones, due to inflexibility of the government system, the considered theoretical visions are of the greatest interest for the evaluation of the effectiveness of the public authority. Performance management helps creating better conditions, under which an employee is intensely integrated into the activities of the organization (core mission, goals, objectives and functions).

Formal institutions [17] change the orientation of the worker to the integration in the organization activities. First of all, these are official duties, the provisions of departments, organizations, as well as rules for the labor organization. As the formal institutions focus on the orientation of the public servant to the integration in the activities of the state body, so they are effective (Figure 2).

Table 1: Comparative table of relation to improvement of performance efficiency

Description	Western countries	Post-Soviet countries
Goal	Performance management	Human Resource Management
Orientation	Efficiency	Management
Personnel development	Efficiency of training	Planned training
Scope of work description	Broad job description	Development of job description
Planning	Planning oriented to results	Planning "by objectives"
Assessment	Assessment of merits in achieving objectives	Evaluation of individual competences

Note: developed by the authors.

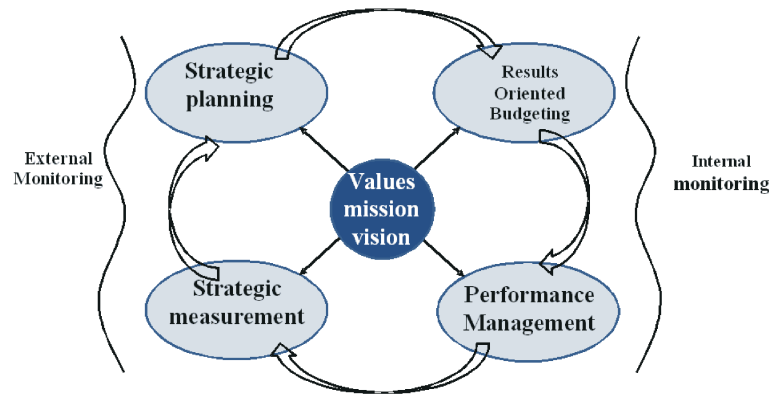


Fig. 1: The Strategic Management Process [12].

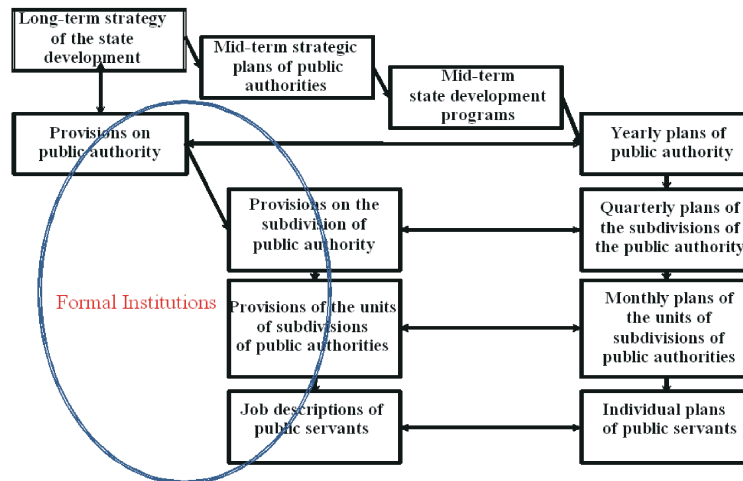


Fig. 2: Scheme of civil servants integration in the activities of public authorities.

Note: Developed by the authors.

Consider in Detail the Process of Integration:

The provision on the public body must comply with the basic mission of the public authority and the role of the state authority in the government system. The provision shall consist of the mission, goals, objectives and functions. An important aspect in the employees' integration into the organization activities is a consistent realization of the mission during the activities of the public servant (Figure 3).

Government's efficiency is reflected in the quality and effectiveness of the executed functions, assigned by the state legal acts and the degree of achievement of the goals and realization of the set objectives by the authorities.

Each public agency realizes not one but a "set", the system of functions, i.e. performs several types of control action. Each of these types is relatively independent and specific, but they are all interrelated and provide achievement of objectives only as a whole.

Mission	<i>The level of the public authority</i>				
Mission justification results in organization efficiency	Goal	<i>The level of subdivision of public authority</i>			
Strategic plan of public authority	Goal achievement shall justify the basic mission of the organization	Objective	<i>The level of the units of subdivisions of the public authority</i>		
Assessment of public authority performance	State programs	The objective shall contribute to achieving the main goal	Function	<i>The level of job descriptions of the public servant</i>	
		Plans of public authorities	Functions shall contribute to achieving the main objectives	Performance standard	Job descriptions
			Plans of subdivisions	Regulates the sequence of actions to execute the function	Determines actions to execute function and/ or part of functions
			Plans of public servant development in performance improvement	Determines indicators of the function performance	Determines the level of competence, knowledge and skills for the performance of official duties
	Assessment of public servant performance				

Fig. 3: The sequence of a public servant integration in the activities of the public authority.
 Note: Developed by the authors.

However, the function as a scientific category, the element of the conceptual apparatus is a research tool, a means to evaluate the results of work of the state apparatus and each civil servant [18].

It is unclear determination of functions and the procedures for their execution that generates a negative connotation of bureaucracy and the dependence of public authorities on it. The standard of function performance is a document, which describes the regularly recurring operations and reflecting the quality of the products, services and work. The purpose of the standard for function performance is to carry out regular operations in the same order.

Evaluation of state body performance management should be conducted as a "top-down" process, measuring the quality of the integration of the public authority mission in the activities of a public servant. The quality of distribution, the structure of the activities of the public authority and the regulations of the state agency for implementation in individual workplaces should be evaluated. This depends on the clarity and consistency of goals, objectives, functions and duties, as well as the quality of plans, availability and consistency of individual development plans. Mission, purpose, objectives and functions should be traceable in the terms of reference of a public servant.

Assessment of the performance of the public servants should be made "bottom-up" based on the compliance with the efficiency parameters. The assessed

is the quality of the public servant integration in the activities of the public authority. In this definition, the civil servant shall be considered as one "small screw" in implementation of the goals, whose work contributes to the overall goal. Attestation of public servants may be based on the assessment of the competence for the implementation of the strategic objectives of the public authority.

CONCLUSION

The introduction of this system in the government bodies can improve the interrelation between the activities of the state bodies and public officials. However, these proposals, as well as the theoretical considerations, show that the system allowing estimating the contribution of each public servant in the performance of the public authority increases the involvement of employees in the organization. Involvement as a back action can facilitate the assessment of civil servants and attestation of their competence.

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