

# Performance Appraisal System and Effectiveness of Universities in Nepal

Pushpa Raj Padhaya <sup>1</sup>, Laxman Bhattarai <sup>2\*</sup>, Lok Nath Acharya <sup>2</sup>, Sunit Adhikari <sup>2</sup>

<sup>1</sup> Department of Lifelong Education, Hanseo University South Korea

<sup>2\*</sup> School of education, Kathmandu University, Nepal

<sup>2</sup> Department of Lifelong Education, Hanseo University South Korea

**Corresponding Author:** Laxman Bhattarai

## ABSTRACT

The major objectives of this study were to identify the effectiveness of personal appraisal system in the Nepalese Universities. This research paper focused on the study of three Universities and conducted an in-depth interview as data collection tool. Various Social Medias, journals and other secondary sources were used to accumulate information's for the research study. The research was conducted to explore and to evaluate the effectiveness of the existing system as well as to find out the perception of the employees about the present implementation system of the teaching and non-teaching staff on the overall performance appraisal systems of different Nepalese Universities. The findings revealed that the Universities of Nepal had not used it for the overall academic progress due to the lack of knowledge, training skills, feedback before and after evaluation. As well, it seems like a formality for the promotions and selections of the employees with lack of accountability, transparency, proficient human resources mentors. As a result, the achievement was noticed separate in different Universities but in overall, it was not found to be effective and enormous influence by the self-interest of the powerful persons in the Universities. It has been felt that theory of motivation should be applied to the appraising staff for solid motivation, guidelines, provides incentives and rewards with feedback and timely appraisal system should be conducted transparently for the overall success of the Universities of Nepal.

**Keyword:** Performance Appraisal, University, Effective, Achievement

## 1. Introduction

The performance appraisal system is often regarded as one of the most prominent function of the human resource management of the organization in the present global economy. Several preceding studies revealed that an effective performance appraisal system worked as a catalyst for the effectiveness of human resource management of an organization. According to Flippo (1976), "performance appraisal is the systematic, periodic and an impartial rating of an employee's excellence in the matters pertaining to his present job and his potential for a better job." It is the methods and processes used by organizations to assess the level of performance of their employees and to provide them with feedback.

Appraisal process, therefore, offers a valuable opportunity to focus on work activities and goals as well as identify to correct existing problems, and to inspire improved future performance, thus it will improve the whole performance of an organization, Roger (1995). A recent study by El-Gebali, et.al, (2019), concluded that performance appraisal is a regular review of an employee's job performance as well as an annual review, performance review or evaluation which evaluates an employee's skills, achievements and growth, or lack of there, which helps to overall contribution of an organization. However, this type of research has not been studied aptly in the Asian globe, especially in the Nepalese Universities. The evidence and prior literature on this topic are rare, moreover, the literature here in this paper aims on exploring aspects of observation and slight emphasis was made on the imperial findings of the effectiveness of the PA and its influence on employees' performance. Employees must have the proper knowledge, skills, and attitudes to perform well in jobs. Knowledge, skills, and attitudes are the internal competencies that employees bring with them to the job or that they must learn through training. Martin, et.al, (2018) states that, a performance appraisal system recognizes and rewards employees and identify areas where marginal employees can improve their skills and knowledge. Based on this definition concludes that affording the rewards and feedbacks encourages employees for better performance in the workplace and there will be no doubt this principle works in Nepalese Universities.

In various universities, appraisals are used to help determine reward outcomes by identifying employees who should get the most available merits such as pay increases, bonuses, and promotions. Specifically, appraisal results are used to identify poorer performers who requires some form of counseling or in extreme cases, demotions, decrease in pay or dismissal (Chadbourne, 1994). It was reported in literature that Performance appraisal is widely accredited to contribute to the superior performance outcomes of many organizations (Averson, 1998). However, Performance appraisal is normally used for compensation, performance improvement, management, feedback, and documentation. Various studies revealed that performance is a vital factor to build up universities employees' management and the overall academic success will depend on the core system. Innumerable norms' have been developed on which the value of performance was measured with the quality, quantity, timeliness, cost-effectiveness, needs for supervision, interpersonal impact as well as focused on enhancing employee commitment such as decision making, comprehensive training, salaries, payment, and employee's participants are related with higher performance which has the certain steps to follow.

Moreover, in Nepalese context, there has been a proliferation of Universities in recent as well as in past and most finding were costly rather than the quality. There are further problems with indiscretion in examination, delay in result publication, irregular class attendance and excellence in teaching styles etc. Rijal, (2017). According to Nepal Administrative Staff College (2018) report, there is a lack of perceived honesty in the ministers, politicians and civil servants that causes major shortcomings in the governing of the institutions. Briefly, the lack of morality and transparency in the employees and authority level beings a challenge in the growth and development of the University. As it can be observed that, large volume of finance is provided in the university but lack of the ethics in the authority seems like a formality having a low achievement, Gautam (2019, July 23). These problems are problematic to handle the functional glowing and all these activities that airs in the employees did not match the expectations of the University. Then obviously different mindset rises, what are the reasons behind this gap? Is this because of employees themselves? Or is it because of the program, or the employee's influences? What are the real but invisible factors of such an experience? These questions have guided us to study and understand the performance appraisal system of Nepalese Universities and their effectiveness.

The performance appraisal system is one of the utmost factors of the management of every organization where staff members are appointed with the expectation of the performance which yields benefits to the organizations wherever itself has not contributed positively to many cases so that this study tries to examine the effectiveness of the appraisal systems of the University of Nepal which contributed to the diverse field for producing the skilled manpower. In other words, it provides valuable feedback and instruction to employees and gives a beneficial framework to assess the employees' and staff's performance that brands a valuable contribution by appraising the existing systems of the universities which would lead to some valuable findings that has direct relations with the professions and overall growth of the universities.

In this study, it has some limitations in terms of time, purpose, and scope. The whole study was limited to the performance appraisal system of teaching and non-teaching staff of University. The participants were delimited in the administrative officer of Human Resource Department of the three Universities of Nepal.

## **2. Methodology**

The methodology of this research study commences with our axiology, ontology, and epistemology proceeds towards the research design. The study conducted a qualitative research design that uses in-depth interview from the selected participants of the employees of Universities as a method for assembling and collecting information to explore the performance appraisal systems and its effectiveness over the email provided in the interrelated areas. Information and literature were collected through various journals, social Medias, and secondary sources. The quality standards of this paper were maintained by respecting the truth of the participants. All opinions were supposed equitably with full of honesty, professionalism, and no bias, unethical practices in this study were avoided taking in highest regards to honesty and sincerity in research study. Thoroughly, themes were created through shared information for further studied and reviewed in detail with connection to the findings.

## **3. Theme emerged through the data of Administrative Staff**

Regarding the Universities of Nepal, Policymakers may set the diverse performance with standards and carry out specific procedures on the implementation, several problems involved in the construction of an effective and fair appraisal system for the employees. In this context when we asked various question to our research contestant employee as an executive officer of U1, he said, `` There is a provision of every 6-6-month appraisal evaluation of every teaching and non-teaching staffs based on their work and report to the central Human Resource Department and Dean member monitors.

All these activities.” We further asked him, how do you appraise your teaching and non-teaching employees’ performance? His response explicates, “For non-teaching staff, performance appraisal systems is based on Job and professional competency, analytical and problem-solving ability, planning and mobilizing ability, Personal effectiveness, Work responsibility and orientation, interpersonal and team ability, super visionary and supportive ability as well as work nature, work responsibility and discipline, interrelationship and group intension, individual ability, and Dean will be the reviewer of all working staff of U1”.

Similarly, for teaching Staff, the information shared by the participants can be linked with the previous studies. Accordingly, Danielson, (2008, January), also suggest that inquiring framework, questions, assessment, communication level and skill, competency level, proficiency, effectiveness, improvement, and dynamism are some components of employee’s in-service evaluation and a sound evaluation system revolves around the mission and goals of the individual. The associate dean is an appraiser who evaluates all the process and Dean is the overall reviewer. The Reviewers check the whole appraiser’s process. Then, we asked the same questions to the employee of the U2 and according to him “U2 fulfills the teaching staff in the two ways: Open and internal examination system. Professor and Asst.Professor fulfills 80% through internal examination and 20% through the open exam. Lecturer of 80% through an open exam and 20% through the internal exam as well as 100% Asst. Lecturer through open examination”.

Internal examination Criteria and marks obtained from the following sectors such as academic qualification, research, and journals, teaching service experiences, work performance evaluation, and interview system. Higher academic qualifications have higher marks. According to the teaching service and experience, university mentions another criterion. Working in the remote district, have higher marks than in the urban area. An appointment system is based on a senior base. Work performance evaluation held in every year. All the teaching staff’s performance is evaluated by the related campus chief and in the central dept. head of the department will review the teaching staff evaluation and Dean will evaluate the campus chief and depart head performance appraisal.

Open examination Criteria and marks obtained from the following sectors such as Academic qualification, research, and peer review journals, teaching experiences, written examination, and interview were included for the overall appraisal system. Higher academic qualification gets higher marks. All the employees are appointment through the University service commission and the inclusive system is also managed for the employees in the U2 University. For non-teaching staff, university appointments the non-teaching staff according to the open examination, internal examination and upgrading the levels. Employees upgrade on the senior based point system and performance evaluation with work evaluation upgrade system. In the internal examination, everyone gets the opportunity to attain the examination only having 5 years of work experience in the related field with required academic qualifications and in the open examinations, interested can held the exam in the related positions with required academic qualifications. Only 55% of employees selected through open examinations and 45% are through the inclusive systems.

Then we asked the same question to the U3 research participant. According to him, “for the professor: Requires Minimum 10 years of teaching experience with a Ph.D. with minimum 12 years of experience in the companies with 10 peer review journals with written exam and interview. In the case for Associate Professor: Requires Ph.D. in the related field and 8 years of teaching experiences in the related college with a minimum of 6 research journals with written exam and interview. For Lecturer: the performance appraisal is based on the following criteria which requires MPhil holders in the related college and minimum 3 research papers with written exams and interviews. For the non-teaching staff in the administrations, Officers require a minimum bachelor’s Degree and above requires a master’s degree with written exam and interview. For account Officers, requires a minimum bachelor’s degree in management with a written exam and interview. For technical Officers, requires minimum bachelors in a technical field, with written exam and interview. For technical Office helpers: requires 12 completed in the technical subject with written exam and interview.

According to him “The inclusive system is applied only in the entrance position at the University of the officer’s level and under the level and 45% seats are selected for inclusive employment with written exam and interview. According to the demands of the university, the Open University service Commission and employment fulfillment committee manage all the employment appointment of the university. From the information shared by the participant of U1, he said, “performance appraisal is essential to make the employees more accountable in their assigned job and to set developmental and training program for the University. But in some cases, he was worried about the level of transparency in the employee’s evaluation system”. He suggested that the appraisal system of U1 is overall good, and it should not be only a formality, it should be implemented effectively as it is formulated.

We questioned the same question to the employees of U2 and he said that “it is the key to make every academic activity of the teaching and non-teaching staff more responsible and effective which ultimately enhances the academic quality of the University”. He continued that “in the present context U2 is highly influenced by political parties in the performance appraisal of the teaching and non-teaching employees. The VC, Dean, Campus chief and other authority chief are selected through the reference of the political parties rather than the

academic qualification that makes the University background of the political parties which is not beneficial to the Universities development.

According to the participant of the employees of U3 when we requested the same question, he said that the “performance appraisal system is a vital role for the growth and development of the university but in our context, it cannot run with its system only. Its system is directly affected by the influence of political power and donor agencies which directly influence the performance appraisal and directed towards quantity rather than quality”. According to him the inclusive system in the employee’s recruitment system made a big challenge to the quality maintained of the University.

Based on the above analysis, administrations are optimistic to make the use of performance appraisal. But in real practice, it seems like only for the promotion and rewarding in the University. This proves that the university authority is not aware of the precise method of practicing performance appraisal or authority is not being accountable towards enhancing the university quality. The university authority should practice it in a meaningful way so that the Universities’ goals can achieve precisely.

According to the theory of performance formulated by Richard Schechner, which indicates that a high level of performance of the employee can be alleviated through various methods. Among many, performance appraisal is one of the most effective and essential methods which motivates the employee for effective performance. It develops academic programs of the Universities, development of teaching skills, creates an innovative and scientific approach in the teaching field that supports in the development of the University. So, it is insinuated that authority level requires some special orientation is essential for the meaningful ways of using performance appraisal for the growth and development of their universities for its goal achievement.

#### **4. Theme Emerged from the Effectiveness of the Performance Appraisal System**

Performance appraisal is normally used for compensation, performance improvement, management, feedback, and documentation in each organization. According to Wehrich & Cannice, (2010), effective performance appraisal should also distinguish the legitimate desire of employees for development in their professions. One way to integrate organizational demands and individuals’ desires is through career management, which can be a part of performance appraisal. When we asked the question about how effectiveness the PA is in your University (U1)? He answered that “their University is practicing the performance appraisal specially to promote their teaching and non-teaching staff and to reward them and is done two times in a year”. He said that “performance appraisal is effective regarding rewarding and promoting the staffs, but they agreed that it has a lack of transparency in somewhere and lack of enough plan for training and other developmental programs”. He also added that the systems of performance appraisal are enough, and its implementation part should be effective and transparent for the more effectiveness of the PA system in the coming days.

When we asked the same question to one of the employees of U2, He said that “the performance appraisal is not effective in his University and used for promotional purposes only. There are numerous factors which are the cause of the ineffective of the performance appraisal system in the University”. In the U2, Performance appraisal is not done scientifically, and it is not based on a systematic approach while implementation. According to him, “the authority of the U2 does not release the information to the employees that result in the large volume of lack in transparency in the appraisal system”. Relationship and political approach are the major factor in the performance appraisal rather than academic and skilled qualifications which is the major cause of the unfair of various performance appraisal and degradation of the University”. According to him “there should be highly transparency and fairness in the appraisal system and there should be morality in the author as well as should neglect the influence of politics and family relationship for the effectiveness of the performance appraisal system of the University”.

In addition, same question was asked to the employees of the HR department of U3, according to him, “since the University has not a long history only having three years that the performance appraisal was not effective at the expected level”. It is mainly due to the lack of ethics on the authority of University and on the lack of knowledge and skills for the purpose of practicing performance appraisal as well as highly influence of political power and relationship factors, the same as U2, its performance appraisal system is not satisfactory. There is a shortage of knowledge, training, and feedback to the employees after evaluation which cannot use it for the overall academic progress of the U3. The employees also pointed out that, “there is a need of orientation sessions to the authority and University service commission about the importance and proper use of performance appraisal in the proper time”.

Based on the clarification of the effectiveness of the performance appraisal system in the Universities of Nepal, it is found that PA is less effective here and used only for the promotion of the employees and exposing formality. PA is not only for the promotion but also that it must be used to know how properly the employees are performing their assigned job and responsibilities to the university. It helps to design the training and developing program to enhance employee’s skills in reducing their weaknesses. Another reason noticed that the authority does not disclose the actual information about the performance because of the hidden intentions. Many

universities did not implement the performance appraisal in the fixed time except U1, so that the employees of the University cannot get the opportunity to improve skills and academic professionals.

According to the Bloom's motivation theory, it indicates that when the employee is satisfied in terms of self-respect, and feel that they are treated impartial, they start working hard with the higher stamina which could link in this study. The employee seems more responsible in their jobs with transparency as well as fairness and ultimately increases the quality of the Universities in the future. Therefore, from the study, it shows that the universities are supposed to set strategic plans and visions for conducting, evocative and fair performance appraisal with delivering feedbacks and skillful trainings to the employees for the production of accountable manpower to the Universities for their progress and growth in the future.

## 5. Conclusion

Performance appraisal has been practiced inversely in different globe and there too in Nepalese context. Somewhere, it has been practiced in every half year and somewhere it takes more than one year for conducting PA. Performance appraisal will be more effective for the growth and development of the Universities by providing the continuous feedback process to the employees and restructuring their skills and development, creative interventions and so on. But due to the lack of the ethics and morality in the authority of the University, limitations of time and lack of proper adequate knowledge about the proper use of performance appraisal, University authority is not practicing it effectively'. In the University, anyone cannot get the opportunity for the employee without a political power relationship which is the major challenging concern in the performance appraisal of the Universities. Similarly, employees were also not fully satisfied with the evaluation regarding their performance and it is used only for the promotion and reward of the employees rather than improving and progress of the Universities that seems just as a formality which has not any fairness.

From the study, it is found that Only U1 has a better practice of performance appraisal system as compared with the U2 and U3 University of Nepal. To improve the performance appraisal system of the University, the HR Department and authority level needs to make a strategic plan to remove the unnecessary influence of power and that makes it effective and transparent in each activity to fulfill the gap of this study. To produce the qualitative and responsible employees, it will be better to make a continuous performance appraisal in a transparent, perceptible and effective way that helps to harvest the academic professional and well-skilled employees in the progress and development which encounters the expectation level of Nepalese Universities.

## 6. References

1. Appelbaum, S. H., & Butt, D. (1994). *Toxins in the workplace: Effect on organizations and employees*. *Corporate Governance*, 7(1), 17-28.
2. Averson, R. D. (1998). *High-performance work systems and occupational safety*. *Journal of Applied Psychology*, 90(1), 77.
3. Danielson, L. (2008, January). *Making reflective practice more concrete through reflective decision making*. In *The Educational Forum* (Vol. 72, No. 2, pp. 129-137).
4. Darling-Hammond, L. (2012). *Creating a comprehensive system for evaluating and supporting effective teaching*. Stanford, CA: Stanford Center for Opportunity Policy in Education.
5. Derven, M.G. (1990). *The Paradox of Performance Appraisals*. *Personnel Journal*, volume 69.
6. El-Gebali, S., Mistry, J., Bateman, A., Eddy, S. R., Luciani, A., Potter, S. C., ... & Sonnhammer, E. L. L. (2019). *The Pfam protein families' database in 2019*. *Nucleic acids research*, 47(D1), D427-D432.
7. Flippo, E. B. (1976). *Principles of personnel management*. McGraw-Hill.
8. Gautam, B. (2019, July 23). *अध्ययनमै बाहिरियो वर्षमा ४० अर्ब*. Retrieved from: <https://www.nayapatrikadaily.com/news-details/20567/2019-07-23>
9. Khan, R. A. (2014). *Human resource management practices: A case study of South Asian Countries*. *IBT JOURNAL OF BUSINESS STUDIES (JBS)*, 10(1).
10. Kurt, L. (2004). Kurt Lewin and the *Planned Approach to Change: A Re-appraisal*. *Journal of Management Studies*, 41: 977-1002.
11. Martin, J. A., Mayhew, C. R., Morris, A. J., Bader, A. M., Tsai, M. H., & Urman, R. D. (2018). *Using time-driven activity-based costing as a key component of the value platform: a pilot analysis of colonoscopy, aortic valve replacement and carpal tunnel release procedures*. *Journal of clinical medicine research*, 10(4), 314.
12. Nepal Administrative Staff College. (2018). *Nepal National Governance Survey 2017/18*.
13. <http://www.nasc.org.np/sites/default/files/Nepal%20National%20Governance%20Survey%202018.pdf>
14. Parajuli, D. R., & Das, T. (2013). *Performance of community schools in Nepal: A macro level analysis*. *International Journal of Scientific and Technology Research*, 2(7), 148-154.

15. Perumal, D. (2009). *Motivation theories and implications for teaching and learning in the biosciences. Investigations in university teaching and learning*, 5(2), 111-120.
16. Rijal, S. (2017). *Donors, Directors and Audience: A Survey of the Performance of Plays in Nepali*. Nepalese Translations, 1, 55-61.
17. Skourdombis, A. (2014). Teacher effectiveness: *Making the difference in students' achievement? British Journal of Education Studies*, 62 (2), 111-126.
18. Stronge, J. H., & Tucker, P. D. (2003). *Handbook on teacher evaluation: Assessing and improving performance*. New York: Eye on Education.
19. Wehrich, H., & Cannice, M. V. (2010). *Management*. Tata McGraw-Hill Education.
20. Winston, R. B., Jr., & Creamer, D. G. (1997). *Improving staffing practices in student affairs*. San Francisco: Jossey-Bass.

## BIOGRAPHIES

	<p><b>Dr. Pushpa Raj Padhaya</b>  <b>Department of Lifelong Education</b>  <b>Hanseo University South Korea</b></p>
	<p><b>Mr. Laxman Bhattarai</b>  <b>M.Phil. Scholar</b>  <b>School of Education</b>  <b>Kathmandu University Nepal</b></p>
	<p><b>Mr. Lok Nath Acharya (PhD)</b>  <b>Department of Lifelong Education</b>  <b>Hanseo University South Korea</b></p>
	<p><b>Dr. Sunit Adhikari</b>  <b>Department of Lifelong Education</b>  <b>Hanseo University South Korea</b></p>