PERFORMANCE REVIEW RESULTS: A KEY MOMENT FOR EMPLOYEES AND MANAGERS IN THE ALGERIAN COMPANY

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Abstract. The economic environment in Algeria is constantly changing, presenting businesses with crucial challenges. To maintain their competitiveness, these businesses now recognize the vital importance of enhancing the performance of their human resources. Measuring, assessing, and communicating employee performance outcomes are essential steps to ensure the success and longevity of the company. In this context, a study was conducted within an Algerian leather company to evaluate the impact of transparent communication of assessment results on performance improvement. The initial hypothesis suggests that non-confidential communication of results promotes a qualitative enhancement in performance by highlighting each employee's specific skills and areas for improvement. A methodology was established to collect and interpret data, enabling a deeper understanding of the effects of this transparent communication on employee motivation, engagement, and perception of evaluations. By utilizing questionnaires, we collected essential insights from employees and pertinent managers, enabling us to gain a more comprehensive understanding of how transparently communicating assessment results influences their motivation, engagement, and perception of the evaluation process. Our research discovered that employees who perceive their supervisors as just and impartial tend to experience higher job satisfaction and greater motivation to excel in their roles. This phenomenon is attributed to the fact that managers who uphold fairness and equity foster a positive workplace atmosphere, cultivating a sense of worth and assistance among employees. Additionally, they establish well-defined expectations and objectives, enabling employees to remain focused and attain their utmost potential. The process of performance appraisal holds significant potential for enhancing both employee and organizational performance.

Keywords: evaluation, performance, improvement, communication.

JEL Classification: M1, M12, M0.

INTRODUCTION

The shifting environment that Algerian businesses are confronting places them before pivotal challenges. Regardless of their sector or size, they must meet escalating demands for profitability, quality, and technological advancement. This ongoing evolution unfolds within a demanding

Confronting current challenges, businesses are increasingly realizing the paramount importance of enhancing the performance of their human resources. (Nudurupati, Garengo, & Bititci, 2021) With this perspective in mind, we directed our focus to an Algerian leather company to evaluate the impact of communication of evaluation results on performance enhancement. To guide our study, we questioned the crucial role non-confidential evaluation plays in optimizing organizational performance. Our initial hypothesis posits that transparent communication of results leads to a qualitative improvement in performance by highlighting each employee's specific skills and areas for improvement.

To delve deeper into our analysis, we established a methodological framework to collect and interpret data. By examining evaluation results within a non-confidential context, we were able to paint a more accurate and illuminating picture of individual and collective employee performance within the Algerian leather company. Through questionnaires, we gathered crucial information from employees and relevant managers. These data allowed us to better understand the impacts of transparent communication of evaluation results on their motivation, engagement, and perception of the evaluation.

**LITERATURE REVIEW**

Employee performance evaluation is a fundamental concept in human resource management. It has evolved over time, reflecting changes in managerial thinking and labor market demands. According to (PERETTI, 2002), the performance evaluation system must fulfill a set of key objectives. First and foremost, it should enable the accurate measurement of each employee's
individual contribution while promoting continuous improvement and ensuring a direct link to appropriate compensation. By implementing a rational evaluation system, PERETTI aims to achieve several vital goals: enhance human potential management, strengthen communication within the workforce, capture the attention of supervisors, base personnel decisions like transfers and promotions on objective criteria, accurately assess current and future capabilities and performance potential, and consider factors such as effectiveness, recognitions, work methods, and employee personality when analyzing each position.

In the early years of industrialization, evaluation focused on matching individuals to their roles. Managers employed scientific and rigorous methods to assess employee performance. The objective was to eliminate subjectivity in judgment and ensure that the most qualified employees were assigned to the most important positions. In the 1940s and 1950s, the human relations movement emphasized the importance of communication and dialogue in management. The performance appraisal was developed as a means to create a communication moment between managers and employees. The goal was to provide positive and constructive feedback, aiding employees in their skill development (Mayo, 1949). In the 1960s and 1970s, the management by objectives system was introduced. This system focuses on setting clear and measurable goals for employees. Evaluation is then based on goal achievement. The aim is to motivate employees to reach their objectives and contribute to company success (Latham, Yukl, 1975).

In modern times, employee performance evaluation revolves around the notion of competence (Gravina, Nastasi, Austin, 2021). Companies must ensure that their employees possess the necessary skills to excel in their roles. Evaluation is used to identify skills that need development and provide feedback on progress (Jeffrey & Prasetya, 2019).

The employee performance evaluation system is not only a human resource management tool but also a cornerstone of human resource management (Moulinier, 2005). It assists companies in facing upcoming changes and proposes an adaptation strategy by mastering current and future jobs and skills (Allegri, Andreassian, 2010). Its objective is to describe and analyze potential business evolutions to meet specific needs and employee expectations. By promoting adaptation and employee skill development, it prepares them for the company's future jobs, secures their career paths, and triggers reflection on evolving work organizations. Employee performance evaluation can be used as a basis for various human resource management decisions, including: (TZINER, BARANOUSKY, 1996)

- Compensation: Employee performance evaluation can determine compensation levels. High-performing employees may receive salary increases or promotions, while underperforming employees may face salary reductions or layoffs.
- Training: Evaluation can identify areas where employees need to enhance their skills. This can lead to training programs that develop skills and improve performance.
- Skill Development: Evaluation can pinpoint employees with potential for promotion or increased responsibilities. These employees can then receive skill development to assist them in achieving career objectives.
- Employment: Evaluation can inform decisions about employees' job status, including promotions, transfers, suspensions, dismissals, reorientations, advancement, and development.

**PAPER OBJECTIVE**

The core aim of this research is to unveil the pivotal role played by sharing evaluation outcomes in the enhancement of employee performance. Beyond just igniting measurable enhancements, this method also forges an adept management of relational interplay among coworkers and supervisors. These dynamics find their place in the framework of a meticulously outlined agreement that encapsulates attained outcomes, executed accomplishments, and established professional exchanges. In essence, this study aims to shed light on how the dissemination of
evaluation results not only boosts performance but also shapes the intricate fabric of workplace interactions.

**METHODOLOGY**

Our field study was conducted within a state-owned enterprise that has been operational since the country's independence and specializes in the production and sale of clothing and natural leather goods. To examine the role of publishing evaluation results in performance improvement within this Algerian company, we adopted a triangulation approach, combining three data collection methods: questionnaire, interview, and observation. The questionnaire was distributed to all 150 employees holding various positions within the company, including executives, technicians, and operational staff. The questionnaire consisted of 39 questions categorized into four distinct sections: employee identification, performance evaluation procedure and its publication, the conduct of the evaluation interview, and the communication of evaluation results and its impact on performance improvement.

In addition to the questionnaire, we conducted open interviews with the company's managers. This approach allowed us to gather information openly, enabling respondents to provide more detailed and relevant insights, thereby enriching our analysis. Concurrently, we also conducted on-site observations, providing us with a concrete view of the company's reality. This approach allowed us to better comprehend the context and interactions among employees, enriching our analysis alongside the data collected through the questionnaire and interviews.

Through this triangulation approach, we obtained comprehensive and diverse data, allowing us to gain a holistic and in-depth understanding of the relationship between publishing evaluation results and performance improvement within this enterprise. The various data collection methods served to validate and strengthen our findings, offering valuable perspectives to comprehend the challenges associated with communicating evaluation results in the specific context of this Algerian company.

**PRESENTATION OF RESULTS**

• Performance Evaluation and Communication of Results within the Algerian Leather Company:

Our findings show that 84.09% of employees have been evaluated by their supervisors, while 15.91% have been overlooked in the evaluation process. Among the evaluated employees, a majority wish to be evaluated by their direct hierarchical superiors.

The analysis of socio-demographic profiles of recipients of performance evaluation results publication reveals dysfunctions within the communication procedure within the company.

According to the survey results, the Human Resources Department (HRD) of the company only communicates evaluation results to 85.59% of employees, leaving a significant percentage of employees uninformed about their assessed performance. Furthermore, this publication of results varies based on socio-professional category, seniority, and gender.

Regarding the socio-professional category, all company executives are systematically informed of their evaluation results, reaching a rate of 100%, whereas only 21.13% of operational staff receive this communication. This disparity indicates a prioritization of executives in the results communication.

Concerning employees' seniority, it was observed that those with 21 to 30 years of experience in the company are the most informed about their evaluation results, possibly suggesting a preference for employees with greater seniority.
In terms of gender, men are more informed about their results than women, with a rate of 91.76%. However, it is important to note that women express a desire to know their results, according to the collected responses.

The survey indicates that the communication of evaluation results is perceived positively by company employees as it enables them to understand their performance level and position themselves relative to set objectives. Employees consider this communication as a tool promoting their development and evolution within the organization. However, the disparities observed in result communication raise questions about the equity and effectiveness of the publication procedure within the company.

Table 1

<table>
<thead>
<tr>
<th>Contribution to performance improvement</th>
<th>Informed by the evaluation results</th>
<th>Not informed by the evaluation results</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Contributes to the improvement of performance</td>
<td>85</td>
<td>4</td>
<td>89</td>
</tr>
<tr>
<td>Does not contribute to the improvement of performance</td>
<td>10</td>
<td>12</td>
<td>22</td>
</tr>
<tr>
<td>Total</td>
<td>95</td>
<td>16</td>
<td>111</td>
</tr>
</tbody>
</table>

The results from Table No. 1 confirm the earlier assertion that result publication enhances employee performance. Indeed, 80.18% of employees believe that the communication of evaluation results has a positive impact on their performance level. Among them, 89.47% have been informed of their evaluation results. However, it is observed that 19.82% of employees do not consider publication to contribute to the improvement of their performance. Additionally, 75% of these employees have not been informed of their evaluation results, which may explain their negative perception regarding the publication's impact on their performance.

Enhancing HR Management through Performance Appraisal Interviews:

In the company, the performance appraisal interview is the most commonly used tool to communicate employees' results. In fact, 90.53% of employees receive a performance appraisal interview every year. Conversely, only 9.47% of employees receive a performance report. Performance reports are reserved for the executive category.

Our survey revealed that employees who prefer the performance appraisal interview are those who feel comfortable when their hierarchical supervisor mentions both positive and negative points. On the other hand, the category of employees preferring performance reports often associates the evaluation with a disciplinary approach, where negative criticisms and sanctions are present. Moreover, upon reviewing their reports, it became evident that these employees have poor performance within the company. Here are some conclusions that can be drawn from these observations:

- Performance appraisal interviews are more effective than performance reports in communicating employees' results.
Employees prefer performance appraisal interviews when conducted in a constructive and participative manner. Employees who have low performance within the company tend to prefer performance reports.

These conclusions suggest that it's important to conduct performance appraisal interviews in a constructive and participative manner. It's also important to ensure that employees understand that performance appraisal interviews are not a disciplinary procedure.

**Table 2**

| The Relationship Between Result Publication and the Objective of Annual Evaluation According to Employees |
|---|---|---|---|
| **Objective of evaluation according to employees** | **Informed by the evaluation results** | **Not informed by the evaluation results** | **Total** |
| promotion and motivation | 20 | 21.05% | 4 | 25% | 24 | 21.62% |
| discipline and sanction | 12 | 12.63% | 9 | 56.25% | 66 | 59.46% |
| performance improvement | 63 | 66.33% | 3 | 18.75% | 21 | 18.92% |
| **Total** | **95** | **100%** | **16** | **100%** | **111** | **100%** |

According to the data from the table, 59.46% of employees believe that evaluation enhances their performance, and among them, 66.32% are informed of their results. On the other hand, 18.92% of employees view evaluation as a means of sanction and discipline, and among them, 56.25% are unaware of their performance result.

- **Performance Evaluation as an Objective Tool**

**Table 3**

| Communication of Results and Employee's Opinion on the Evaluation Operation |
|---|---|---|---|
| **The Employee's Opinion on the Performance Evaluation Operation** | **Informed by the evaluation results** | **Not informed by the evaluation results** | **TOTAL** |
| Fair | 84 | 88.42% | 4 | 25% | 88 | 79.28% |
| Unfair | 11 | 11.58% | 12 | 75% | 23 | 20.72% |
| **Total** | **95** | **100%** | **16** | **100%** | **111** | **100%** |

The implementation of a non-secret evaluation promotes a more objective, transparent, and fair approach to the evaluation process. This approach strengthens the trust between the employee and the organization as it demonstrates the consideration given to their efforts. This is what we have discovered through the responses of our survey participants.

The above table highlights a strong correlation between the sense of fairness in the evaluation process and the communication of its results. Indeed, 79.28% of employees consider performance
evaluation to be a fair operation when they are informed of their results. On the other hand, 20.72% of employees find it unfair as they are kept unaware of their results.

This observation suggests that the publication of performance results makes the evaluation process fairer in the eyes of employees. When they are informed of their results after their performance evaluation, they express higher satisfaction with the process. According to employees, the main reason that leads supervisors to keep performance results secret is the favoritism prevailing in the process. The table below clarifies this perception:

<table>
<thead>
<tr>
<th>The Cause of Secret Evaluation</th>
<th>Total %</th>
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<tbody>
<tr>
<td>Lack of control over supervisors</td>
<td>43</td>
</tr>
<tr>
<td>Favoritism and discrimination</td>
<td>65</td>
</tr>
<tr>
<td>Employee's lack of interest in evaluation results</td>
<td>24</td>
</tr>
<tr>
<td>Total</td>
<td>132</td>
</tr>
</tbody>
</table>

It is noticed that 49.24% of employees believe that the reason for keeping evaluation results secret is favoritism, leading to a decrease in the transparency of the evaluation process. In this case, supervisors prefer to keep the results confidential to avoid confrontations with employees.

Furthermore, we have observed that the administration does not take into consideration the appeals made by dissatisfied employees about their results, representing 78.38% of the surveyed individuals. These employees confirmed to us that the administration views appeal as a mere formality, without genuine consideration.

On the other hand, the lack of post-evaluation control of evaluating supervisors encourages favoritism and discrimination within the company.

The performance appraisal is designed as a tool to measure the performance level of all employees in the company, regardless of their hierarchical position. However, our study revealed that this procedure only concerns a specific category of human resources, mainly the management.

**DISCUSSION OF RESULTS**

Evaluators often view this operation as a professional, routine, and formal practice, which tends to turn it into a means of control over employees. Furthermore, the publication of results encounters dysfunctions as it is exclusively reserved for the management, creating a sense of injustice among the rest of the employees. This discrimination against supervisory and executive categories contradicts the objective of the company's productive activity, which requires good performance from the entire workforce, especially those in executive positions (workers).

Employees subject to evaluation and who are not informed of their results assert that the preferential attention given to management is primarily aimed at promoting them, thus creating a sense of frustration and inequality.

Employees with 21 to 30 years of seniority are the most informed about their evaluation results compared to other employees. This observation can be explained by the fact that promotions are often granted following positive evaluations for these experienced employees. Moreover, a
subjective element comes into play, namely the respect attributed by the supervisor to employees with long seniority.

However, within the leather company, women are rarely evaluated, and when they are, they are the least informed about their results (17%). There seem to be obstacles hindering women's progress within the company. Evaluators believe that it is not relevant to evaluate women as they are not considered for technical decision-making positions, such as workshop supervisors. Some workers express their refusal to be subordinate to a woman, leading to the exclusion of women from evaluation operations.

Employees who are not informed of their results believe that performance evaluation is unfair. Indeed, the equity of the evaluation relies on the feedback the employee receives regarding their performance, which signifies a transparent management process, as confirmed by Fletcher and Walker1. Organizations that incorporate a policy of publishing performance results in their management appear to face fewer difficulties.

Communicating performance results with the employee instills in them a sense of responsibility due to the perceived fairness. The employee recognizes that their efforts and performance are taken into consideration, leading to a sense of satisfaction and thereby fostering increased loyalty to the organization. This organizational loyalty results in improved employee performance.

Our research findings have highlighted that evaluated employees prefer their immediate supervisor to conduct their evaluation. They believe that the professional proximity of their supervisor enables them to better discern their performance levels and skills. Improving performance is one of the essential objectives of evaluation, but if it is not followed by result communication, it loses its significance for both the employee and the organization.

Survey respondents from the Leather Company who are not informed of their results affirm that evaluation has no impact on improving their performance, as they lack knowledge of their performance levels, hindering their progress. During the survey, it was observed that some employees prefer performance appraisal interviews. These are employees who feel comfortable during the interview, where the supervisor addresses both the positive and negative aspects of their performance in a serene environment, free from stress and constraints.

Other employees, on the other hand, prefer to be informed through performance reports. Indeed, their interviews are often based on negative criticism and sanctions, leading them to avoid meeting with their supervisor. The supervisor's attitude during the performance appraisal has an impact on employee performance, as organizational justice underscores the importance of the relationship between the supervisor and subordinates. The supervisor must show respect and provide explanations to employees to ensure a proper balance of organizational justice.

The communication of results influences employees' perception of the purpose of performance evaluation. Those informed of their results believe that evaluation aims to improve their performance. This is due to the interest generated by result publication; by receiving feedback on their performance, identifying their weaknesses, and strengthening their strengths, employees are more motivated to enhance their performance.

According to our survey respondents' answers, 82.58% of them state that they do not trust their hierarchical supervisor if their results are not communicated. In this case, employees feel that their supervisor exhibits bias, resulting in a decrease in both the quantity and quality of their work. Therefore, it is crucial to clearly demonstrate the purpose of employees' efforts, as this enhances their morale, self-confidence, and sense of accomplishment.

CONCLUSION

Performance evaluation is a crucial process for businesses as it allows measuring employees' performance and making decisions about their training, mobility, and motivation. A fair and
equitable performance evaluation is essential to foster employees' alignment with the company's values and decisions.

Organizational justice within the evaluation process is important as it cultivates a sense of fairness and justice among employees. This translates to improved employee performance, increased motivation, and higher job satisfaction. The publication of performance results serves as a criterion of justice, enabling employees to understand their strengths and weaknesses and set improvement goals. It also serves to motivate employees and guide them in their career journey. Performance appraisal interviews are a vital component of the performance evaluation process. They facilitate discussions between employees and their managers about the employee's performance, setting improvement goals, and providing feedback.

The findings of our study indicate that an employee's perception of their manager has an impact on their performance. When employees view their manager as fair and equitable, they are more content with their work and are motivated to give their best effort. The performance appraisal interview is a valuable tool that can enhance employee and organizational performance. However, it's crucial to ensure that the appraisal process is conducted fairly and equitably. This entails a transparent evaluation process, objective evaluation criteria, and constructive feedback.

In our forthcoming studies, we will aim to investigate the new performance and competency evaluation system, along with the impact of performance appraisal interviews on organizational performance.

REFERENCES


РЕЗУЛЬТАТИ ОЦІНКИ ДІЯЛЬНОСТІ: КЛЮЧОВИЙ МОМЕНТ ДЛЯ ПРАЦІВНИКІВ ТА КЕРІВНИКІВ АЛЖИРСЬКИХ КОМПАНІЙ

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Економічне середовище в Алжирі постійно змінюється, створюючи серйозні проблеми для бізнесу. Щоб зберегти свою конкурентоспроможність, підприємства усвідомлюють важливість підвищення продуктивності власних людських ресурсів. Вимірювання, оцінка та інформування працівників є важливими кроками для забезпечення успіху та ефективної роботи компанії в довгостроковій перспективі. У цьому контексті в алжирській шкіряній компанії було проведено дослідження, щоб оцінити вплив прозорого та прозорого повідомлення результатів оцінювання на підвищення продуктивності праці. Початкова гіпотеза припускає, що неконфіденційне повідомлення про результати сприяє якісному покращенню продуктивності, висвітлюючи конкретні навички кожного працівника та сфери, які потребують вдосконалення. Було створено методологію для збору та інтерпретації даних, що дозволяє глибше зрозуміти вплив цієї прозорої комунікації на мотивацію працівників, сприйняття ними оцінок. Використовуючі анкети, було зібрано важливу інформацію від співробітників та відповідних керівників, що дало змогу отримати більше повне зрозуміння того, як прозоре повідомлення результатів оцінювання впливає на їх мотивацію, залученість і сприйняття процесу оцінювання. Наукове дослідження виявилось, що працівники, які сприймають своїх керівників як справедливих і неупереджених, як правило, відчувають більше задоволення від роботи та більшу мотивацію досягати успіхів у своїй ролі. Це явище пояснюється тим фактом, що керівники, які є справедливими та об’єктивними, сприяють створенню позитивної атмосфери на робочому місці, культивуючи почаття ефективності та допомоги серед працівників. Крім того, вони встановлюють чітко визначені очікування та цілі, що дозволяє співробітникам залізатися зосередженими та максимально реалізувати свій потенціал. Процес оцінки продуктивності має значний потенціал для підвищення ефективності як працівників, так і організації в цілому.

Ключові слова: оцінка, продуктивність, вдосконалення, комунікація.