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Paper

The Contribution of Performance Evaluation to the Professionalization of Public Administration

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Contemporary societies have been increasingly pressing the public sector to modernize its governance and management models and practices, thus displaying the “imperative of change” (Farazmand, 1999; Paton & McCalman, 2000; Veenswijk, 2005). The growing sophistication of citizen and business demands that public administration must address has led to recurring and continued efforts to improve effectiveness, quality and efficiency of public service. In many sectors, the solution has been the straightforward privatization; in other sectors, hybrid configurations, like public-private partnerships, have gained ground. However, many areas remain, and will remain in the future, within the stricter public sphere. In these cases, public administration must find internal solutions, at the organizational, management and human capital levels in order to ensure service sustainability.

These pressing tendencies almost always imply the issue of professionalization of public administration, a favored concept within new managerial trends like *New Public Management* or *Governance* (Hood, 1991; Osborne e Gaebler, 1992; Pagaza, 2000). The need to have qualified and professionally competent human resources is generally acknowledged, in order to guarantee high levels of effectiveness and efficiency, whether in the private or public sector. In the case of public administration, however, this process of

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professionalization has been pressed, in recent years, through changes in organization, in management models, and in public managers' and workers' labor regimes.

If, in some cases, the process of change is *de facto* the reflex of effective and formal modifications in the domains of institutional arrangements, public employment regimes or career statutes, in other cases, the process is induced by the introduction of new management instruments that, when used and applied in practice, urge managers and workers to develop new competencies and to adopt different behaviors.

The new performance evaluation model for the Portuguese public administration (SIADAP) is such a case. Firstly introduced in 2004 and reviewed in 2008, the impact it has had in public organizations often exceeds the scope it was designed for – to assess performances. In order to implement the system in a fully functional manner, workers in public administration are in fact going through a kind of technical and cultural makeover which is changing traditional ways of planning, organizing and developing work routines and procedures, as well as management policies and practices.

The context of performance evaluation in public administration

According to Mitchell (1982), any evaluation process must take into account the technical and, more importantly, the behavioral heterogeneity of those it is designed for. For this author, individual performance is a function of several personal characteristics, as well as of motivation. Within this framework, the role of the organization is therefore extremely important in defining the adequate profile for selection, evaluation and development of the individual worker. On the other hand, motivation is itself influenced by the evaluation process, the job description and the functional analysis of the position each worker holds, as well as by the different incentives the organization grants. As a concluding remark, Mitchell (1982: 408) states that “the process of evaluating employee performance [...] can provide feedback for counseling and learning and it can provide evaluative information upon which rewards can be based.”

In this sense, it is understandable how performance can be determined by essential factors like selection, training, pay systems, organizational context and management models, as well as job description and analysis or goal setting for individuals and groups. The assessment of the influence each of these factors has on individual performance must therefore be looked upon as complementing performance evaluation, instead of as opposing it. Such factors must always be considered as part of the background for evaluation systems, namely in the context of performance management.

On the other hand, Cunha (2006) draws the attention to the fact that implementing a performance evaluation model with no concern for the dominant organizational culture can put the organization's equilibrium at stake. In fact, individual goals are often found to be inconsistent with the organization's global or strategic goals. The process of individual goal setting is usually directed at the core of the worker's activity or some specific results expected of him, consequently leaving out less visible yet important parts of his work. If an employee finds no other motivation and just seeks to meet the requirements to get a promotion or to avoid sanction, he will probably focus his efforts in the explicitly defined goals, thus following the behavior induced by the evaluation model. In this case, workers may achieve the goals set for them by the evaluation system, but do not necessarily contribute to the success of the organization as a whole (Cunha, 2006).

The implementation of a performance evaluation system based on meritocracy thus requires that the organization is based on a culture that values the performance component. In the case of Portuguese public administration, there is still a deep gap separating most services from a meritocratic culture consecrated to the success of organizational global performance. Therefore, the application of highly technical performance evaluation processes with rigorously quantified goals to workers, unaware of the specificities of tasks they perform or the context in which they are set may bring about more perverse effects than added value.

Portuguese public administration introduced performance evaluation as a management practice only in 1983, with the implementation of the "service classification" model. Its

focus was mainly on personal characteristics and competencies, and did not include either a goal attainment component or an interactive, dialogue or negotiation process. This system lasted until 2004, when the first SIADAP² model took its place (Table 1).

Table 1. Historic evolution of performance evaluation in Portuguese public administration

Date	System	Scope	Criteria
1983-2004	“Classificação de Serviço” (Service Classification)	Employees	Personal characteristics
2004-2007	SIADAP (1 st version)	Intermediate managers Employees	Objectives Competencies Personal attitude
2008-	SIADAP (2 nd version)	Organizations Top managers Intermediate managers Employees	Objectives Competencies

The case of performance evaluation in public administration is somewhat unique and paradigmatic, in the sense that it emerged in the frame of normative and organizational constraints, different from those existent in the private sector. Several studies (e.g. OECD, 1996) consider that trying to attribute exaggerated importance to evaluation techniques and performance management may go against the spirit of the public sphere, as a provider of essential services to citizens and not as a market agent, oriented by economic growth. The quality of services provided, public goods, and the sense of public service, guided by the

² SIADAP stands for the translation of Integrated System of Performance Evaluation in Public Administration.

concept of citizenry instead of client, are fundamental for the strategic positioning and management of public administration.

However, in a context of reform and modernization in Portuguese public administration, which advocates decentralization, accountability, autonomy and flexibility in human resources management, performance evaluation takes on a role of increased relevance. The performance evaluation system will have to perform this fundamental role in the progressive professionalization of the public sector worker in direct relation to these growing demands that rely on public managers.

When striving to develop organizational models for public administration, the information produced by coherent and systematic performance evaluation systems, embedded within a cohesive and adequate culture, may represent an added stimulus for organizational sustainability. Evaluation models must therefore adapt to different organizations but also to different management and organizational models and practices, as well as to the organizational culture. In the diversified context of Portuguese public administration, with several organizational and institutional arrangements, the way managers and workers face and apply these systems will in part define the path towards professionalization, in technical as well as in behavioral terms.

Effects of the implementation of performance evaluation

In 2004, the introduction of the Integrated System of Performance Evaluation in Public Administration (SIADAP) was irrevocably marked by the haste in which it happened and by the lack of an integrated strategy and adequate preparation of evaluators (managers) and evaluatees (managers and workers). The process was in fact too abrupt to be adequately apprehended by everyone, which in turn limited the positive impacts it was supposed to have had on individual and collective performance in public organizations. Nonetheless, however disturbing these factors may have been – and certainly were in many instances - in terms of the system's proper application, it often drove people to acquire, apprehend and

apply new methodologies, competencies and attitudes, according to each organization's predisposition to accept the change this new system represented.

This adaptation process, evident in many public institutions³, represents an approach, even if informal and timid, to a more professionalized management model, and can in specific cases be understood as a true cultural change process. In fact, most public services joined this process in a quite deficient situation, in terms of evaluation culture, as the previous system, totally deviated from its purposes, had allowed and even encouraged the non differentiation of performances – by attributing maximum classifications – in a generalized and transversal manner across public administration.

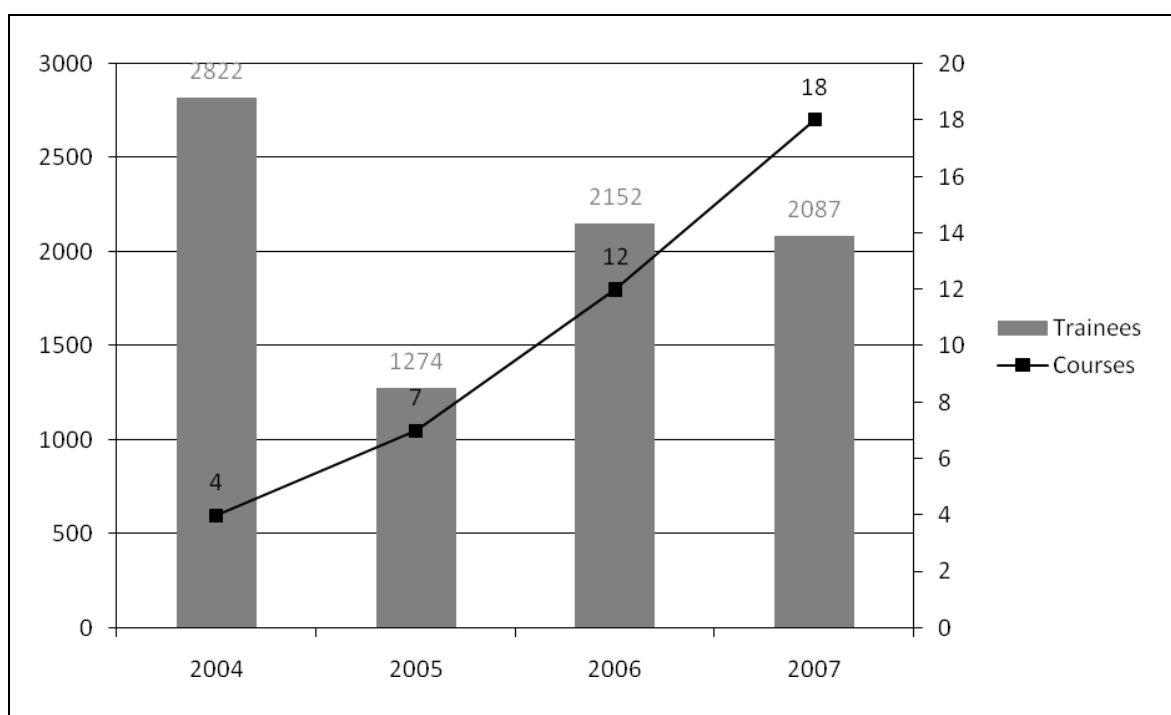
SIADAP also introduced another deep change in the way organizations operate. By making performance evaluation dependent on goal attainment, according to previously set objectives, it has in fact introduced management by objectives in the daily life of public institutions. This change may be considered even more radical than the evaluation process itself and, in many cases, this new logic is still being apprehended by managers and workers. At this point, one has to stress the fact that traditional management practices in Portuguese public administration have relied to a greater extent on static precepts such as law, regulations and norms than on dynamic ones like outputs, outcomes, clients or even society. The introduction of management by objectives in such a tacit manner, without a formal implementation of proper instruments and methodologies, or an adequate training and preparation of managers, has led to a hard and highly diversified adaptation process of each organization and, in some cases, of each manager himself.

The impact of this change in the routine of public services pressed managers to make an effort in acquiring specific competencies in the domain of performance management and evaluation, as well as to deepen and develop their knowledge of the new system. One of the first symptoms of the new reality has been the exponential increase in demand for professional training courses in these areas. The National Institute of Public Administration

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(INA) is, in this matter, the main public organization responsible for promoting professional training in public administration and its offer of courses for managers has gone through considerable changes during this period. Such change is a result not only of the introduction of new regimes and legal frameworks that made some training courses mandatory for public management positions, but also a result of the need to provide managers with technical and behavioral competencies that would enable them to perform their duties in a professional manner.

Figure 1. Evolution of training offered by INA in the field of performance management (2004-2007)

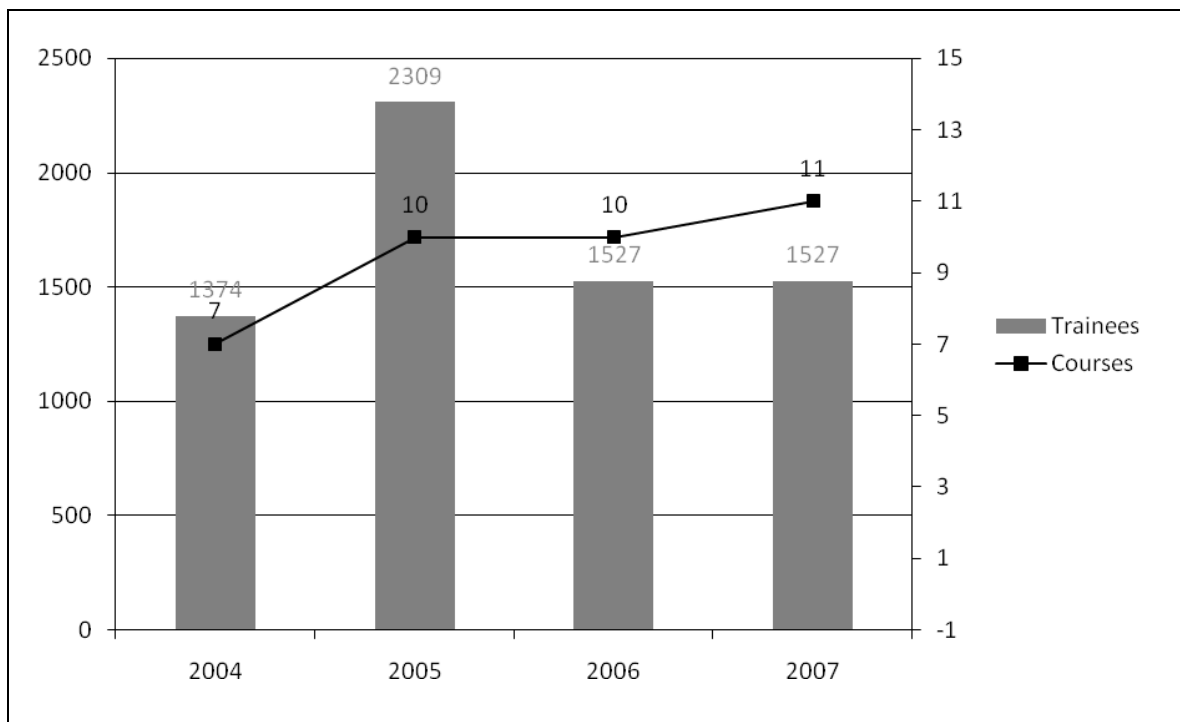


Not only has the field of evaluation systems integrated more transversal curricula and programs, but it was also the exclusive focus of some courses (Figure 1). More recently, specific courses were created to provide competencies in the field of management tools for supporting planning and organization, within the framework of management by objectives. According to data in Figure 1, in 2004, the first editions of courses exclusively dedicated to the presentation of the recent evaluation system took place, with an obviously high turnout of public administration workers. Since then, the diversity of subjects and topics addressed

in classes has increased, entailing an increase of the number of differentiated courses, although the demand has stabilized.

On the other hand, there has also been an increase of demand for INA's training courses by public administration managers (Figure 2). Although this increase is partly related to the enactment of new statutes that compel managers to attend specific courses (which occurred with accrued intensity in 2005), there is also a spontaneous demand with the objective of acquiring new competencies, methodologies and tools that allow for a better management of their respective services.

Figure 2. Evolution of training offered by INA for managers (2004-2007)



In 2008, the most recent version of the evaluation system enforced the involvement of the whole hierarchical structure of institutions. By determining that top managers would be responsible for taking initiative in the process of institutional goals definition (both strategic and operational), the system has led organizations to engage in real strategic thinking processes. With that aim, many top managers are turning to new instruments in

order to support such processes. A paradigmatic example of this is the *Balanced Scorecard* techniques, which have also been applied to monitor the whole process of goal definition in the different organic levels of institutions, as well as to identify and design the respective performance indicators.

Another factor that has had an impact in this deeper involvement of top management in public services was the establishment, in 2005, of yet another important management tool – the mission statements. In fact, until that year, top managers' performance was not subject to any process of formal evaluation, being entirely dependent on the political trust relation between the manager and the member of government responsible for its supervision. This long lasting *status quo* has often hindered the change process towards a professional and modern management paradigm, which this new instrument has come to stimulate.

These mission statements constitute actual management contracts between the political superintendence and the top manager of each public organization, whereby the results that the latter has to achieve during his appointment are established. Top managers are therefore encouraged to take responsibility for the performance of the institution they are responsible for, as it will reflect directly on the assessment of their own performance. Even if this evaluation, in the case of managers appointed by the government, is carried out within the political sphere, the mission statement works as the connecting link between organizational performance and management performance. In terms of transparency and accountability, it is to this date the best tool known to practitioners, partners, scholars, *watchdogs* or the general public.

Notwithstanding the fact that these change processes are not transversal to the whole public administration, the truth is that many institutions were driven to implement a new way of planning and organizing their work, involving the whole management staff in discussing, fine-tuning and designing its strategy, its global, departmental and team goals, implementing monitoring systems to steer its activity, and striving to find more or less sophisticated solutions to feed these information systems. The connection between institutional and individual levels has also suffered changes with the new performance

evaluation system, as the workers are found to be more interested and prepared to take on a relevant role in the process of goal negotiation with their intermediate manager, presenting sustained proposals and indicators relevant to their own evaluation.

The role of intermediate managers, as catalysts for change, is in this matter essential (Pina e Cunha, 1999), as they must work as linking platforms between the strategic top and the operational base, therefore ensuring the coherence and alignment of goals and performance in an integrated manner across the organization. The fact that, according to the new SIADAP, the intermediate manager is evaluated on the basis of the results obtained in his department has apparently led him to take deeper conscience and responsibility as a major part of the whole process. The intermediate manager is now more motivated and prepared to take on the discussion and establishment of goals with his superior (in the case of his own goals) and with his subordinates (in the case of their goals).

On the other hand, it has become obvious that managers' and workers' attitude has been changing, as the evaluation system is implemented and, mostly, comprehended. Although this change has not always been positive, given the distress and legitimate concerns that such system naturally entails, the truth is that a new way of looking upon how work is done has been emerging. In the case of performance evaluation, this is due to the fact that the system has introduced concepts and methods of management by objectives, which has led to a deepening of activity planning, both at the institutional and individual levels.

Conclusion

The process of professionalization in Portuguese public administration has often been inconstant and turbulent, but it has benefited not only from measures of formal change, but also from stimuli brought about by changes in the organization and functioning models of public institutions. The case of the performance evaluation system, which introduced the paradigm of management by objectives in public administration, therefore constitutes an

example of how the application of a new tool can lead to change in behaviors and attitudes, as well as to the acquisition of new competencies and innovative methodologies.

We believe we are facing a situation in which Portuguese public administration takes a step closer to a more professionalized model of management, both in methodological and behavioral terms, without it corresponding to an effective statutory or institutional change, but that was, in fact, induced by the implementation of new instruments for organizing and managing work.

Public administration reform, in the path of professionalization, relies on the contribution of small steps. Nevertheless, we must not forget that a true process of change cannot be sustained solely on focalized adaptations, and must be the result of the combination of different factors and disciplines, common to the whole organization or, in this case, to the whole public administration (Senge, 1990). It is therefore necessary to conceive these induced changes in a larger, deeper and more coherent framework, which only a true process of reform can ensure.

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