

Available online at www.sciencedirect.com

ScienceDirect

Procedia - Social and Behavioral Sciences 150 (2014) 384 – 393

Procedia
Social and Behavioral Sciences

10th International Strategic Management Conference

Establishment of Individual Performance Evaluation System in a Health Business and a Pilot Practice

Fadime Çınar^a, Pelin Vardarlier^b^{a,b} *Beykent University, Istanbul, Turkey*

Abstract

While the improvements in the field of management cause organizations to give importance to subjects like effectiveness and productivity, on the other hand it enables to determine the performance of the personnel, which is one of the determining factors in corporate success. In this study, 360 degree performance evaluation, which is one of the current and problematic subjects of the human resources applications, is analyzed and supported by an empirical research. At this study, in which the theoretical information is discussed, briefly includes the necessity of the performance evaluation in classical terms and its benefits to the organizations, 360 degree performance evaluation and feedback system; there is an empirical practice including the discussion of the views for creating a 360 degree performance evaluation criteria and feedback system to evaluate the performances of the nurses working in a training research hospital.

© 2014 The Authors. Published by Elsevier Ltd. This is an open access article under the CC BY-NC-ND license (<http://creativecommons.org/licenses/by-nc-nd/3.0/>).

Peer-review under responsibility of the International Strategic Management Conference.

Keywords: Performance Evaluation, 360 Degree Performance Evaluation System, Health In Business.

1. Introduction

Nowadays, performance evaluation is exclusively important for the reasons both that improving the managements of the organizations, increasing the effectiveness and productivity, and that being thought as a tool for carrying out the human resources management effectively. Performance evaluation practices have shown alterations in time and its importance for the management has increased; also it is started to lay stress on the performed purposes rather than the individual qualifications. Furthermore, it has become an activity concerning not only the personnel but the whole organization. Increasing the productivity and effectiveness, also the service quality of the hospitals, which have a very important place in the health services organizations, is very essential for the economies of countries. Establishing a performance evaluation system which aims constant improvement, provides appropriate feedback and directs to the career targets will enable organizations to work more efficiently. That's why; performance evaluations will have great contributions for bringing the hospital services to the desired level. In this study, what is aimed is that creating evaluation criteria for the level of knowledge about evaluation systems, views, expectations of the personnel of nursing services, which are very important for the service quality in hospitals, to constitute a sample for establishing a 360 degree performance system in a public hospital, and supporting it with a pilot study. To operate effectively the

* Fadime Çınar. Tel.: +90-542-392-99-03; E-mail address: fadime.cinar@hotmail.com

performance evaluation systems, which have become compulsory to practice in hospitals, a survey has been carried out in nursing services to make use and a source has been created by evaluating the results obtained.

1.1. The Concepts of Performance and Performance Evaluation

Performance evaluations are vitally important for the organizations. Organizations' adaptation to the alterations and performing their social function depend on taking the personnel taking part in the organizations as a whole, evaluating them constantly and enhancing them.

1.2. Performance Evaluation

In order to evaluate the performance and measure this performance, first this system should be clarified clearly and this system should be shared with workers. Also, to evaluate manager's performance, managers should specify this performance's qualifications and terms (Erkan, 2011).

Performance is a concept which qualitatively and quantitatively states what a person, a group or an organization performing a work has reached and has provided for the target aimed with that work (Benligiray, 2004:141). Briefly, it can be expressed as "the level of carrying out a work" (Ateş, 2007:2) or "carrying out a work, a service or a product" (Çevik, 2007:25).

In general terms, it is a concept qualitatively and quantitatively determining what is obtained as a result of an aimed or a planned work (Tengilimoğlu vd., 2012:384). Besides, it is said that superb performance is synonymous with the success (Bingöl, 2006:321). The field of performance evaluation represents a critical connection point in the control activities (Ferreira ve Otleý, 2009:272). Performance evaluation is also evaluated on the basis of worker, group, unitary and institutive and even system.

No matter what his/her job in the corporation is, the worker performance evaluation is the review of the work, effectiveness, deficiencies, sufficiency, excessiveness, and inadequacy as a whole from all aspects (Tengilimoğlu vd., 2012: 384). Furthermore, different performance measurements can be used for dealing with the different dimensions of the system performance; that's why it can be expressed that performance evaluation measurements are multidimensional measurements rather than one-dimensional (Collony ve Deusch, 1980: 40).

Measuring the corporate performance can be expressed as an assistant tool for determining how much the corporation makes progress in line with their pre-determined strategy aims and targets, weak and strong sides of the corporation and the priorities of the corporation in the future (Yenice, 2006:57-58).

1.3. Performance Evaluation Benefits

Nowadays, as the health sector gains a competitive feature, it has come up that as regards to health services, citizen's expectations and needs should be considered. In health services, the perception of performance management requires changing of paradigm rather than effective, fruitful, economic, accessible and fair service. Attention to performance in health services has increased recent years. This trend can be explained with the rising of competitiveness, costs and awareness of public to this topic (Kırılmaz, 2013:21). To obtain the benefits expected from the performance evaluation, a systematic evaluation must be improved instead of a random evaluation and a certain process must be followed. Worker needs to be informed about his/her work successes and receive feedbacks. Although performance evaluation is a personnel psychological need in the individual level, it is a very important need in the institution from the aspect of human resources management, Because that the workers of the corporation see their successes and failures is important for the motivation of them as much as the regulation of their next works.

Performance evaluation has various benefits for the ones who evaluate (managers), the ones who are evaluated (subalterns) and the organization.

Benefits for the managers

Even though the practice of the concept of performance evaluation in enterprises is perceived as extra work, inconveniency and time loss by some managers, the ones who will benefit from the performance evaluation system

that operates well in organization life by most are the managers. By way of performance evaluation, the managers (Kaynak,1998);

- Become more effective in planning and control functions; thus, the performance of subalterns and units improve,
- Have more positive communication and relations with their subalterns,
- Determines the strong sides and the sides needed to be improved of the subalterns more easily and they help them for this,
- Recognize also their own strong and weak sides while evaluating subalterns,
- Know their subalterns more closely and thus, delegation of authority becomes easy,
- Improve their administrative abilities or obtain the conditions in which they can practice these abilities easily.

Benefits for the subalterns

Performance evaluation system benefits for the ones who are evaluated can be sum up as follows:

- Determining their own role and clarifying it,
- Enhancing the working relations,
- With the increase of satisfaction obtained from the work, improvement of self-confidence and opportunity to learn their own strong sides,
- Opportunity to discuss the targets of the organization and their own unit,
- Opportunities related to the provided education,
- Opportunity of the plans about improvement,
- It contributes to the career management, because it gives opportunity to get to know the work more closely,
- It helps workers get to know themselves and remedy their deficiencies,
- Responsibility of the workers increases, because they know that they can improve themselves as long as they see their deficient and successful features.

Benefits for the organization

The benefits it provides for the managers and the workers causes performance evaluation to result in positively for also the organization. Some of them are as follows (Kaynak,, 1998);

- Improvement potentials of people are determined more correctly,
- The necessary information for human resources planning is obtained more securely,
- The effectiveness and profitability of the organization increase,
- Quality of the service and production improves,
- Education need and education budget are determined more easily and more correctly,
- Flexibility is provided for making up the short-term human requirements.

It is effective for creating and improving a communication between the workers and their superordinates. It enables to determine the activity of the corporation as a whole, because the performance level of each worker will be determiner for the performance of the corporation as a result (Şenol, 2003; Barutçugil, 2002; Ludeman, 2000).

1.4. 360 Degree Performance Evaluation System

One of the newest and most popular approaches to performance evaluation is the usage of multisource performance and feedback. What have made 360 Degree Performance Evaluation system obligatory are that many personnel in organizations start work together with a great number of people, and emergence of the necessity for receiving more comprehensive and correct feedback about the workers from different perspectives. 360 degree performance valuation method is the process of evaluating the performance of the worker in light of the specific work information compiled from his/her co-workers, managers, superordinates, the ones who give report directly to him/her (subalterns), internal and external customers, other members of the project teams that he/she is a part of and also himself/herself (Ludeman, 2000). 360 degree performance evaluation is supportive process for the improvement of the people from the aspects of enabling people to give feedback to each other, give detailed information to people about strong and open-to-improvement areas. With 360 degree evaluation and improvement method, determination of the general tendencies

associated with the performance of a group or a team is also possible as well as the supply of the feedback about the individual performance (Aytaç, 2003).

1.5. Feedback in 360 Degree Performance Evaluation System

One of the most important phases in 360 degree performance evaluation system is the process of reporting the results properly to the worker after evaluating. Feedback associated with the evaluation results must be blazoned to the worker evaluated in every phase by the manager and human resources team, and it must be supported by a comprehensible and fluent report. In the process of feedback, positive approaches must be improved in solving the problems, evaluations improving the worker's performance must be included with the order of importance, objectivity must be achieved and discussion of the subject which qualifies the positive support must not be neglected. The manager's using positive motivation techniques in the feedback phase and the determination of the performance targets by manager together with the worker will contribute to the worker's work performance and his/her performance improvement (Barutçugil, 2002:215).

1.6. Performance Evaluation in Health Services

Nowadays, health sector is one of the sectors which take the biggest share in the public expenditure. That's why, performance evaluation has a great importance for both apportionment of the sources reserved for the health services and for being a significant indicator to decision makers about the offered service quality. The evaluation of the health system performance is possible with how much a health system meets its own essential targets (Papanicolas vd.,2008:1). Moreover, developing and developed countries use different indicators while measuring the health system performance and develop different indicators according to the state of analysis units (corporation, region, country) (Kruk ve Freedman, 2008:265). The valuation of the health system performance begins with the determination of its targets. Health system performance indicators are not evaluated independently from their ultimate targets and measurement subjects.

Measuring truly health service employee's individual success with standard evaluation canons during their health services intends to inform employees in this subject and by improving individual success, to improve mass success. These are the hypothesis about this intend;

H1: Nurses' knowledge about performance evaluation affects positively their perception to personal criteria that will be used in evaluation.

H2: Nurses' knowledge about performance evaluation affects positively their perception to vocational skills that will be used in evaluation.

H3: Nurses' knowledge about performance evaluation affects positively their perception to executive skills that will be used in evaluation.

H4: Nurses' knowledge about performance evaluation affects positively their perception to in-service evaluation criteria that will be used in evaluation.

H5: Nurses' knowledge about performance evaluation affects positively their perception to financial criteria that will be used in evaluation.

2. Methodology

2.1. Research Goal

In this study, in order to serve as a model for creating complete performance evaluation in a public hospital, what is intended is to create evaluation criteria according to ideas and expectations and support this with a pre-study by specifying the knowledge of nurses' about performance evaluation which is very important for service quality.

2.2. Sample and Collecting Data

This study was conducted by a methodology which is based on questionnaire. This study covers 136 nurse who has served in different departments of hospital between January 2014 and March 2014 in Istanbul. In this study, “List of Balanced Point System “criteria which was conducted by studies of Kaplan-Norton and questionnaire form which covers 76 question and two section and which comprises of researchers’ studies are used. (Kaplan,Norton,Arslan, 2013). Questionnaire’s first part comprises of demographical features and 12 questions which are about identifying knowledge levels in performance evaluation system and second part comprises of 64 question which are about identifying evaluation criteria. In it, there is one section included in 4 question which is ‘yes or no’ and the other section, includes 64 question, comprises of quintette likert system ‘ I certainly don’t agree, I don’t agree , I am indecisive, I agree, I certainly agree’. Validity and reliability of data that collected from this study inspected by SPSS program and besides identifying statistics, these are interpreted with regression analysis. In addition, after identifying factor differences, the same questionnaire was applied 50 different nurse again, they gave points to questions from 1 to 5 according to importance degree and by measuring each question’s nominal value, the last version of that form was created and as a pre-application; 34 nurses evaluated their subordinate, correspondence and herself.

2.3. Factor Analysis

Varimax rotation and factor analysing system was applied on this 64 question scale and due to one question’s lack of value and under the degree of 0,40 ; 6 questions were excluded from the scale. Cronbach Alpha realibility analysis was conducted on the study of identifying nurses’ performance evaluation criteria and Alpha parameter was founded as 0,9542. This figure shows us that this scale is reliable. Factor analysis was conducted on 64 question scale which intends to identify nurses’ performance evaluation criteria. In consequence of the study, 58 idea was collected in 5 different topic. These are personal criteria, professional skill criteria, executive skill criteria, departmental criteria and financial criteria. These 5 factor examines the % 54,458 of total. The value of first factor that comprises of 21 ideas is between 0,822 and 0,400 ; the second factor value that comprises of 16 ideas is between 0,772 and 0,462 , the third factor that comprises of 12 ideas is between 0,900 and 0,718 , the forth factor that comprises of 5 ideas is between 0,683 and 0,554 and the last factor that comprises of 4 ideas is between 0,712 and 0,654.

2.4. Research Results

Frequency and percentage analysis are applied on the study’s results. The responses to the first part of the questionnaire, which is demographical, by participants were analysed in SPSS program and the results were evaluated according to people number and their percentage. According to this fact, when 136 nurses’ age is examined, it was found out that the biggest part is %52 of total and they are under 30, when this is examined according to gender, %89 comprises of woman. The reason of it is can be newly-founded hospitals, new-graduate nurses’ promotion, women’s more choosing this profession.

When the participants’ professional experiments are examined, it is figured out that their %55,1 are under 5 year and % 78,7’s working time is under 3 years experiment in profession. The reason of why this ratios are come out is hospital’s new foundation. As their education level is examined, % 61,8 of them are graduate of university and %47,8 of them works with shifting system. In order to expect more performance from high educated ones, not only their motivation in working and loving their job, but also their performance’s fair evaluation is important.

It is also figured out that %59,6 of them is aware of performance evaluation system and %64,7 of them is relax about their evaluation but %79,4 of them said that they wanted to be evaluated by their first degree chiefs. Also 55,1 wanted to evaluate their chief’s performance.

2.5. Results About Dimensions

Percentage and frequency analysis were applied on the research and all of the participant nurses responded positively as ‘I agree’ to some of the questions and these are between %85,1 and %94,5 percentage.

Table 1: Nurses' positive responses to performance canons

Personal criterions	%94,2
Professional criterions	%88,9
Executive criterions	%85,1
Departmental criterions	%90,6
Financial criterions	%94,5

As research hypothesis, there is a presumption that nurses' knowledge about performance evaluation system has a positive effect on their perception about choosing the measurements for performance evaluation. Within this framework, these are the results of this hypothesis:

Hypothesis 1: *Nurses' knowledge about performance evaluation system has a positive effect on their perception about choosing the measurements for performance evaluation.*

Table 2: Regression Results (For H1 parameter)

	Dependent Variable			
	Personal Canon Perception			
İndependent Variable	Standard Beta (β)	t parameter	p-parameter	VIF parameter
Performance information	0,63	16,31	.000	1
	R ² = 0,54			
	F = 234.62			
	p-parameter = 0.000			

* p < 0.05; ** p < 0.01

When we look at the correlation between information of nurses about assessment of performance and personal standart oriented perception, ($\beta=0,63$ $P < 0.01$) it is seen statistically meaningful in table 2. So it is possible to say that information about performance assesment would affect positively the nurse's personal perception while he/she is assessing performance. This result confirm the (**H₁**) which assumes the information of nurses about assesment of performance affects personal standarts based perception in positive way.

Hypothesis 2: *Nurse's information about assesment of performance affects the professional ability standarts to use oriented perception in positive way.*

Table: 3 Regretion results (For H₂ Hipothesis)

	Dependent Variable			
	Professional Ability Standart Perception			
Independent Variable	Standart Beta (β)	t value	p-value	VIF value
Performance info	0,84	23,50	.000	1
	R ² = 0,75			
	F = 452.42			
	p-value = 0.000			

* p < 0.05; ** p < 0.01

When we look at the correlation between information of nurses about assessment of performance and professional ability standarts oriented perception, ($\beta=0,84$ $P < 0.01$) it is seen statistically meaningful in table 3. . So it is possible to say that information about performance assesmtment would affect positively the nurse’s professional ability standart oriented perception while he/she is assessing performance. This results confirms (**H₂**).

Hypothesis 3: Nurse’s information about assesmtment of performance affects the executive ability standarts to use-oriented perception in positive way.

Table 3: Regretion results(For Hipothesis H₃)

	Dependent Variable			
	Executive Ability Standart Perception			
Independent Variable	Standart Beta (β)	t value	p-value	VIF value
Performance info	0,76	17,53	.000	1
	$R^2 = 0,73$			
	F = 353.54			
	p-value = 0.000			

* p < 0.05; ** p<0.01

When we look at the correlation between information of nurses about assessment of performance and executive ability standarts oriented perception, ($\beta=0,76$ $P < 0.01$) it is seen statistically meaningful in table 3. . So it is possible to say that information about performance assesmtment would affect positively the nurse’s executive ability standart oriented perception while he/she is assessing performance. This results confirms (**H₃**).

Hypothesis 4: Nurse’s information about assesmtment of performance affects the standarts in unit to use oriented perception in positive way.

Hypothesis 5: Nurse’s information about assesmtment of performance affects the financial standarts to use oriented perception in positive way.

Table :4. Regretion results : For Hipothesis’ H₄, H₅

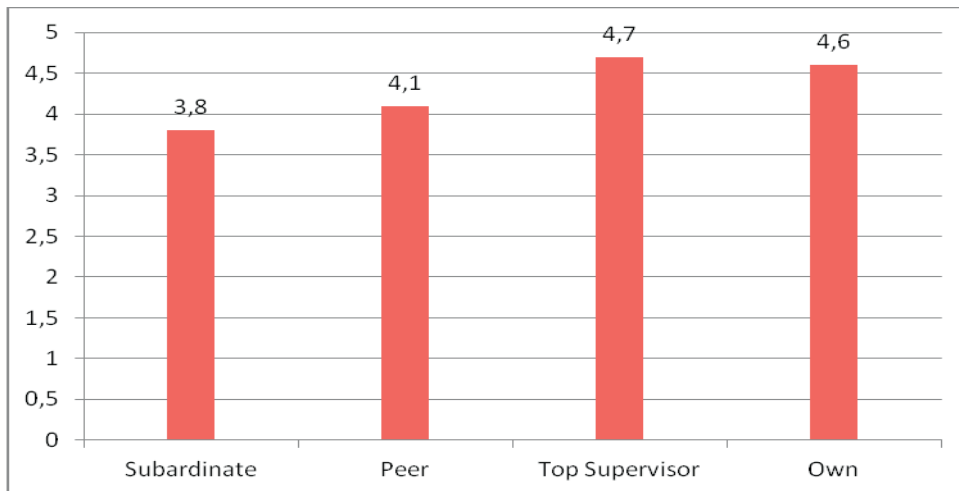
	Independent variable			
	Performance info			
Dependent variable	Standart Beta (β)	t value	p-value	VIF value
Standarts in Unit	-0,07	-1,13	0.266	2,509
Financial standarts	0,51	5,06	0.000	3,681
	$R^2 = 0,45$			
	F = 40.62			

* p < 0.05; ** p<0.01

If we look at the relationship between nurses' knowledge about their performance evaluation and their perception to departmental canons ($\beta = -0,07$ and $P > 0,01$); we can see that there is no statistical meaning in it by looking table 4. Hence, it is possible to assert that nurses' knowledge about their performance evaluation has negative effect on their perception to departmental canons. This result doesn't comply with table (H4). If we look at the relationship between nurses' knowledge about their performance evaluation and their perception to departmental canons ($\beta = 0,51$ ve $P > 0,01$) we can assert that they are statistically related in table 4. Hence, it is true to say that nurses' knowledge about performance evaluation has a positive effect on financial canons. This complies with table 5.

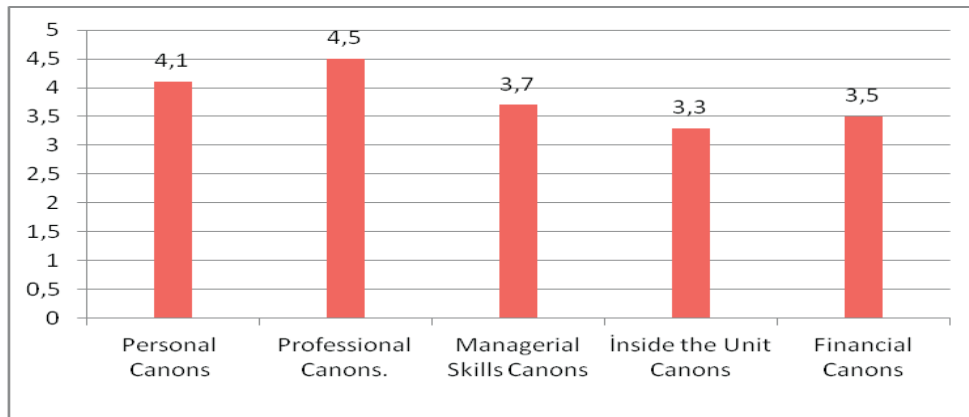
2.6. Pre-evaluation Process and Feedback

In this part of the study, which is practice, through evaluating 34 manager nurses' performance by his boss, correspondence and herself, the feedback was given to them. In evaluation, each of the 58 questions' nominal average point was calculated and percentage ratios were identified to clarify proportional points. According to this fact; Personal canons are %25, Professional canons are %25, Executive skill canons are %20, Departmental canons are % 15 and Financial canons are % 25. By grouping executive nurses' evaluation to their managers, correspondences, bosses, standard deviation is analysed and it was studied that whether there is a difference between groups. As it is clear from the Graphic 1, there is a link between nurses' self-evaluations (average ort:4,6±0.81) and boss evaluations (ort:4,7±0.86) but there is a wide difference between their subordinate (ort:3,8±0.51) and their correspondence (ort:4,1±0.44).



Graphic1: 360 degree Performance Evaluation Total Results

As it is supported by graphic 2; the total average of the sub-groups that comprises performance evaluation canons is calculated and according to this fact, it is concluded that executive nurses have both personal canons and professional canons. However, under the ratio of 3,5±0.46 canons, nurses' success ratio is inefficient.



Graphic 2: Performance Evaluation Total Results According To Dimensions

Conclusion

It is an inevitable situation for management of strategic human resource that evaluating personal performance of employee's and having a system that based on objective canons. There are lots of technics about evaluating performance but it changes from corporation to corporation. Organizations which are managed with objective perspective can gain effective and fruitful results by using performance management system. For a general view, because individual evaluation allows general evaluation, 360 degree feedback system has effective in collecting objective data. An idea that deduced from the results of this study is that nurses wanted to be evaluated by responsible nurses. They want to be evaluated by their own canons. Besides, they want to have an objection right for the results in recommendations section.

It is wanted that performance evaluations should be done twice a year. According to the results of the study; nurses' knowledge about performance evaluation has a positive effect on their participation to performance evaluation canons. According to our study, it can be asserted that it is a subjective study because of the results of evaluations between nurses' themselves and their boss' is nearly the same but away for the subordinates who are close to each other. For improvement systems for after performance evaluation process, it is thought that satisfaction should be measured regularly.

According to data that collected from the study, these are recommended:

- There should be education programmes for performance evaluation.
- There should be studies about the importance of performance evaluation, canons, information about the evaluators, evaluation place, results of study and using areas.
- Standards appropriate for work terms should be created in performance evaluation.
- These studies should be very clear for both evaluator and participant.
- The results should be certainly reported to subordinates and self-improvement should be provided.
- Rewarding should be implemented in the wake of performance evaluation.
- For reducing the costs, there should be computer based electronic system.

Making performance evaluation system a regular system that used by hospitals and doing researches about how to improve this system will provide hospitals' management positive things. Thus, identifying employee's strong and weak points and sharing them with employees, giving employees measurable canons, identifying their contributions and promoting them to new projects and finally having a system for promotions can be achieved. Since not having a performance evaluation system and not making a measurement means giving up these benefits. Performance evaluation systems on nursing service systems which are very important for hospital's service qualities should be applied with systematically.

References

- A, Akın. (2003), 4.Kamu Kalite Sempozyumu 360 Derece Geri Besleme Çalıştay Dökümanları.. KalDer Ankara: ODTÜ Kültür ve Kongre Merkezi,1-19.
- Ateş, H. (2007), “Kavramlar, Tartışmalar ve Genel Çerçeve”, Sağlık Sektöründe Performans Yönetimi- Türkiye Örneği, Ed.: Hamza Ateş, Harun Kırılmaz, Sabahattin Aydın, 1-20.
- Aytaç, A. (2003). 360 Derece Performans Değerlendirme, Bilim ve Aydınlığın Işığında Eğitim Dergisi. Yıl: 4, sayı: 41
- Barutçugil, İ. (2002). Performans Yönetimi. İstanbul: Kariyer Yayıncılık.
- Benligiray, S. (2004), “Performans Değerlemesi”, İnsan Kaynakları Yönetimi, Ed.: Ramazan Geylan, Eskişehir: Anadolu Üniversitesi Yayınları, 139-162.
- Bingöl, D. (2006), İnsan Kaynakları Yönetimi, 6. Baskı, İstanbul: Arıkan Yayınevi Connoly, T. ve J. S. Deutsch (1980), “Performance Measurement: Some Conceptual Issues”, Evaluation and Program Planning, 3: 35-43.
- Coşkun, B., & Şekercioğlu, L. S. (2011). Belediyelerde Bireysel Performans Değerlendirme: İzmir İli İlçe Belediyelerinin İncelenmesi. Dokuz Eylül Üniversitesi Sosyal Bilimler Enstitüsü Dergisi , 13 (2), 43-64.
- Erkan, A. (2011). Performansa Dayalı Ödeme: Sağlık Bakanlığı Uygulaması. Maliye Dergisi (160), 423-438.
- Ferreira, A. ve D. Otley (2009), “The Design and Use of Performance Management Systems: An Extended Framework For Analysis”, Management Accounting Research, 20: 263–282.
- Kaynak, T., İnsan Kaynakları Yönetimi, İ.Ü. İşletme Fakültesi Yayın No:276, Dönence Basım Ve Yayın Hizmetleri, İstanbul, 1998, S: 208
- Kırılmaz, H. (2013, Ocak 25). Hasta Memnuniyetini Etkileyen Faktörlerin Sağlık Hizmetlerinde Performans Yönetimi Çerçevesinde İncelenmesi: Poliklinik Hastaları Üzerine Bir Alan Araştırması. Acıbadem Üniversitesi Sağlık Bilimleri Dergisi , 4 (1), s. 11-21.
- Kruk, E. M., P. L. Freedman (2008), “Assessing Health System Performance in Developing Countries: A Review of The Literature”, Journal of Health Policy, 85: 263-276.
- Ludeman, K. (2000). How To Conduct Self Directed 360. Training & Development, 54 (7), 44-47.
- McEVOY, Glenn.M. (1990), “ Public sector managers’ reactions to appraisals by subordinates”, Public Personal Management, 19 (2), 201-212.
- Papanicolas, I., C. P. Smith, E. Mossialos (2008), “Principles of Performance Measurement”, Euro Observer-The Health Policy Bulletin of the European Observatory on Health Systems and Policies, 10 (1): 1-4.
- Şenol, G. (2003). İş değerlemesinden Performans Değerlemesine Geçiş, Endüstri İlişkileri ve İnsan Kaynakları Dergisi, cilt:5, sayı:1
- Tengilimoğlu, D., O. Işık, M. Akbolat (2012), Sağlık İşletmeleri Yönetimi, 4. Baskı, Ankara: Nobel Yayınları
- Yenice, E. (2006), “Kamu Kesiminde Performans Ölçümü ve Bütçe İlişkisi”, Sayıştay Dergisi, 61: 57-68.