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Abstract

Non-Government Organizations (NGOs) are contributing to the development of Bangladesh through their diversities of services such as: (1) Human resource development by adopting education, social justice, and human rights and strengthening poor women by capacity building; (2) Providing initiatives for health care and concern on it; (3) Ensure ecological sustainability and sustainable livelihood through the use capacity building and concern on natural resources in disaster management and climate change adaptation; (4) Ensure ecological sustainability and sustainable livelihood through the use and preservation of natural resources and capacity building in disaster management and climate change adaptation, strengthening the community for flood risk reduction. As service providing organizations, NGOs have the outmost challenges for retaining high-quality human resources in this sector. That’s why, the organizations are now emphasizing on performance appraisal practices to measure the employees’ performance, and it is considered as a motivational tool. Performance appraisal determines how the employees are performing the job on track and set a plan of improvement. It is critical because it helps the manager/supervisor to take the administrative decisions effectively relating to promotion, placement, training and development, payoffs, and increment of the employees. This paper aimed at existing performance appraisal system of Caritas Bangladesh and its critical review and finally some recommendation provided to overcome the problems involved with the existing performance appraisal system.

Keywords: Performance Appraisal; Non-Government Organizations, Bangladesh

1. Introduction

A very few Non-Government Organizations (NGOs) are emphasizing on performance appraisal to determine the strength and weakness of their employees to improve their productivity so that it helps the organizations to acquire competitive advantages with human resources. Levin (1986) refers that these organizations have realized that a well-developed performance appraisal process can be useful for assessment of employee training needs, employee merit appraisal, determining of employee salary, feedback, and suggestion for performance development. In addition, Thomas and Bretz (1994) suggested that performance appraisal can be used as a motivational tool for communicating performance expectations to employees and providing them with feedback.

So, like any other organizations, performance appraisal plays an important role in (NGOs). Chowdhury (2011) stated that higher employee turnover is prevailing in the NGO sector of Bangladesh. The reasons for high turnover can be related to several human resources challenges as identified by (Huda et al., 2007) in their study on NGOs of Bangladesh.

Bernardin and Villanova (1986) stated that as the NGOs are human resources intensive organizations, it is very usual that the performance of the NGOs will depend on employee performance.
It is evident that trying to explore performance appraisal within the organizational context can help not only to improve the organization’s performance but also provides an opportunity to contribute in the performance appraisal research.

With this background, the present study may explore the performance appraisal process of Caritas Bangladesh, a nonprofit, and a NGO of Bangladesh.

1.1. Research objectives
First, the study provides a snapshot about organization, description of the current performance appraisal practice in Caritas Bangladesh. Critical and SWOT analysis of performance appraisal. Contrast of old and present appraisal form and recommendation for the development of the performance appraisal practice to ensure transparency and accountability.

1.2. Review of existing literature
Fletcher (2001) stated that performance appraisal was once considered as a process involving a line manager completing an annual report on subordinate’s performance. However, as time passes, it has become an integral part of performance management system and performance appraisal is today considered as the key element of performance management. Noe et al. (2006) showed that performance appraisal is the process through which an organization gets information on how well an employee is doing his or her job. Mathis and Jackson (2005) extended this definition by adding that performance should be compared to a set of standards and then communicated with the employees. Performance appraisal is also known as, employee rating, employee evaluation, performance review, performance evaluation, and result appraisal. In practice of Human Resources Management, performance appraisal is vastly used for determining wages and salaries, promotion, training and development providing performance feedback, and identifying employee strengths and weakness. Performance appraisal results must be linked with other HRM activities and strategic decision-making which would ultimately help the organizations to develop and grow is demonstrated (Cleaveland et al., 1989). Many think that in most of the organizations performance appraisal processes are full of errors and not be conducted that are resulting employee dissatisfaction. It is true that as NGOs have been working basically remote areas, so the organization may have less orientation with corporate management practices and HRM practices.

1.3. Research methodology
The nature of research article is case study and experienced based. Caritas Bangladesh has a Human Resources Section under the Finance and Administration Department. Major part of this case study is based on face to face interviews with sectorial manager, employees, and finding of HR audit and compliance. Furthermore, literature review in the relevant field, organization brochure, documents, journals, and organization’s website are the secondary sources of data.

2. Caritas Bangladesh: Organization Overview

2.1. Caritas priorities at a glance
2.2. Caritas means love

2.2.1. What is Caritas?
Caritas is a Latin word. Literally, it means “charity” or universal love. We prefer “LOVE” which includes all aspects of humanity. Caritas is a Bangladeshi, local, national, nonprofit, and development organization. It is registered with the NGO Affairs Bureau, Prime Minister’s Secretariat, The Government of the People’s Republic of Bangladesh under the Foreign Donation (Voluntary Activities) Regulation Ordinance 1978.

2.3. Vision, mission, and priorities of Caritas

2.3.1. Vision
In the light of the Social Teachings of the Church, Caritas Bangladesh envisions a society, which embraces the values of freedom and justice, peace, and forgiveness, to live as a communion and community of mutual love and respect.

2.3.2. Mission
Caritas Bangladesh tries to become a partner of people, especially the poor and marginalized, with equal respect for all, to attain integral development, to live a truly human life in dignity, and to serve others responsibly.

2.4. Functional area of HRM in Caritas Bangladesh
Human resource management has some functional area these are:

![Functional area of HRM in Caritas Bangladesh](image)
2.5. Steps of performance appraisal

Developing and conducting performance appraisals should not be done in isolation. The performance appraisal is closely related to a number of human resources management activities that should be considered.

2.6. Relationship of performance appraisal and job analysis

![Diagram of performance appraisal process]

2.7. Objectives of performance appraisal

- To select employees for increment, promotion, transfer, termination, and training
- To confirm the services of the probationary employees after completion of the probationary period successfully
- To identify the training and developing needs of the employees
- To motivate the employees with a view to get things done by them
- To let the employees know their actual performance is and to assist them with guidance for the purposes of their development
- To improve communications, performance appraisal provides a format for assessment between the superior and the subordinate and improves understanding of personal goals and concerns
- Ensure annual increments
- To create interest of employees for self-development so that they may be offered higher positions whenever necessary in future
- To create a base for proper decision-making on important matter so that every actively can be completed promptly
- To undertake research project by collecting human and nonhuman information.

Broadly, performance appraisal serves four objectives.
2.8. Importance of performance appraisal system

- Feedback: This provides an appropriate format for the discussion of performance issues on a regular basis.
- Motivating superior performance: Performance appraisal helps to motivate people to show off their performance in many ways.
- Setting and measuring goals: Goal setting has continuously been showing as a management process that generates performance.
- Counseling poor performance: It is usual that all cannot meet the organization’s standards. Performance appraisal urges managers to deal with those whose performance is not meeting the company’s expectations.
- Determining compensation changes: Performance appraisal ensures that the employees who do the better to be paid the better.
- Encouraging coaching and mentoring: Performance appraisal identifies the areas where improvement is necessary and accordingly concerns the managers to take steps.
- Supporting manpower planning: The reputed organizations regularly assess their bench strength to make sure that they have the talents which will be utilized properly for the future.
- Determining individual training and development needs: If the performance appraisal procedure attaches a requirement that individual development plans be determined, individuals have options to advice about the skills and competencies they need to acquire to make a greater contribution.
- Source of information: Proper performance appraisal also help the management get the correct information for making plans and policies.
- Easy supervision: Which employee is to be supervised and which not can be decided by proper performance appraisal.

3. Assessment Process and Procedures in Caritas Bangladesh

3.1. Focus of assessment

Assessment focus encompasses various dimensions. However, knowledge, skill, and competency of the staff on core job responsibilities are the main focus of the assessment. Other than core job responsibilities, values, commitment, loyalty, honesty, integrity, personal behavior and relationship, leadership, problem-solving and decision-making skill, interpersonal and organizational communication skill, stewardship in use of organizational resources, gender sensitivity, time management, planning and organizational policy procedure, etc., which are also considered essential to become a well-motivated good performing staff are taken into consideration (Figures 1 and 2).

It is likely that a staff having good knowledge and skill on core job responsibilities may not perform well in a position if she/he has deficiency in belief, commitment, and loyalty to the organizational philosophy and policy procedure. In the same way, a staff cannot perform up to the expected level if she/he does not possess adequate knowledge, skill, and competency on the core job responsibilities. Therefore, the assessment team tries to cover all the possible dimensions that influence the performance of a staff in a particular position (Table 1).

3.2. 3600 assessment panorama

To avoid possible bias and injustice that may arise from use of a single method for assessing staff, the assessment team employ multiple techniques to assess the performance, commitment, honesty, integrity and behavior, etc., of the staff. The major techniques that are used in this assessment process are:

1. Written test
2. Personal interview
3. Feedback ratings
4. Relevant experience
5. Academic qualification

3.3. Descriptions of different forms of assessment

3.3.1. Written test

Written test mainly focused on knowledge and skill of the staff on core job responsibilities. The staff has to appear in the written test. Duration of the written test is 1-2 h, and the full marks is 100, which has divided into 5 grades:

- Marks obtained between 100 and 86 = Significantly exceeds requirement (SER)=(A+)
- Marks obtained between 85 and 71 = ER=(A)
- Marks obtained between 70 and 55 = Meets requirement (MR)=(B)
- Marks obtained between 54 and 33 = Needs improvement (NI)=(C)
- Marks obtained between 32 and 00 = Below requirement (BR)=(D)

For the written test, separate questionnaire is prepared for each position covering core job responsibilities and Caritas Philosophy, Vision, Mission, Values, etc. However, emphasis is given to the program activities so that staff can get a fair change to show their job-related knowledge and skill through the written test.

A section is allocated in the written test questionnaire to write down difficulties and constraints faced by the staff in performing their jobs and the support they had to receive must be provided from the senior management of the program and other support sections of the organization. Written test is in Bangla, except one question is asked to answer in English for senior positions to test their ability in writing English.

3.3.2. Personal interview

In the assessment, provision also makes for interview the staff. The interview put equal emphasis on conceptual knowledge and skill of the staff on their core job responsibilities and other associated factors such as commitment, loyalty, honesty, integrity, and behavioral aspects that are significantly important for overall performance of the staff. Duration of the interview is 30-40 min with each staff. The assessment team conducts the interview in Bangla following some common questions.

Basic principle of the interview is to explore intellectual ability and future growth potential of the staff and to determine their present level of competency and performance related to core job responsibilities. Interview is held in a free and lively atmosphere in a consultative fashion giving every opportunity to the staff to show their talent and competency. Each member of the interview board marks individually the interview performance of a staff. The mark obtained by a staff from each individual board member is averaged to get the final interview score. Full mark of the interview is also 100, which is again divided into 5 grades similar as written test, i. e.
3.3.3. Feedback ratings

Apart from written test and personal interview, feedback is also collected from supervisor, subordinate, colleagues, respective directors, and external stakeholders/People Organizations (POs) leaders of the staff who has been in direct interaction with the staff for a considerable period and thereby knows about his/her knowledge, skills, personal behavior, and other qualities and competencies. Feedback is collected using structural format. Feedback is collected on 15 different indicators covering conceptual knowledge, skill, personal behavior, relationship, etc. Clear instructions are provided at the top of the format describing the procedures for giving their fair and neutral feedback about the knowledge, skill, behavior, and overall performance of the staff. The entire feedback process is been kept strictly confidential.

Please see the attachment (Annex-X) for the sample copy of the feedback format used in the assessment.

3.3.4. Supervisor’s feedback

Using a predesigned format, feedback is collected for each staff from his/her supervisor. As the supervisors maintain a close interaction with their subordinate staff, so they know better about subordinate’s strength and weakness. Therefore, the supervisors are chosen first to give feedback about the staff. In this process, the supervisors are asked to rate the performance of their subordinates on each indicator (feedback area) using a scale ranged from BR-NI-MR-ER-SER.

3.3.5. Peer’s feedback

Provision is made to collect feedback for each staff from one or two of his/her colleagues. Staff in senior positions has to select two of his/her colleagues for peer feedback, where it is kept limited to only one for the staff in lower positions. Staff is given freedom to select colleagues who they wish. Then, feedback is collected using a predesigned format from their peers.
3.3.6. Subordinate feedback

Feedbacks are also collected from subordinates for each staff. In senior positions, two subordinates provide the feedback; wherein lower positions feedbacks are collected from only one subordinate. A structured format is also used for collecting feedbacks from the subordinate on different aspects related to core job responsibility, behavior, and subsequent performance of the staff.

3.3.7. External stakeholders/peoples’ organization leaders’ feedback

For the staff, who are working directly with POs, their feedbacks are also collected from the PO leaders using a simple format, two PO leaders provide feedback for each staff in this category. Personal behavior, interpersonal communication, and relationship, honesty and integrity, commitment, and support provided in the institutional development of peoples’ organization, etc., are the main areas of feedbacks from the PO Leaders.

3.3.8. Respective director’s comments and appraisal of staff performance

Respective director’s comments and appraisal are collected for the staff using a structured format where they are requested to provide their fair and sincere appraisal about knowledge, skill, attitude, and competency of the staff they supervise, respectively. They are also requested to provide any special notes and remarks about staff performance, occurrence, etc.

3.3.9. Relevant experience

Length of service and experience of the staff are also valued in the assessment. The full mark of experience is given for 30 years (360 months) service experience with Caritas and other organizations in the relevant field. The point decreases with the decrease of service length.
3.3.10. Academic qualification

A general presumption is that a staff having higher academic qualification normally shows greater knowledge and skills in a position than a less qualified staff. As a result, performance of a qualified staff generally goes higher than a less qualified staff, unless the later one is exceptionally talented. Therefore, in recognition of the impact of higher academic qualification on the job performance, the academic qualification of the staff is taken into consideration.

3.3.11. Job records

Personal files are consulted thoroughly for all the staff. The objective is to review their career-related personal records and reports to determine their level of performance reflected in the personal files. While reviewing the personal records, emphasis is given on the filing system, and the personal documents have been preserved in the files. Personal documents which we emphasized are advice letter, warning letter, show cause notice, promotion letter, transfer letter, etc., that indicates positive or negative performance of the staff. Personal record consultation does not carry any point directly on the overall assessment, but the findings are used in determining the performance and commitment level of the staff. However, in case of any major punishment, the assessment team may deduct a total of 5 marks from the total score of the assessment. Specially, findings from personal file consultation are useful in categorizing BR rated staff into “A” and “B”.

3.4. Weighting different forms of assessment and rating and calculating overall assessment score

Total weight of the assessment is decided to be 100%, which is again distributed among the five (5) different categories of assessment forms. Relative contribution of each assessment form in revealing knowledge, skill, attitude and overall competency, and performance of the staff is taken into consideration while distributing weights among the methods. Distribution of weights is as shown in Table 2 and and overall assessment score is shown in Table 3.

Based on cumulative grade points (CGP) that stand after summation of points obtained in all different individual assessment methods, the performance of the staff is graded into five levels which have been shown in Table 3.

To determine the CGP of a staff, first, the marks/points obtained by the staff in each method are placed on a 5-point scale. The outcomes (points) are then multiplied by the relative weights of each method to get the weighted average. The weighted average points are then sum up to get the CGP.

3.5. Interpreting different ratings

The meaning of each rating level of the five points scale and what courses of actions are suggested against each rating has been provided below (Table 4).
3.5.1. Significantly ER (SER)

“SER” rating is exclusively reserved for the extraordinary staff who has consistently demonstrated an outstanding performance. His/her initiatives and outputs are over and above the stated requirements. The employee is an extremely competent and knowledge individual who in every instance, consistently

Table 1: Purpose of performance appraisal

<table>
<thead>
<tr>
<th>General applications</th>
<th>Specific purpose</th>
</tr>
</thead>
<tbody>
<tr>
<td>Development uses</td>
<td>Identification of individual needs performance feedback.</td>
</tr>
<tr>
<td></td>
<td>Determining transfers and job assignments identification of individual strengths and developmental needs</td>
</tr>
<tr>
<td>Administrative uses/decisions</td>
<td>Salary</td>
</tr>
<tr>
<td></td>
<td>Promotion</td>
</tr>
<tr>
<td></td>
<td>Retention or termination</td>
</tr>
<tr>
<td></td>
<td>Recognition of individual performance</td>
</tr>
<tr>
<td></td>
<td>Lay-offs</td>
</tr>
<tr>
<td></td>
<td>Identification of poor performers</td>
</tr>
<tr>
<td>Organizational maintenance/objectives</td>
<td>HR planning</td>
</tr>
<tr>
<td></td>
<td>Determining organization training needs</td>
</tr>
<tr>
<td></td>
<td>Evaluation of organizational goal achievements</td>
</tr>
<tr>
<td></td>
<td>Information for goal identification</td>
</tr>
<tr>
<td></td>
<td>Evaluation of HR system</td>
</tr>
<tr>
<td></td>
<td>Reinforcement of organizational development needs</td>
</tr>
<tr>
<td></td>
<td>Criteria for validated research</td>
</tr>
<tr>
<td></td>
<td>Documentation for HR decisions</td>
</tr>
<tr>
<td></td>
<td>Helping to meet legal requirements</td>
</tr>
</tbody>
</table>

Source: Cynthia D. Fisher - human resources management

Table 2: Relative weight of different assessment methods

<table>
<thead>
<tr>
<th>Name of assessment methods</th>
<th>Weights (%)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Written test</td>
<td>35</td>
</tr>
<tr>
<td>Personal interview</td>
<td>25</td>
</tr>
<tr>
<td>Feedback ratings</td>
<td>20</td>
</tr>
<tr>
<td>Relevant experience</td>
<td>10</td>
</tr>
<tr>
<td>Academic qualification</td>
<td>10</td>
</tr>
<tr>
<td>Total</td>
<td>100</td>
</tr>
</tbody>
</table>

Table 3: Example on calculation of overall assessment score and subsequent rating

<table>
<thead>
<tr>
<th>Forms of assessment</th>
<th>Written</th>
<th>Personal interview</th>
<th>Feedback</th>
<th>Relevant experience</th>
<th>Academic qualification</th>
<th>Overall weight and score</th>
</tr>
</thead>
<tbody>
<tr>
<td>Relative weight</td>
<td>0.35</td>
<td>0.25</td>
<td>0.20</td>
<td>0.10</td>
<td>0.10</td>
<td>1.00</td>
</tr>
<tr>
<td>Score</td>
<td>61</td>
<td>72</td>
<td>64</td>
<td>17 years 2 months</td>
<td>M.A</td>
<td>-</td>
</tr>
<tr>
<td>Points</td>
<td>3.05</td>
<td>3.60</td>
<td>3.18</td>
<td>2.88</td>
<td>4</td>
<td>-</td>
</tr>
<tr>
<td>Rating obtained</td>
<td>MR</td>
<td>MR</td>
<td>MR</td>
<td>2.88</td>
<td>4</td>
<td>-</td>
</tr>
<tr>
<td>Weighted points</td>
<td>1.07</td>
<td>0.90</td>
<td>0.64</td>
<td>0.29</td>
<td>0.40</td>
<td>3.29*</td>
</tr>
</tbody>
</table>

*Overall assessment rating
and substantially ER. A SER rated staff usually creates outputs and results that become as a reference for the organization. Therefore, a staff can only be rated SER when his/her performance and outputs significantly contribute in improving system, dignity, and image of the organization, and/or developing new intervention and cost-effective strategy, etc. SER rated staff deserves reward for outstanding performance. Reward may be promotion, double increment, special increment, bonus, appreciation letter, training or higher education, special assignment, etc., as per organization policy.

3.5.2. ER

“ER” rating is considered as a very good performance but not so immense and meaningful as SER. An ER rated employee consistently demonstrates very good performance, and she/he is a very competent and knowledgeable in his/her job responsibilities and frequently ER and performance outputs are very high quality and dependable. She/he consistently demonstrates initiative in the development and implementation of challenging work goals. Accomplishments exceed expectations through consistent success with minimum assistance. Goes beyond the details of the job to achieve the job’s maximum

Figure 1: Major focus areas of assessment

Figure 2: 3600 assessment panorama
contribution to the organization’s objective. ER rated staff also deserve reward for good performance. Reward may be special increment, bonus, appreciation letter, etc.

3.5.3. MR
“MR” is a good performance rating indicates that an employee is demonstrating all or most of the expected performance in her/his position and meets job objectives. This is a positive rating reflecting the performance of a fully competent and experienced person working at an acceptable standard, or a person new to the job who performs well and generally meets the objectives. MR rated staff also deserve reward as per general policy of the organization. They may be awarded with general annual increment, appreciation letter, etc.

3.5.4. NI
“NI” rating is allocated for employee who NI in one or more aspects of the core job responsibilities, which are critical to the position the employee serves. Initiatives and outputs do not always meet the requirement. Performance is marginal, and employee requires counseling and intensive training to achieve an acceptable performance level. “NI” rated employees do not deserve any special reward. They may receive general annual increment with an advice letter from management indicating areas to be improved and the future actions to be taken for improvement of the performance.

3.5.5. BR
“BR” is unacceptable performance rating. It indicates that the employee performs significantly below the level of expectation in the position. Initiative, outputs, and the quality of work are quite below than the stated requirements. The employee has notable gaps in competence and knowledge in critical aspects of his/her job responsibilities. This group of employee frequently fails to meet the minimum requirements of the jobs. BR rated staff further divided into two categories: BR Category A and BR Category B. If a staff is rated as BR-A because of their unacceptable performance originated from poor competency, she/he will be placed under 6 months’ observation giving a chance to improve her/his performance. She/he will face an assessment at the end of notice period. If a staff is rated as BR-B, then she/he will be retrenched immediately from the job. Because their performance has been considered extremely poor and their role has been considered negative for the organization.

Table 5 presents the critical and SWOT analysis of performance appraisal.

3.6. Annual performance appraisal process and procedures in CB
1. Annual performance appraisal form is used for assessing the performance of staff members of Caritas on yearly basis before sanctioning of annual increment.
2. Annual increment is granted for MR, ER, and SER rating staff. However, this record is considered for rewarding the staff in future.

<table>
<thead>
<tr>
<th>Cumulative grade point</th>
<th>Performance grading/rating</th>
</tr>
</thead>
<tbody>
<tr>
<td>4.51-5.00</td>
<td>SER</td>
</tr>
<tr>
<td>4.00-4.50</td>
<td>ER</td>
</tr>
<tr>
<td>3.00-3.99</td>
<td>MR</td>
</tr>
<tr>
<td>2.00-2.99</td>
<td>NI</td>
</tr>
<tr>
<td>0.00-1.99</td>
<td>BR</td>
</tr>
</tbody>
</table>

SER: Significantly exceeds requirement, ER: Exceeds requirement, MR: Meets requirement, NI: Needs improvement, BR: Below requirement
### Table 5: SWOT analysis of performance appraisal in Caritas Bangladesh

<table>
<thead>
<tr>
<th>Strength</th>
<th>Weakness</th>
<th>Opportunity</th>
<th>Threats</th>
</tr>
</thead>
<tbody>
<tr>
<td>Separate HR section</td>
<td>No exit interview system</td>
<td>Up-to-date training and development methods</td>
<td>Adjusting compensation packages with the market</td>
</tr>
<tr>
<td>Employee participation in performance assessment (Two-way Appraisal) and 360 appraisal</td>
<td>Questions and format are same for all levels of employee</td>
<td>Researches to revise the form</td>
<td>Empower employees to make decisions without the fear of failing</td>
</tr>
<tr>
<td>Employee participation in decision-making process</td>
<td>Decision taken by the top management and HR section is not independent</td>
<td>Deployment of more HR professional</td>
<td>To arrange of training due to fund crisis</td>
</tr>
<tr>
<td>Employees are given opportunity for higher study under HRD program</td>
<td>Caritas service rule and performance appraisal constraints in case of promotion</td>
<td>Review of performance appraisal</td>
<td>Limited HR personals for 10,000 employees</td>
</tr>
<tr>
<td>Employees sound relation by interaction/counseling</td>
<td>Less/No orientation for rating of both assessor and assesse</td>
<td>Good time series for different employee’s feedback for performance appraisal</td>
<td>No individual HR department in regional offices</td>
</tr>
<tr>
<td>Caritas have its own training institute</td>
<td>Less/No practice of 360° assessment panorama</td>
<td>Redesign the job description</td>
<td>Bureaucratic decision-making</td>
</tr>
<tr>
<td>Well organized system</td>
<td>Performance by GB and EB members</td>
<td>Approach to MBO performance appraisal</td>
<td>No planning of talent management</td>
</tr>
<tr>
<td></td>
<td>No feedback from the subordinate</td>
<td>Future consider of benefit package for individual employees</td>
<td>Align organizational objectives individual aspiration</td>
</tr>
<tr>
<td></td>
<td>Mainly done for approving annual increment and not professionally conducted</td>
<td></td>
<td>Create a culture of excellence that inspires every employee to improve and lend himself of herself to be assessed</td>
</tr>
<tr>
<td></td>
<td>Employee has no option to give feedback for performance appraisal</td>
<td></td>
<td>Embed teamwork in all operational process</td>
</tr>
<tr>
<td></td>
<td>Limited timeline for completion of performance appraisal and less experience doing that</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>No electronic record of database for performance appraisal appraisal</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
3. Annual increment is also granted for NI rating staff along with an advice letter mentioning the weak areas needed to be improved for better performance in future.

4. Annual increment is not granted for BR rating Staff. A warning letter mentioning the weak areas needed to be improved within a specific period is issued to BR rating staff. The concerned supervisor is also responsible to arrange training/coaching/counseling for the improvement of performance of the above staff. If any staff fails to improve his/her performance for three consecutive years, then he/she will be dismissed as per Clause No. 6 of the Service Conditions of Caritas.

5. This record is taken into consideration for selection of staff for training/study both in country and abroad as well as future placement/promotion.

6. The English Version of Appraisal Form (Annex-Y) is used for the employees of Grades I-VIII. The Bangla version of the above format (Annex –Z) is used for the employees of Grades IX-XI and staff under the project pay scale.

4. Finding and Discussion

1. Systemic and specific job description: Job description given to the employees is not specific and systematic too. Job description required to be more specific and relevant for individual employees both for program, finance, and administration and field office to find out credible professional capability through the performance appraisal. Job description could be followed by the supervisor strictly for the appropriate feedback of assessed.

2. Orientation for rating system: Orientation is needed to know the overall rating system both for assessee and assessor to make the individual performance competencies and practice of core values credible and acceptable. Interpretation of different ratings may help the assessee and assessor. The assesses must have knowledge for determining his or her self-evaluation process to meet the rating level perfectly. In addition, the immediate supervisor must follow a systemic guideline to rate the assessee according his or her performance following key indicators mentioned the appraisal to avoid imbalanced rating. As performance appraisal is playing a key role so a demonstration between assessee and assessor could help getting a competent and reliable feedback for its further action.

3. Incomplete 360° feedback ratings: Only supervisor’s feedback and respective Director’s comments and appraisal of staff performance are observed. Peer’s feedback, subordinate feedback, external stakeholders/peoples’ organization leaders feedback, academic qualification is observed rare. In fact, 360 assessment panorama is partly observed for assessment process and procedures for Caritas employees.

4. Less or no training conducted against advice letter: Training/Conference/Seminar conducted for the Senior/Mid-level employees in the organization. In fact, training depends on the selection process and subject to the fund availability of the particular program. The program people have priority to attend different trainings on demand of the Donors. Most of the time, the concerned supervisor cannot decide to arrange training/coaching/counseling for the improvement of performance of the employee due to prior approval from the directors and subject to fund availability.

5. The conflict between Service Policy and APA regarding Promotion: Service Policy of Caritas Bangladesh is followed for the first promotion of an employee after 3 years for his/her joining the organization, however, the performance is. In this case, the performance appraisal form is used for assessing the performance of staff members of Caritas on yearly basis before sanctioning of annual increment. However, due to poor assessment and humane, every employee getting usual increment amount as yearly basis except additional increment offered by biasness.

6. Internal biasness and external pressure: Internal biasness and external pressure are active to conduct the performance evaluation program.

7. Sources of Information: Different assessors and sources of information are employed to improve overall accuracy, and the consistency is checked by the top level management.

8. Employee feedback: The employees receive timely and valid feedback on their performance with guidance to improve in future.
9. Use of same performance appraisal form: It is observed that same performance appraisal form has been using for all levels of employees which indicate the poor practice of performance appraisal system.

10. Inappropriate assessment: As NGO has many projects, so the employees are assigned for both the core and projects work and their activities are measured up by percentage. For example: An employee is assigned for 80% for core works and 20% for projects works and it many cases it varies. However, only the core supervisor take part in performance assessment and the project supervisor cannot take part for the performance assessment. Incomplete performance assessment cannot bring fair result.

11. Lack of uniform benefits: On the basis of good performance, proper benefit should be awarded to the employees, which is hardly seen in the organizations. For this reason, employees are less interested about the performance appraisal program.

12. Lack HR Knowledge/No HR section: Most of the local NGOs do not have any HR section or department. The performance appraisal of such NGOs might have conducted by the experience of the employee instead of their performance. Even most of the cases their promotion and other benefits package consider due to the top management’s satisfaction and biasness.

13. Criticism on methods of performance appraisal for Caritas Bangladesh

In Caritas Bangladesh, psychological appraisal and 720° appraisal are not conducted for the future-oriented method.

4.1. Recommendation

- A balanced scorecard approach: The balanced scorecard is a not only a measurement system but also a management system which enables organizations to clarify their vision and strategy and determine into action. The balanced scorecard suggests the following perspective:
  - The learning and growth perspectives
  - The business process perspectives
  - The customer perspective
  - The financial perspective.
- An approach of key result area (KRA) and key performance indicators (KPI): These days, the international NGOs have been using KRA and KPI to make the performance appraisal successful. In this way, the employee will get their goal of performance and by incentive, their performance will be also appreciated. The KRA will give the employee an idea about what they are expected to do and KPI will give employees some specific goals and guidelines about their job. The KPIs will be decided by both employee and his or her higher authority.
• Result oriented performance method: A frequently used performance appraisal method is management by objectives. It is usually credited to Peter Drucker. Drucker was trying to design a systematic approach to setting objectives and performing appraisals using results that would lead to improved organizational productive. Result-oriented performance method could be introduced to Caritas Bangladesh.

• 720° feedback: 720° feedback assessment could be approached in Caritas Bangladesh for transparency and accountability of performance appraisal. This assessment is made not only from the inside of the organization but also from the groups outside the organization. External assessors include donors, beneficiaries, suppliers, external stakeholders become important because, ultimately, they are the groups who will determine the future of the organization.

• Formation of performance evaluation committee: Performance evaluation committee could be formed by the head of HR and head of the respective department of the project/Sr. Managers to conduct the performance evaluation with more authentically.

• Ensure independence for conducting performance appraisal: The Directors of the organization should provide power/freedom for conducting performance appraisal.

• Prioritizing career development: Performance appraisal should be conducted for the developments of the employee’s career development rather than approving annual increment.

• Gender equity and female staff performance: Gender equity and female performance in the job is considered to be the driving force both from the donors and the top management of Caritas Bangladesh. In most of cases, the Women have low-performance rating. To get rid of such condition and for the better impact and productivity of the organization, the HR section can arrange relevant training.

• Penalty for low ratings belonging: It is evident that the supervisor has sympathetic attention to their subordinates especially who really might get poor score. As kindness and nature of the organization, they allow the annual increment, but ultimately they are assisting to weaken the development of the employees. Accepting penalty, instead of approving annual increment given opportunity for the development of the employees themselves.

• Clear objectives: A good performance appraisal must have clear objectives. These objectives should fulfill all levels and areas of the organizations and reflect the necessity of each.

• Management and employee endorsement: To be effective, the appraisal system should be supported by the entire workforce. This includes management support for possible expenses such as additional training, employee meetings, appraisal forms, and staff’s time.

• Periodic system check: Systematically evaluating the validity of the performance appraisal system should be a key feature.

• Identify ways to improve: Discuss ways to improve performance in the areas in which the employee was weak or to solve problems that have caused the employee to be less effective than desired.

5. Conclusion

Performance appraisal is a valuable part of every organization. Justified and proper implementation of performance appraisal can help an organization to achieve its goals by institutionalizing productive employees. Sr. Managers/Managers/line managers/Supervisors should follow the policy fairly while appraising the performance of their subordinates. Finally, reviewing the current performance appraisal is to ensure performance improvement and link it up to other human resources practices and organizational strategies. Any mismatch in this regard can penalize an organization a great deal of money, time, and energy, which will ultimately affect organizational performance and productivity in long run. Performance appraisal has advantages and disadvantages too. Conducting performance appraisal system is still controversial and debatable. There is no universally accepted method of performance appraisal.

6. Limitation

• The limitation of the study is insufficient information availability as the employees were busy and unwilling to provide information.
• As the information is confidential so associated authority did not wish to provide some of the data.
• A very few journals available for the performance management systems for NGOs in Bangladesh.

References


