

Human Resource Assessment and Management

Affandy Agusman Aris
Universitas Wira Bhakti

Corresponding Author: Affandy Agusman Aris: affandy.aris11@gmail.com

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ABSTRACT

Carrying out performance assessments on employees and executives is very important because it can have an impact on improving the performance concerned. This increase in performance will automatically have an impact on improving organizational performance. In this case, the role of Human Resource Management is very strategic in creating value that is difficult for competitors to imitate, namely, the value of human resources which is realized in an intangible activity, this value is a response from superiors, subordinates, and the surrounding environment which is equivalent to that in shoulder. Through 360-degree assessment, you can create an effective feedback process on employee and manager performance. By assessing performance, goals focused on improving quality can be better observed. Therefore, such an assessment can support the achievement of competitive advantage.

INTRODUCTION

The assessment of employee and executive performance is a critical aspect of organizational success, involving both formal and informal methods. Gary Dessler (1997) outlines a three-stage process, starting with setting performance standards, evaluating actual performance, and providing feedback to motivate improvement. One contemporary approach is the 360-degree assessment, where individuals self-assess and receive feedback from peers and superiors, aiming to foster a holistic view of performance (Antonioni, 1996). To ensure fairness and alignment with organizational values, performance appraisal practices must adapt to cultural and behavioral principles. In a quality-focused environment, the primary goal is to aid employees in enhancing their performance, emphasizing both task performance and quality improvement (Ghorpade & Chen, 1995). Executives, although challenging to assess due to their dynamic roles, should also undergo evaluations to maintain organizational effectiveness (Longenecker & Gioia, 1992).

Human Resource Management (HRM) plays a pivotal role in shaping the values of human resources to meet challenges and excel in a competitive landscape. As defined by Moehariono (2012) and Rivai (2013), performance is a measure of achievement towards organizational goals, with employees being integral assets contributing talent, knowledge, and experience (Utama, 2020; Berk, J and Berk, 2020). Competency-based HR practices, as emphasized by Ermaya & Mujdalipah (2019), are crucial for building a company's foundation and ensuring employees possess the right skills and attributes for their roles.

Competency analysis, focused on knowledge, skills, and attitudes, is vital for professional growth and predicting performance success (Risnawati, 2020). Competence, according to Emron, Yohny, and Imas (2017), Wibowo (2007), and others, is an individual's ability to perform a job with excellence, rooted in knowledge, skills, and attitudes (Farmila, 2014; Edison, Anwar, and Komariyah, 2016; Tjahyanti & Chairunnisa, 2021). In essence, competency is an inherent characteristic that enables superior performance and reflects an individual's deep-seated qualities and predictable behavior (Purnamawati, 2021).

LITERATURE REVIEW

A company or organization has formal and informal means to assess the performance of employees and/or those occupying executive positions. Performance assessment can be carried out through stages, namely; (1) setting performance standards; (2) determining the employee's actual performance about these standards; (3) providing feedback to employees to motivate the person to avoid a decline in performance or to perform better (Gary Dessler: 1997).

Many appraisal systems have emerged that focus on improving employee work behavior as the primary goal. 360-degree assessment is the newest assessment concept. In this concept, each assesses himself and receives feedback from fellow workers and all members of the organization. Feedback is received from superiors and co-workers if he is an employee and if he is a manager, feedback is received from direct reports. (Antonioni, D: 1996). In carrying out assessments. Those involved in it are the person being assessed and the person who is assessing. The system is provided if executives feel doubtful because of potential problems, as well as if the aim is to remind employees that the assessment is truly real and prioritized, to build a strong foundation for weak performance implementation to speed up the process. (Longenecker, C. O., Sims,

Jr., H. P. & Gioia, D. A.: 1987). However, performance appraisal must create challenges so that it can refer to total quality improvement.

So that appraisals are fairer, that is, they do not place responsibility on workers for errors resulting from system failures, and so that performance appraisal practices do not jeopardize quality, do not create a discouraged group that stops showing excellence, and do not rob workers of their self-esteem (Deming's criticism), So, when assessing performance, it needs to be adjusted to the culture and principles that guide organizational behavior. In a quality environment, the main goal of performance appraisal is to help employees improve their performance and should involve active participation from all parties, the focus of the appraisal should be on behavior. Two (2) things must be demonstrated by employees, namely task performance and quality improvement, while the responsibility for assessment must still lie with the manager. (Ghorpade, J. & Chen, M.M.; 1995).

The executives should also be assessed, but this statement still leaves a paradox because most of them do things that are not fixed, unstructured, and less defined, and usually most of them do important work in the organization. So the executives show different responses to this assessment. Usually, executives do not need structured performance feedback. formal feedback is considered inappropriate and lowers prestige. because they are tired of being preoccupied with behavioral assessments and lacking good feedback to foster autonomy and executive creativity. The basis for assessment is only on executive performance. Meanwhile, integrated evaluation of executive performance cannot be carried out through formal performance appraisal. Even though executives think as above, an effective assessment process must still be carried out and cultivated in an organization guided by behavior as a structure of the executive assessment process. systematic. Incorporating critical performance planning at the executive level into the executive feedback and appraisal process makes the performance feedback and appraisal process continuously focused on process as well as results. As long as feedback is given to the executive, the executive's assessment is carried out specifically and there is confidence that it can be carried out (Longenecker. C. O. & Gioia. D. A.: 1992). Apart from carrying out assessments of the performance of employees and executives, this is carried out by assessment officials. The role of HRM is also needed to shape the value of human resources so that they can answer challenges and show superiority over their competitors.

According to Moehariono (2012), performance is a description of the level of achievement of an activity program or policy in realizing an organization's goals, objectives, vision, and mission as outlined in an organization's strategic planning. Meanwhile, according to Rivai (2013), performance is a general term used in part or all of the actions or activities of an organization in a period concerning several standards such as past costs projected based on efficiency, accountability management accountability and the like. People are a very valuable organizational asset, according to Straub and Attner. Humans provide talent, knowledge, and experience to help companies achieve their goals (Utama, 2020). Employees play an important role in every organization or business (Berk, J and Berk, 2020). Operational implementation will not be successful without the help of reliable employees, even if there are facilities and infrastructure as well

as abundant finances. Employees are a valuable asset if handled appropriately and correctly, but they can also become a burden if mismanaged. Competency-based human resources can increase capacity and build a company's foundation because if the people who work in an organization have the right competencies according to their job demands, then they will be capable both in terms of knowledge, skills, and mental and productive character (Ermaya & Mujdalipah, 2019).

Human resources are the main role in every company activity. The role of human resources (HR) in determining success cannot be ignored. Resource

Humans are a source of competitive advantage that can face various challenges when compared to other resources whose efficacy is decreasing, such as product technology and production processes (Sugiyanto et al., 2021). Competencies are an ingrained part of a person's personality that manifests itself in predictable behavior in a variety of work settings and activities. Criteria or standards are useful for predicting who will perform well and who will not (Risnawati, 2020).

Most competency analysis is done to grow professionally, but competency level evaluation is necessary to determine the success of the intended level of performance. Knowledge skills, self-concept, self-image, traits, and motives all contribute to a person's level of competence (N. Boulter et al., 1996). Competence and knowledge abilities are more real because they are human nature. Social roles and self-image are more prominent and can be changed by external behavior, while personality qualities and motives lie more deeply within each employee. According to Emron, Yohny, and Imas (2017, P.140), competence is an individual's ability to carry out a job correctly and have excellence based on matters relating to knowledge, skills, and attitudes. According to Wibowo (2007) states that competence is the ability to carry out or carry out a job or task that is based on skills and knowledge and supported by the work attitude required by the job. (Farmila, 2014) According to Edison, Anwar, and Komariyah (2016) Competency is an individual's ability to carry out a job correctly and have excellence based on matters relating to knowledge, skills, and attitude. (Tjahyanti & Chairunnisa, 2021) Competency is a basic characteristic of a person that enables them to deliver superior performance in their work. Competence is also a deep and inherent part of a person's personality with predictable behavior in various situations and work tasks (Purnamawati, 2021).

METHODOLOGY

Performance assessment of employees using a qualitative approach must be able to explain the relationship between human resource management and performance. Meanwhile, through the strategic icon approach, it is stated that the company has a compatibility between business strategies. human resource structures, policies, and practices will have high performance. Meanwhile, based on the normative icon which is individually oriented towards human resources, it is found that there is a link between the human resource management practice process and high individual performance. With the HR practice process involving selection, socialization, training, and development, and through quality improvement programs, the quality of skills and abilities can be increased. the individual concerned. Likewise through provides status, job

security, internal promotions, and a reward system based on individual performance. will increase employee effort or motivation, resulting in high commitment. The techniques used in collecting data in this research are as follows:

1. Field Research

Data collection is carried out by observing the work and procedures carried out in the company. Apart from that, there are several other ways to do this, such as a non-centralized Interview (Uncentralized Interview) This is done by asking questions directly to company parties who are deemed to understand the problem in the research. The form of questions is not focused on the main issues regarding employee performance appraisal but is broader. The author only prepared a framework of questions whose development was adapted to the situation during the interview with the resource person.

2. Focus Group Discussion

In determining the assessment criteria using the Management by Objectives method and ordering the anchors of each performance assessment dimension using the Behaviorally Anchor Rating Scale method, the author must formulate them together with the managers of each division and representatives from each division. By using Focus Group Discussions, a fair measure will be obtained, which does not burden employees or reduce the quality of the company in the eyes of managers.

3. Literature Study

By studying literature books, journals, and previous scientific papers that discuss employee performance appraisal, lecture materials, and other reading sources which form the basis of theory.

RESEARCH RESULT AND DISCUSSION

The 360-degree assessment method means that employee assessments are not only taken from the assessment of their immediate superior or second superior above them but are also requested from colleagues at the same level or from the direct subordinates concerned. Different from conventional assessment, the 360-degree assessment method carries a mechanism where an employee's performance is assessed based on feedback from everyone who has a working relationship with him or her - superiors, colleagues, partners, subordinates, and customers. In short, this method tries to collect input from various sources in the employee's work environment. By using an interview approach, it turns out that in assessing employees using the PDCA concept, the English abbreviation for "Plan, Do, Check, Act" is an iterative four-step problem-solving process that is commonly used in quality control, here is the picture:

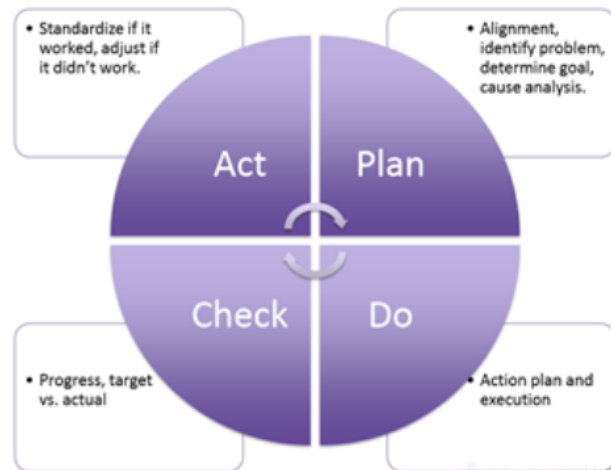


Figure 1. PDCA cycle

Plan: identify the problem, determine the goals to be achieved, and analyze the causes of the problem. Plan is the planning stage that begins with identifying the problem using the 5W technique, namely what, who, when, where), and why (why) with root cause analysis techniques. At this stage, create a problem hypothesis and the goals that must be achieved so that the desired results can be realized. Before continuing the process to the next stage, make sure the team knows:

1. The main problem that needs to be resolved;
2. the resources required to complete it;
3. currently available resources;
4. the best solution for fixing problems with these resources;
5. What metrics or parameters are used to measure the success of improvements?

Do (Do): execute what is in the plan stage. At this stage of the PDCA cycle, you must start carrying out the things that have been planned, including small-scale testing to measure the results of the solution that was designed in the first stage. Find out which solution is the best and whether it can provide results by the objectives set. desired. In this phase, unexpected problems may occur. Therefore, it is better to carry out the plan on a small scale first in a controlled environment. For the Do stage to be more successful, standardize it so that everyone involved in the process knows their duties and responsibilities well;

Check the results of monitoring and evaluation that have been carried out, and whether they are by what was planned at the plan stage. The Check phase in the PDCA cycle is the stage where the inspection is carried out. According to Kanbanize, checking is the most important phase to improve plans, avoid repeating mistakes, and carry out everything successfully. Therefore, this phase must be carried out very carefully. As the name suggests, the Check process is carried out to audit the execution of the plan and see whether it is by the initial design. Problems that occur in the Do phase will be evaluated at this stage and must be successfully eliminated. The Do and Check process can be done repeatedly until the results are as perfect as possible

Act (Follow up): follow up on the results to make necessary improvements. In this stage, all aspects of the process have been improved based on evaluations

from the Do and Check phases which identified problems in plan implementation. The Act phase is the last of the PDCA cycle. However, the whole process will repeat itself continuously. After this stage, the PDCA model that has been developed will become the new standard company process. When the process repeats itself, try to always make improvements. After starting to implement PDCA, make sure you are committed to making continuous improvements to increase productivity and efficiency.

One of the advantages of the PDCA cycle is its flexibility. PDCA can be used for a wide variety of businesses and applications. Not only for manufacturing, the Plan Do Check Act can also be used for project management, change management, product development, and resource management. Not only that, the PDCA model is also simple and easy to understand by anyone who wants to do it. Even so, its effectiveness in generating change, solving problems, and increasing efficiency is quite significant. Therefore, PDCA is quite popular in use. Although the model is simple and easy to understand, its implementation is not so easy. Plan Do Check Act is a management model that divides the improvement process into several small stages. This causes the process to be quite slow and less suitable for solving urgent problems. Not only that, PDCA is a continuous process, so it requires overall commitment and implementation within an organization or company. Otherwise, the PDCA cycle will not be effective in the long term.

Companies need a way to assess the management system as a whole, in terms of how the system affects every process and every employee and extends to every product and service. Service process control is a sign of improving service quality, but it depends on the health and vitality of the organization, leadership, and commitment. The PDCA concept is a guideline for every manager for a continuous quality improvement process without stopping but increasing to a better state and carried out in all parts of the organization. Identifying problems to be solved searching for the causes and determining corrective actions must always be based on facts. This is intended to avoid elements of subjectivity and decision-making that are too quick and emotional decisions. In addition, to make it easier to identify problems to be solved and as a benchmark for further improvements, companies must set service standards.

Nowadays, quality is no longer interpreted in a traditional sense where quality is only understood as the fulfillment of a requirement but rather is associated with a product or result that can satisfy consumers and advance an organization or company. When an organization or company is built, various stages or processes must be passed, such as planning, implementation/doing, controlling, supervising, and maintaining quality to produce optimal output. The stages in maintaining quality so that it remains at predetermined standards are the most important emphasis in the survival of an organization/company. These stages include: planning where a quality planning procedure is required, the implementation stage requires quality assurance, the evaluation stage requires quality control, and the quality maintenance and development stage. To create a quality product according to consumer desires, you don't have to spend more money. Therefore, a good quality improvement program is needed, for example by implementing the PDCA (Plan, Do, Check, Act) program.

Pro	Kontra
PDCA bersifat serba guna, sehingga dapat digunakan di banyak lingkungan bisnis dan aplikasi, seperti manajemen proyek, manajemen perubahan, manajemen sumber daya dan pengembangan produk.	PDCA memang mudah digunakan, namun dalam pengerjaannya tidak mudah dan membutuhkan banyak waktu. Siklus ini lambat karena memecah perbaikan proses menjadi langkah-langkah kecil. Sehingga tidak cocok untuk menangani masalah yang mendesak atau darurat.
PDCA memberikan peningkatan yang berkelanjutan sehingga produktivitas dan efisiensi dapat meningkat secara terkontrol pada proyek skala kecil. Namun hal ini belum teruji untuk proses skala besar.	PDCA bukanlah kegiatan yang hanya dilakukan satu kali, namun proses yang berkelanjutan. Sehingga siklus ini membutuhkan komitmen dan dukungan dari atas ke bawah, agar proses dapat terjadi secara berkelanjutan. Tanpa kepemimpinan yang kuat dan komitmen, siklus PDCA ini tidak akan berfungsi efektif untuk jangka panjang.
PDCA adalah model yang kuat, namun sederhana dan mudah dipahami. Siklus ini juga ampuh untuk menyelesaikan masalah baru dan berulang, sehingga meminimalisir pemborosan dan meningkatkan efisiensi.	

Figure 2. Pros and Cons of Using PDCA

Based on the concept above, a building system will show a basis that provides direction, for example regarding employee performance appraisal. The impact of performance-based appraisal is generally applicable and universal. This system building will serve as a guideline in creating alternative policies that should be in line with internal and external aspects, for example how appraisals, incentive payments, and employee promotions are carried out. This depends on the specific nature and company. Finally, the practical process is a more detailed description of the policy, for example, what if the performance assessment was carried out based on a 360-degree assessment, and incentives were given based on the team? How compensation is provided. Specifically, it depends on the alternative policies implemented. (Becker, B., & Gerhart, B. 1996) The relationship between human resource management strategies, when viewed further towards the company's goals from a financial aspect, also shows a very close relationship. The high quality, commitment, and flexibility of workers achieved through a human resource strategy, namely based on innovation efforts, focus on quality, and reduced costs, will form behavior that has high motivation, cooperation, involvement, and the desire to be part of the organization. This will have an impact on achieving high levels of productivity, quality, and innovation, and low levels of absenteeism, workforce turnover, and low levels of conflict and complaints, all of which ultimately have a clear impact on the company's financial results, namely profits and return on investment. Apart from looking at it from the perspective of human resource management practices, it can also be seen from the aspect or type of strategy implemented that will influence how effective the organization is. The more effective an organization is, the more influence it will have on the company's performance achievements.

Types of strategies can be distinguished (Dyer, L. D., & Reeves. T 199.5); in the traditional type of organization, this is reflected by a high level of supervision. and mass production tips. Meanwhile, the innovative type of strategy is shown

by a high commitment from workers. and the type of production is flexible to suit consumer desires. Meanwhile, the transitional strategy types are in the two types of strategies above where they have not yet fully implemented innovative strategies. Which strategy is implemented depends on which strategy is deemed appropriate to the Company's business strategy. Based on the strategic aspect, the effectiveness of human resource management is believed to be able to determine the level of performance of the company or capabilities related to business, based on research conducted on companies in America. Meanwhile, technical aspects have less influence on company performance but are related to the level of professionalism. Huselid, M. A., Jackson, S. E., & Schuler, R. S. 1997). The prospects for human resource management in the future depend on the role of the parties involved in it. Considering how important and strategic the role or function of human resource management is, this area should receive serious attention. As has been explained at length above, what can provide a competitive advantage is human resources themselves, not other aspects such as technology, natural resources, and so on.

CONCLUSIONS AND RECOMMENDATIONS

1. Performance assessment is very important to carry out because with the assessment it is hoped that all parties in the organization, both employees and executives, can improve their performance and can lead to quality improvements.
2. The manager's assessment of his subordinates is aimed at the good of the employee and the organization.
3. Organizational performance can increase a company's ability to achieve competitive advantage.
4. How organizational performance can increase competitive advantage because HR practices and systems that are truly implemented well and by internal and external aspects will be difficult for competitors to imitate because interactions and culture will be intertwined which are intangible assets.
5. The company's objectives and financial aspects in the form of profits and return on capital depend on the performance results of the organization concerned. So it can be seen that organizational performance will influence the company's performance, so the role of human resource management is very closely related to line managers.

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