

Measuring work performance

Assessments tools, whether in-house or outsourced, are increasingly being used to enhance employee output

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It may be tempting to believe that if you have hired the right people and trained them to do their jobs, you do not have to spend time or energy measuring their performance. The truth, however, is that you have just about laid the foundation.

In order to build upon that foundation and continually improve performance, there is need to help employees grow and learn. It's crucial for an organisation, therefore, to implement a well-designed, measurement programme.

Measurement is basically a sampling of current performance. It is compared to a desired result to see if the objective is being met. Companies, departments and people measure to see if they are able to accomplish their mission. Without measurement, we would not know if we are proceeding correctly to achieve our mission.

According to experts, if the companies do not measure the various aspects of employees' performance, they are likely to find that even their star performers will start to show decreased motivation.

In the absence of an effective measuring and coaching programme, metrics and feedback become arbitrary, overly subjective and inconsistent. Not only will this be a strong demotivator for the group, but it might also cause legal and ethical problems for the organisation.

According to a survey done by SHL India Pvt Ltd, a company specialising in psychometric solutions and 360-degree tests where the opinion of an employee's colleagues including juniors is taken into consideration—in India, nearly 60% of the organisations use any assessment tools—including tools developed by internal managers, to measure the performance of their employees. Among the tools used for employee development, competency assessment is the most common tool and 360 degree, the least.

YVL Pandit, MD of SHL India, said: "Assessment tools provide invaluable information about a candidate's abilities, personality and motivation, and you will be able to assess whether the candidates'



competencies match the competencies required for the job."

In India, some companies prepare assessment tools in-house whereas some outsource the assessment work to consultants outside the organisation. Employee assessment tools are designed to identify a specific set of skills and competencies for a specific role or level in the organisation. Different sets or combinations of tools are used depending on the role or level, or what the organisation is looking for in an individual. As the tools are only focused on competencies, personal bias is eliminated ensuring transparency and fairness in the assessment process.

According to Pandit, "A personality questionnaire will cost Rs 1,500 per per-

son, ability test will cost Rs 500 and setting up a development centre that includes conducting ability test, personality questionnaire and stimulation exercise—role play, case study presentation and in-tray exercise—costs Rs 60,000 to Rs 65,000 for mid- and senior-level executives and Rs 20,000 to Rs 25,000 for junior executives."

Preparing a good assessment tool involves psychologists, psychometricians and research along with elaborate study of reliability and validity of the tools, according to experts.

Ashok Leyland, the country's second largest commercial vehicle maker uses a mix of both—prepare assessment tools in-house as well as outsource the work to consultants outside. The company uses

personality assessment for senior-level recruitment and tools like personality mapping, 360-degree assessment and case presentation for internal assessment. Declining to give specifics about the cost benefit when the work is outsourced and done in-house, JN Amrolia, executive director-HR, Ashok Leyland, said: "We do not see it as a cost but as an investment towards the development of in-house expertise and capabilities. Outsourcing assessments especially for senior-level recruitment is expensive but the cost is negligible considering the impact a wrong selection can have at that level."

Similarly Intelenet Global Solution, a Mumbai-based BPO develops assessment tools in-house and conducts the tests in-

house for the candidates' recruitment and annual performance management. However, for the accelerated career development programme for its employees, the assessment tools are outsourced. "We believe that one of the critical success factors for delivering value to our customers and achieving success is the quality and calibre of people that are recruited," said Manual D'Souza, executive vice-president, human resources, Intelenet Global Services.

Appraising employees tends to get more focused. "A formal appraisal process is conducted once a year along with quarterly reviews to discuss the progress made on accomplishment of tasks, identification of developmental inputs, support needed and to spur on performance by reinforcing desired behaviour and counselling on negative traits," D'Souza adds.

According to industry experts, most companies outsource their work especially for assessing their senior-level executives where the assessment is in-depth and complex. And different tools are used for different functions or categories and levels.

Amrolia is of the view that, "The assessment tools provide an opportunity to get an added perspective on an individual employee or a potential employee. Secondly, these tools are ideal to identify latent talent or capabilities of individuals particularly when the current job does not offer the scope for expression. Thirdly, employees have to be assessed across various functions, there is the need for a common tool or yardstick and that's again where assessment tools come in handy," he adds.

Other areas where these assessment tools play a key role are future leadership skills' identification, for assessing certain 'soft competencies' and for assessing roles that are 'different' from their current role.

However, nearly 40% of the organisations in India do not use any assessment tool. Experts mentioned that there was a common perception that most assessment tools available in the market did not assess the competencies required by the organisation. Moreover, it is felt that tools are expensive and are not essential as results can be obtained without using any tools.