EXPLORING THE INPUT OF COMPETENCE ASSESSMENT TO GOAL-SETTING IN VARIOUS TYPES OF ORGANIZATIONS

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About goal setting in organizations (1)

As organization performance management (Armstrong, 2000)

As a motivation system (Berrel & Huan, 2004)

For improving performance results (Lunenburg, 2011; DuBrin, 2012) etc.

Goals & goal setting in organizations

But: How to determine if it is done properly?

About goal setting in organizations (2)

Best practices of goal setting are usually expressed in terms of what is a good goal (Locke & Latham, 2002; Lunenburg 2011)

Useful approach if the new goals reflect previous experience

What if new goals are not similar to the previous ones?

What if the resources are not the same?

When setting a goal: evaluating possibility to reach the goal at the end of the period

A need for reliable criterion that can indicate the possibility of reaching the goal

Linking goals with employee competences

A competence as a measure for employees (McClelland, 1973; Boyatzis, 1982)

Competence as an important resource of an organisation (Prahalad & Hammel, 1990)

In general, competences are being managed to heighten organizational effectiveness (Campion et al., 2011)

But how do organizations in Latvia manage competences in relation to organizational goals?

Aim and research questions

Aim: to investigate the existing practices of linking competence assessment to organizational goal-setting in various organisations in Latvia

Research questions:

1. How does an organization formulate its goal in relation to how it can be assessed?
2. How does management assess employees' ability to reach the formulated goal?
3. How do employees assess their ability to reach the formulated goal (as perceived by management)?
4. What similarities and differences of aligning employee competence assessment to goal-setting can be observed in different types of organizations?

Methodology

Methodology: selection of cases

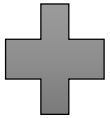
- 26 organizations in total (private & public)
- **Private sector** organizations selected according to size (number of employees, turnover, balance of income and expenditure, relation to other organizations (European Commission, 2008)). Four groups are represented: small & micro (N=3), medium (N=4), large (N=7)
- 2 groups of **Public service** organizations:
- **Public schools** providing compulsory education programmes (N=8) and **other public service** organizations (N=4) that are directly governed by the state or a municipality

Methodology: selection criteria for public schools

- 1st: size as management workload rate and number of students, 6 groups (very small to very large); 4 of them are represented in this research
- 2nd: different administratively territorial division; 5 groups, all of them represented in this research
- 3rd: type of education programme provided by a school; 7 groups, 5 of them represented in this research

Gathering data

Semi-structured interviews with representatives of higher, middle or lower level managerial positions (principals in schools)



Publicly available internal documents of schools (development plans)

- Interviews were done in the period of March - May, 2017

Data analysis

- According to a conceptual framework of criteria influencing goal-setting process. 3 subsets of criteria are used:

Formulation of a goal (Tompkins, 2005)

Assessment of an employee's ability to reach the assigned goal done by the management (Klein, Cooper, & Monahan, 2013)

Employee's self-assessment on his/her ability to reach the assigned goal (as understood by the management) (Bandura, 2013)

Results

Formulation of a goal

		Types of organizations		
No.	Indicators (describing the criteria)	Schools (N=8)	Other public service (N=4)	Private (N=14)
1	Freely formulated and unmeasurable	3	2	3
		7		
2	Some goals are quantitatively formulated	7	2	4
		1		
3	All goals are measurable and testable	0 (document content only)	0	7

Assessment of employees' ability to reach a goal

		Types of organizations		
No.	Indicators (describing the criteria)	Schools (N=8)	Other public service (N=4)	Private (N=14)
1	Previous experience	2	3	9
		0		
2	Training new employees	3	0	1
		0		
3	Regular progress assessment	4	2	7
		0		
4	Subjective assessment done by management	7	2	4
		0		
5	Employees' qualification, job description	0	3	2
		0		
6	Employees' skills, knowledge, competences	2	1	1
		3		

Employee self-assessment to reach a goal

		Types of organizations		
No.	Indicators (describing the criteria)	Schools (N=8)	Other public service (N=4)	Private (N=14)
1	Employees' subjective assessment	1	4	8
		0		
2	Regular progress assessment	5	0	6
		1		
3	Subjective assessment done by management	4	1	4
		0		

Differences in selected organizations

- Private sector organizations more likely to formulate measurable & testable goals
- Private sector & other public service organizations rely on previous experience when assessing employees' ability to reach a goal as compared to schools

Similarities in selected organizations

- Goals expressed in terms of what needs to be achieved without indicating what resources are needed to reach the goals
- Employees' ability to reach a goal is assessed after the goal is formulated and set
- Tendency for subjective assessment of employees' ability done by the management
- Employee competence is rarely measured in relation to determining their ability to reach a goal
- Employees can address their inability to reach a goal but management does not make changes to the goals
- Some type of subjective assessment is being done either by the employee or by management

Conclusions

Conclusions (1)

- Quantitatively formulated goals assessed according to predefined indicators (applies only to private sector)
- Qualitative goals assessed according to a subjective evaluation done by management or an expert
- In schools, principals aim to formulate goals as understandable for all teachers, measurable and attainable
- According to principals, a goal can be assessed by both qualitative and quantitative measures: *"It can't be only numbers or results, sometimes it is attitude of students and teachers".* But development plans show that goals are mostly formulated in a free and qualitative way

Conclusions (2)

- Goal setting based on managers' past experience working in similar situations
- Managers' experience is based on employees they have worked with
- Subjective methods of employee competence evaluation are mostly used in all organizations
- The ability of employees assigned to the goals has not been a major concern of the managers
- Involvement of employees in goal-setting is limited in most organisations, except in schools where teachers are actively involved

Conclusions (3)

- Limited procedures for employees to do self-assessment of the ability to reach goals
- A goal does not change after employees have expressed doubts
- In schools, teachers evaluate their ability to reach a goal mainly by participating in meetings with other teachers and management and by doing self-assessment
- Assessment of employees is typically made at the end of the business cycle together with the assessment of goals reached
- Some of the organisations also indicate that their employee assessment methods are subjective and lack rigorous criteria for the assessment

Several risks

- Organisations are unable to predict their ability to reach goals
- Decreased chance to have development activities
- Employees may not feel sufficiently appreciated
- Employees not fully integrated into the organization

Some recommendations

- Competences can be used both for describing employees and goals as a way to align them
- Forecast for reaching the goal can be more precise
- Goal-oriented employee development

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Thank you!

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