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SOURCES OF ERRORS IN THE EVALUATION OF PERFORMANCE OF EMPLOYEES IN THE SECTOR OF PUBLIC ADMINISTRATION REFORM IN BOSNIA AND HERZEGOVINA

Adisa Delić¹, Mirela Ćebić²

RESUME

This paper is focused on the process of evaluating performance of employees. Special emphasis has been put on possible errors that may impair the objectivity of the outcome of this process. The purpose of implementing this process lies in identifying potential employees, providing information that can serve as a basis for human resource planning, forming a basis for assessing the effectiveness of the process of professional selection, establishing training needs and planning employees' training, reinforcing the motivation of employees at work, etc. However, due to inadequate structure of the system of performance evaluation, there appears to be a list of various errors that limit their objectivity. Hence, the purpose of this study is to indicate the possible sources of errors and mistakes in evaluating the performance, with special emphasis put on empirical research conducted in this field in the sector of public administration of Bosnia and Herzegovina (BiH).

Key Words: errors in the evaluation of performance, sector of public administration, Bosnia and Herzegovina

JEL: M5

1. INTRODUCTIONS OBSERVATIONS

Modern organizations that seek to achieve competitive advantage through employees must be trained to manage their behavior and results. The evaluation of employee performance is a process that evaluates their individual contribution to achieving organizational objectives within a defined time period. Performance or its effects may be a measurable result that is achieved, or behavior or personal characteristics necessary to perform certain activities (Bogicevic, 2004, pp. 189). Most authors in the field of human resources management, with an interest in the management of occupational success, recommended that, when designing a system for assessing performance, it is necessary to combine different types of performance, whereby it is important that the object of evaluation consists of relevant dimensions of work. In practice, there are six basic dimensions of work that are most commonly used: quality, quantity, respect of deadlines, cost efficiency, need for supervision and instructing and interpersonal influence (Bogicevic, 2004, pp.191).

Possible positive effects of performance evaluation of employees are multiple: identifying potential employees, providing information that can serve as a basis for human resources planning, forming a basis for assessing the effectiveness of the process of professional selection, establishing training needs and planning employees' training. However, one of the most important benefits

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of the implementation of the process of performance evaluation should enhance employee motivation at work. Moreover, the perception that employees are subjected to the evaluation process could result in their increased work engagement. On the other hand, motivation at work can be enhanced through the possibility of obtaining different benefits (bonuses, salary raises, etc.), the possibility of promotion to a higher level in the organization, or through the possibility of achieving participation in the training programs or development in the organization and beyond, which could be the achieved result that is confirmed by the performance evaluator. However, the practice showed that the effects of the implementation process of performance evaluation of the employees were not satisfactory. The reason often lies in inadequate structure of the system of evaluation performance. Therefore, even though many organizations use a system of performance evaluation of their employees, the majority of people have expressed their dissatisfaction with the way this process works, and with its results as well. Hence, the area of management on human resources in its process is treated as "the most neglected" and "the weakest link" by many theorists such as: Bernardin, Beatty, Laud, Carson, Cardy and others (Bernardin., Russell, 1998, pp. 243). Some authors take a step further and consider that inadequately structured and implemented evaluation performance system, which is abundant in errors regarding the evaluation, does not only increase motivation at work, but largely demotivates employees, since they tend to show poor work performance in the future. The reason often lies in the incorrect choice of reviewers, they make mistakes (e.g. arbitrary evaluation that they perform, the absurdity of the performance evaluation system on a real job description, unjust

awarding of individuals after the completion of this process, etc).

Considering the above, it can be argued that performance evaluation in the organizations can have numerous positive effects that can improve organizational effectiveness on one hand, primarily through strengthening the motivation of employees; while on the other hand, it can make them reduce their work commitment. Errors in the design of performance evaluation systems, as well as the manner of its implementation in practice, are highly generated by the biased outcome of performance evaluation.

2. A REVIEW OF THE RELEVANT RESEARCH ON ERRORS THAT OCCUR IN THE PROCESS OF PERFORMANCE EVALUATION

The current theoretical knowledge and practical experience so far have shown that the difficulties in evaluating work performance are most often associated with the following problems: a) an adequate definition on work performance which is the subject of evaluation, b) the selection of instruments used for measuring work performance; c) the problems that occur during the observation and interpretation of job performance; d) the set-up of an adequate feedback e) the problems which occur in decision making on the future treatment of employees, associated with the results of the evaluation of their job performance.

In order to overcome the problems in defining the performance, according to some authors the process should include the following: a) defining the relevant dimensions of performance, b) performance standards or expectations associated with levels of performance c) selecting the weighting of situational constraints (Latham, Sulsky, Macdonald, 2007, pp. 366); d) number of performance levels or gradation (Cardy and Keefe, 1994); e) deter-

mining the extent to which the performance should be based on absolute vs. relative comparative standards (Austin and Villanova 1992; Wagner and Goffin 1997).

The development of appropriate instruments used to assess the success of work performance largely affects the objectivity of the outcome of the assessment. The most commonly used are BARS (BARS- Behaviourally Anchored Rating Scales, Smith and Kenall, 1963) and BOS scales (BOS- Behavioural Observation Scales, Latham and Wexley, 1977). The principal advantage of BARS instruments reflects in the fact that the set-up of rating scales (composed of illustrations of behavior that is achieved through the analysis of techniques and a critical instrument) involves their own performance estimators, which may affect their commitment to getting objective final results. The BOS instrument shows a multitude of dimensions of the work results along with the defining relations for each one of them (Torrington, Hall, Taylor, 1998, pp. 302-303). The research has shown that there is no significant difference between BARS and BOS scales in terms of evaluation when it comes to minimizing 'halo' and errors of 'mild' evaluation (Latham, Sulsky and Macdonald, 2007, pp. 368). On the other hand, it was confirmed that evaluation errors tend to be lower if evaluators participated in a training framework that is familiar with the possibilities of occurrence of errors in evaluation of the work performance (Latham and Latham, 2000). There has been a growing trend of EPM application (Electronic Performance Monitoring/EPM), as a result of the development of information technologies and efforts to bring the evaluators' errors to a minimum. However, the survey has shown that the EPM application has multiple negative consequences for the employees. It has been observed that the employee whose work

performance is monitored in this way increases the level of stress that is associated with the work, which has increased the number of illnesses associated with stress, and the levels of absenteeism and job dissatisfaction (Zweig and Webster, 2002; Zweig, 2005).

Errors in the evaluation of work performance are usually associated with the performance observation phase. Both, the research in theory and experience in practice show that the performance observer must go through a proper training in order to reduce potential errors in the estimation performance phase. For this purpose a variety of training approaches and training programs on observation have been developed, such as: Frame-of-Reference or FOR (check Bernardin, 2005; Sulsky and Day, 1992) and Latham's workshop (Latham, Sulsky and Macdonald, 2007, pp. 372). Providing employees with the feedback on their work performance evaluations is also an important phase in the process of performance evaluation. Appropriate feedback leads to achieving the positive effects of performance evaluation in the field of improving work results and motivation. According to DeNisi and Kluger, feedback is positive when: a) it is focused on the behaviour rather than the person; b) it is focused on desired behaviour and the demonstration that leads to it; c) it is used for establishing certain goals (DeNisi i Kluger, 2000). It is recommended that during the feedback interview employees should first be presented with their positive and then negative ratings, that there should be a written record on the reactions of employees to the assessment and that whoever presents the assessment should be able to listen to employees, and should also be able to take care of their non-verbal communication during the interview (Bogicevic, 2004, pp. 203).

Even during the phase of decision making on the future treatment of employees associated with the results of the evaluation of their job performance (for instance: Which employee should be promoted to a higher level? Which employees should get a pay raise, which employees need additional training? Which employee is not a productive member of the team? etc.) errors are possible. Practical experience has shown, for instance, that performance evaluators are sometimes prone to selective search for information (obtained in the evaluation process) that will confirm their pre-made decisions or opinions on the future treatment of individual employees. (Latham, Sulsky and Macdonald, 2007, pp 376-377).

3. ERRORS IN OBSERVATION AND INTERPRETATION OF WORK EFFICIENCY

The research shows that evaluators' errors occur when evaluating performance of employees, since evaluators are faced with limitations in processing information. This limitation leads to a more frequent use of "heuristics" or mechanisms for simplicity in the evaluation whether the estimates are related to investments or they are intended for people (Tversky, Kahneman, 1973, pp. 207-232). These heuristic algorithms, which often occur in subjective effectiveness measurements can lead to evaluators' errors (Noe, Hollenbeck, Gerhart, Wright, 2000, pp. 303). As in any system of evaluation performance of employees, evaluators are required to make subjective evaluation of others, therefore it is very important to take into account the possible errors related to the subjective evaluation, which can occur whether we want it or not. We have identified the following most common sources of errors and mistakes in evaluating the operating performance based on practical experience gained during the implementation of this

process and also through the analysis of the cognitive nature of the evaluation performance process (Bernardin, Russell, 1998; Latham, Wexley, 1998):

- **Unclear standards of work performance.** Problems with unclear standards for performance evaluation are associated with graphic scales for the evaluation, whose dimensions can be interpreted in different ways, which brings us to assessment that is not objective. For instance, some evaluators may perceive dimension "a good employee," on the graphic scale, as a dimension according to which the employee is successful, while others may perceive it as "average" when referring to the completion of their daily tasks.
- **Halo effect.** Halo effect means that the evaluation of employees in a field/through one of the characteristics determines grades in other fields/and through other characteristics. In this case, the correlation between the scores for one employee is very high in all the dimensions.
- **Central tendency error.** This type of error occurs if the evaluator/evaluators grade all the employees with an average rating. Therefore, we question the purpose of carrying out the process of work performance efficiency, since it is impossible to identify employees who possess the potential for development, and so require an additional training, etc.
- **Errors of mild and/or rigorous evaluation.** Some evaluators had a tendency to give all employees very high grades, while the others were far more "rigorous" and that was reflected in giving low ratings to all the employees. This problem is in the process of

performance evaluation and can be overcome if we introduce the ranking of employees instead of using the graphic scale for the assessment.

- **The fundamental attribution error.** This type of error occurs when the evaluator, through the assessment of the employee, overestimates or understates the importance of situational factors that influence the level of early success in the period.
- **Memory error.** Memory errors occur in a situation when the assessor makes an employee work performance evaluation under the influence of memories of certain extreme events or behaviour of the employee (whether negative or positive).
- **First impression error.** This represents the tendency of evaluators to assess the performance of employees over a longer period of time based on the first impression, which can be both good and bad.
- **Egocentric attribution errors.** This type of error occurs when evaluators determined that the employees whom they perceive to be similar to themselves (similar background, level of education, gender, similar system of values, etc.) are graded better than they deserve.
- **Evaluators' prejudices.** If the evaluator's rating of the employee's work performance is based on his/her own prejudices, such as racial or ethnic background of the employee, their gender or age, then we are talking about evaluation errors, and their sources lie in the evaluators' judgements.

In practice, we have developed different approaches in order to reduce the uncon-

scious or intentional errors of the evaluators (Noe, Hollenbeck, Gerhart, Wright, pp. 303). For instance, the training on evaluator's errors is trying to raise awareness in managers so they could develop strategies for minimalization of these errors (Latham, Wexley, Pursell, 1975, pp. 550-555).

In the literature, in addition to the concept of training on the accuracy of assessors we often encounter the concept of training the reference frame, which is intended to emphasize the multidimensional nature of work performance and thoroughly familiarize evaluators with the actual content of the various dimensions of work performance. Other things included here are providing examples of the effectiveness of each dimension and then explaining the actual or "exact" level of effectiveness, which is illustrated by a specific example (Pulakos, 1984, pp. 581-588). This shows that the training on reference frame does increase the accuracy if it can provide a practical exercise and a feedback on their accuracy (Borman, 1991, pp. 271-326).

4. SPECIFICATIONS IN PERFORMANCE EVALUATION IN THE SECTOR OF PUBLIC ADMINISTRATION OF BOSNIA AND HERZEGOVINA

An adequately designed system of performance evaluation of employees should include several elements: defining performance that will be subject to measurement, selection of appropriate methods and instruments for measuring performance, choice of evaluators and timing measurements, and providing feedback to employees about the results achieved. In addition, performance evaluation system should meet several criteria, such as: validity (the measurement of important components of work in a representative manner); reliability (high degree of agreement of evaluators when evaluating the

performance of employees), practicality (the low cost of setting up and implementing performance evaluation systems) and the criterion of avoiding discrimination. If the performance evaluation system is not adequately structured, and if it does not meet these criteria, its implementation can have a number of negative implications for the organizational goals and effectiveness, and also for the social atmosphere at work and motivation of employees. The most important functions of the implementation of performance evaluation system that should be achieved in the organization are: development skills (identification of individual strengths and weaknesses, such as lack of skills and motivational problems, relocation planning, identifying training needs, etc.), stabilization skills (Human Resource Planning, Evaluation of the realization on organizational goals, identifying organizational needs for development, etc.), administration skills (promotion, salaries, retention or dismissal) and documentary skills (documentation for some decisions in the field of human resources, the basis for compliance with legislation in the field of labour and employment).

The legislation system on evaluation of the employees in public administration is defined and regulated by the Law on Civil Service in the Institutions of Bosnia and Herzegovina (Official Gazette of BiH, 12/02), the Rules of Procedure of evaluation and promotion of civil servants in BiH Institutions (Official Gazette of BiH, 17/04), and the Law on Ministries and administrative bodies (Official Gazette of BiH, 05/03). The subject of evaluation is the quality of performance as well as efficient, professional and timely work performance, obligatory vocational education and training, a proper attitude towards the means of work, the rational use of working time and presence at work, the expression of personal characters at work - such as the

attitudes and behaviour towards clients and colleagues, writing and publishing scientific papers, books, school books, studies and publications. The work of the Ministry Secretary, Minister Assistant and the General Inspector is evaluated by the Minister with the consent of the Deputy Minister. The work of the manager and deputy manager of administrative organizations within the Ministry is evaluated by the Minister, with the consent of the Deputy Minister and is based on previous reviews of the Ministry Secretary. The Assistant of the Head of the Administrative Organization and the General Inspector of the Administrative Organization is evaluated by the manager of the Administrative Organization. The work of the Operation Manager and Deputy Head of the Administrative Council of Ministers of the organization is evaluated on the basis of the Commission's report, for which the commission is specially trained. Proposal of Decision on the work of other civil servants is dependent on superior civil servant, who submits his/her proposal to the relevant senior civil servant to look through. The procedure for evaluation of civil servants is conducted at least once during the period of twelve months. According to the Law on Civil Service in the Institutions of Bosnia and Herzegovina, the government officials with a negative score are provided with the additional training, and also a civil servant is dismissed if two consecutive evaluations of his/her work are negative.

Through the analysis of the existing system of evaluation performance in the public administration in BiH, we can see that its implementation primarily leads to achieving the documentary and administrative functions, and only partially development and stabilization functions. Moreover, even though the Law on Civil Service in the Institutions of Bosnia and Herzegovina provides that the results of evaluations are taken into account

for promotion and internal transfers, in theory, the promotion decisions based on this ground are very rarely achieved and there are several reasons for that: 1) the law has not precisely defined the rating that the employee must reach in order to be promoted 2) the decision-making process involves only the supervisors (which, according to the recent trends in the field of human resource management, does not result in an objective evaluation 3) the questionnaire that is used as an instrument for the purpose of evaluation is universal and general, it is not adjusted sufficiently to the specification and content of each work. Although the civil servant may get a raise in salary based on the evaluation of his/her work, the additional income for the employees who are rated as "extremely successful", in relation to those who are rated as "successful" is minor. Taking all this into account, it seems justified to question how employees and managers in the Public Administration of BiH perceive possible errors and sources of errors and mistakes that occur in the process of evaluation performance, which also constitutes the subject of empirical research, whose specification and its results are presented below.

5. EMPIRICAL STUDY ON ERRORS IN WORK EFFICIENCY IN THE SECTOR OF THE PUBLIC ADMINISTRATIONS OF BOSNIA AND HERZEGOVINA

5.1. Defining a core set and research instruments

The basic research consists of a set of organs of public administration of Bosnia and Herzegovina or Bosnia and Herzegovina institutions including: agencies, directories, institutes, committees, ministries, offices and others. Taking into consideration the limitations that are characteristic of the public administration, it was decided that a survey sample will

consist of 100 direct supervisors and 200 of employees (civil servants and employees). During the set-up of a survey sample, a stratified - random sample method was used, and this pattern is based on the principles of the theory of probability, where elements of the sample are selected randomly (*Simple Random Sample*). Specifically, it is a disproportionately stratified sample that we are talking about. Stratification was performed according to the data and organizational schemes of public administration, and so we have come up with the following strata: top management level (first stratum), the middle management level (second stratum) and the lowest management level and other employees (third stratum).

A total of 249 employees at the top management level (directors, assistant directors, ministers, deputy ministers, and others) are employed in Public Administration of Bosnia and Herzegovina. A total of 463 employees belong to middle management level (heads of departments, groups, units, offices and others) and a total of 3,000 employees are at the lowest level (professional advisors, senior associates, professional associates, senior associates, and employees). The questionnaire covered: 100 immediate supervisors (27 civil servants at the highest management level, 73 civil servants at the middle-management level) and 200 employees (civil servants and employees) in public administration. Due to a large number of questions contained in the questionnaire, in most cases the form of closed questions was selected. Those are the questions with answers that have a multiple choice of intensity. In most cases the questions with multiple choice of intensity applied a Likert-type scale, which consists of five intensities, and a number of claims, which are an indication of a certain attitude.

Table 5.1. Attitudes of employees towards the existing grading system of those employed in the public administration of BiH (Source: results of empirical research)

I believe that mistakes in assessing the work performance are the result of the shortcomings of the existing system of evaluation performance of employees	The level of agreement/ disagreement				
	I completely agree	I agree	I agree to certain extent	I do not agree	I do not agree at all
All the employees	34,67%	35,00%	21,67%	7,67%	1,00%
Top management level	33,33%	33,33%	22,22%	7,41%	3,70%
The middle management level	27,40%	42,47%	27,40%	2,74%	0,00%
The lowest management level	37,50%	32,50%	19,50%	9,50%	1,00%

5.2. Data Processing

The collected data were processed on a personal computer using Microsoft's software package for the spreadsheet Excel 2007. The following approaches to the analysis of collected data, which are common in scientific applications of statistical methods, were used:

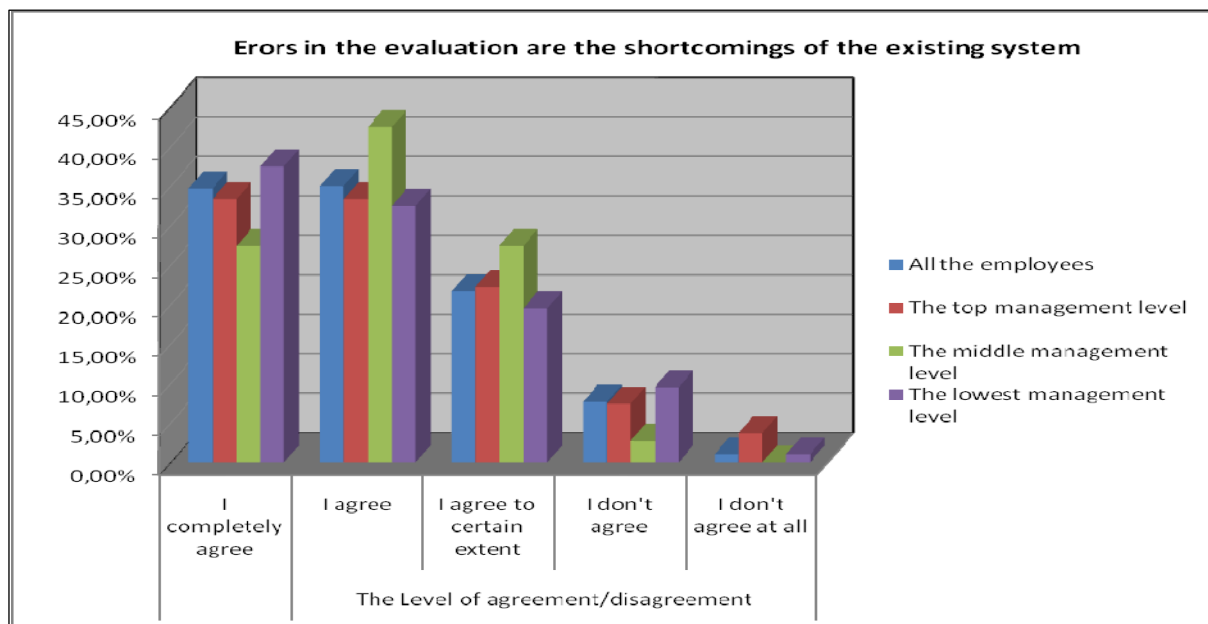
- Descriptive statistical analysis of collected data;
- Descriptive analysis of relationships among the selected data.
- Descriptive statistical analysis of collected data, done for each individual question and for each stratum separately.

5.3. Research Results

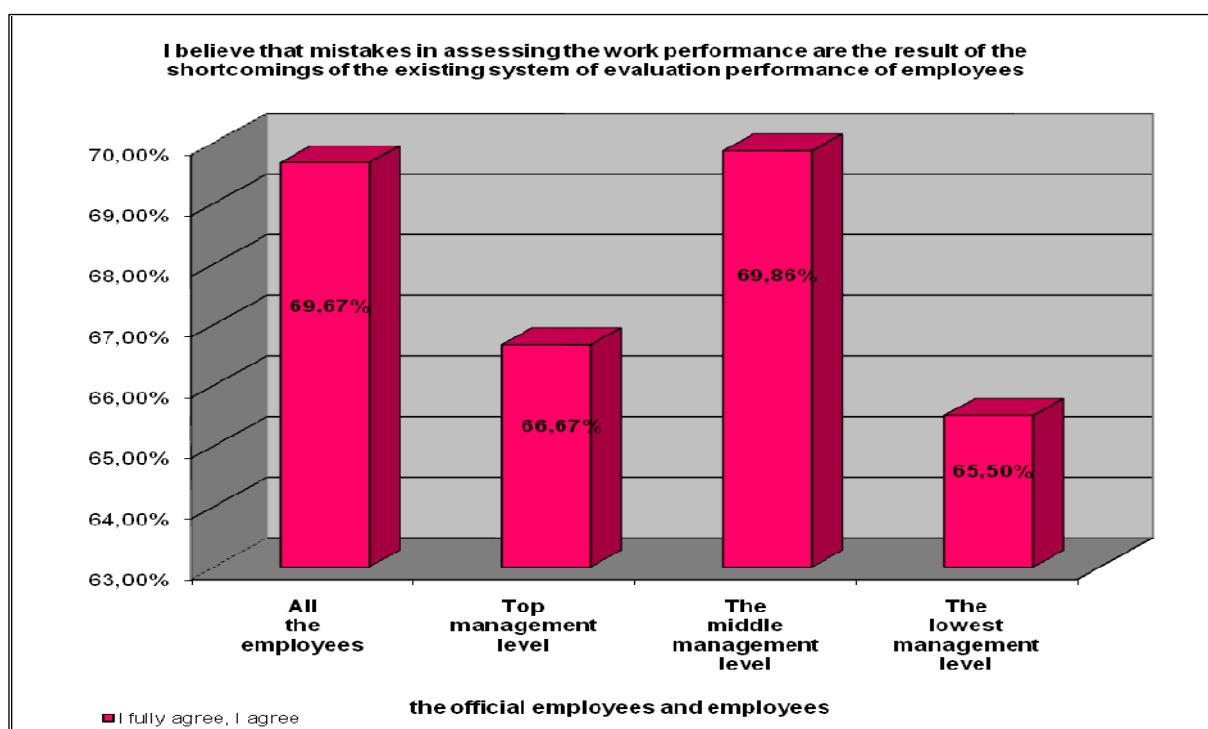
The results of empirical research show that the majority of managers, civil servants and employees in the public administration of Bosnia and Herzegovina, agree that the errors in performance evaluation are mostly due to

the lack of structure in the existing system of performance evaluation of employees. Specifically, a total of 69.67% of all the employees in the public administration of Bosnia and Herzegovina (civil servants and employees), and a 66.67% at the highest management level, 69.86% at the middle-management level and 65.50% at the lowest management level "totally agree" or "just agree" that the error in evaluation of the operating performance results in the lack of a design for the existing system of evaluation performance of employees (Table 5.1.; Graph 5.1. i 5.2).

When we consider the strata in the sample, it is particularly important to pay attention to the middle management level (heads of departments, groups, units, etc.) in terms of adequacy/inadequacy of the design of the existing evaluation performance system, since the mid-level managers are involved in the evaluation process in two ways: as evaluators themselves and as those who will be evaluated by others.



Graph 5.1. Attitudes of employees towards the existing grading system of those employed in the public administration of BiH (Source: results of empirical research)



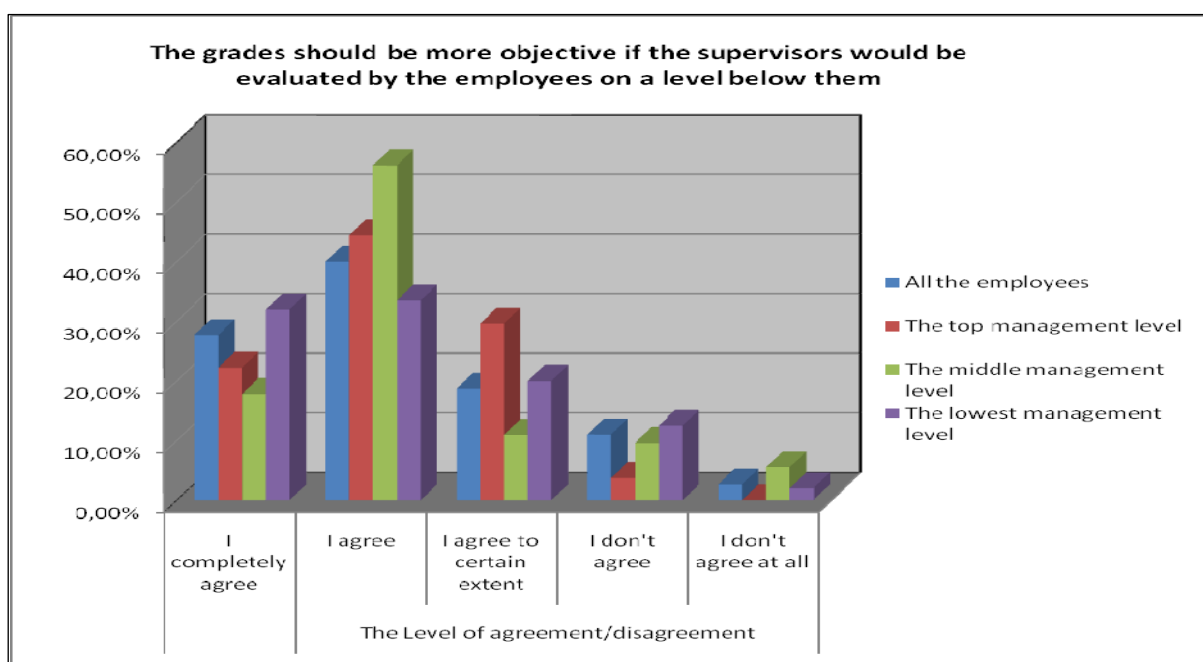
Graph 5.2. Attitudes of employees towards the existing grading system of those employed in the public administration of BiH – for all the strata according to sample (Source: results of empirical research)

Based on the results of empirical research, we can feel free to conclude that employees in the public administration of BiH, perceive the choice of performance evaluators as an important one, and consider that the change

towards the direction of the inclusion of a bigger number of reviewers would result in objective outcomes of the evaluation process and work efficiency.

Table 5.2. Attitudes of employees in the public administration of BiH on the supervisors who are the evaluators (Source: results of empirical research)

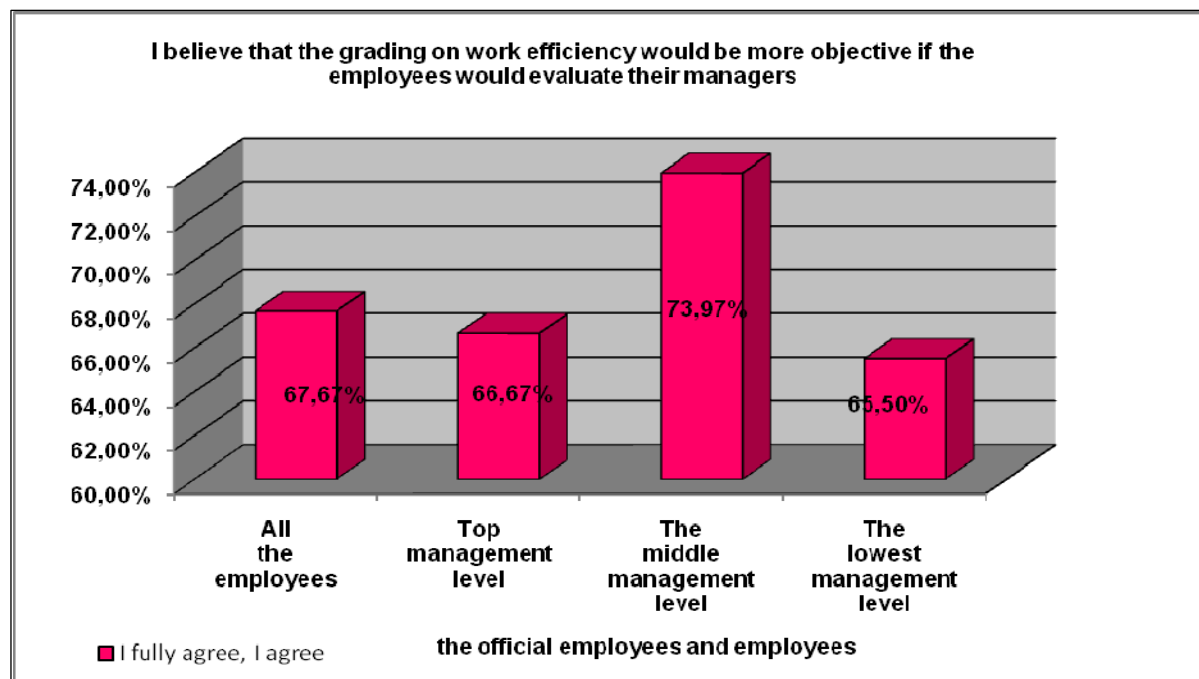
I believe that the evaluation of work efficiency should be more objective if the supervisors would be evaluated by the employees at a level below them	The level of agreement/disagreement				
	I completely agree	I agree	I agree to certain extent	I do not agree	I do not agree at all
All the employees	27,67%	40,00%	18,67%	11,00%	2,67%
Top management level	22,22%	44,44%	29,63%	3,70%	0,00%
The middle management level	17,81%	56,16%	10,96%	9,59%	5,48%
The lowest management level	32,00%	33,50%	20,00%	12,50%	2,00%



Graph 5.3. Attitudes of employees in the public administration of BiH on subordinates as evaluators (Source: results of empirical research)

The results of empirical research show that 67.67% of employees (civil servants), 66.67% of employees at the top management level, 73.97% employees at the middle management level and 65.50% of employees at the lowest management level in the public administration of BiH "fully agree" or "just agree" that the evaluation of work performance would be more objective if the supervisors were graded by the employees at a level below them. The empirical data also show that the employees in the public administration of BiH, believe that the process of performance evaluation of employees would be more objective if they included associates

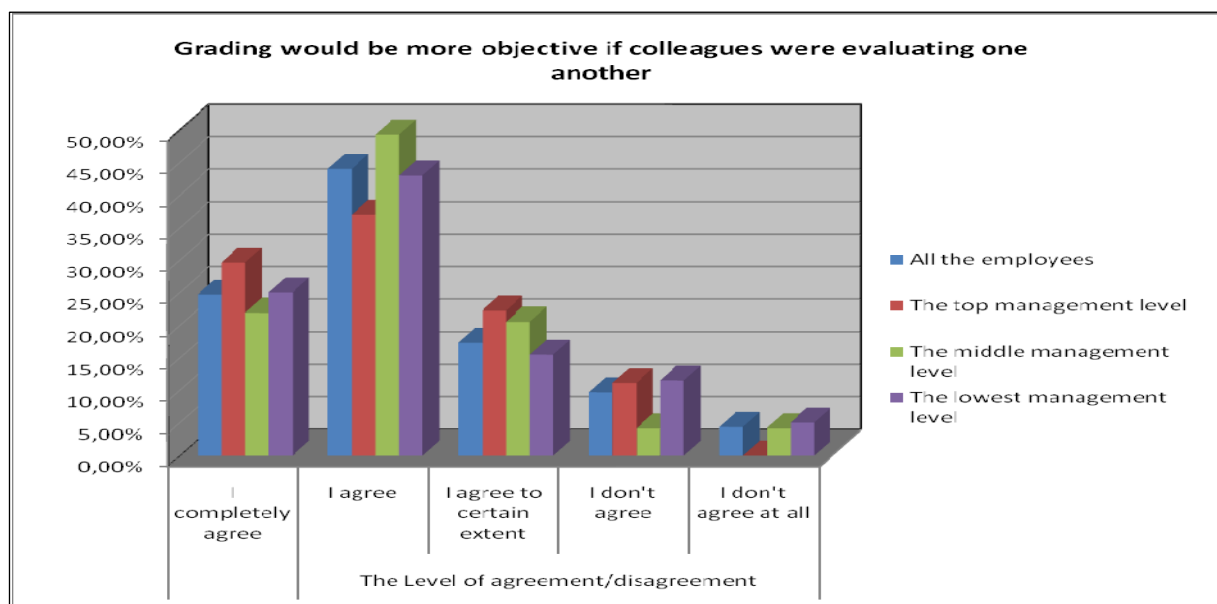
/colleagues in the process of work performance evaluation. This can be explained by the fact that most associates know the various dimensions of job performance of their colleagues, and are familiar with the effects of situational factors that determine work efficiency in a given period. Results of other studies in this field show that the performance evaluation, where evaluators were colleagues and collaborators, resulted in more objective and stable evaluation during a specified time period.



Graph 5.4. Attitudes of the employees in the public administration of BiH on their managers as evaluators - all strata in the sample (Source: results of empirical research)

Table 5.3. Attitudes of the employees in the public administration of BiH towards their colleagues as evaluators (Source: Results of empirical research)

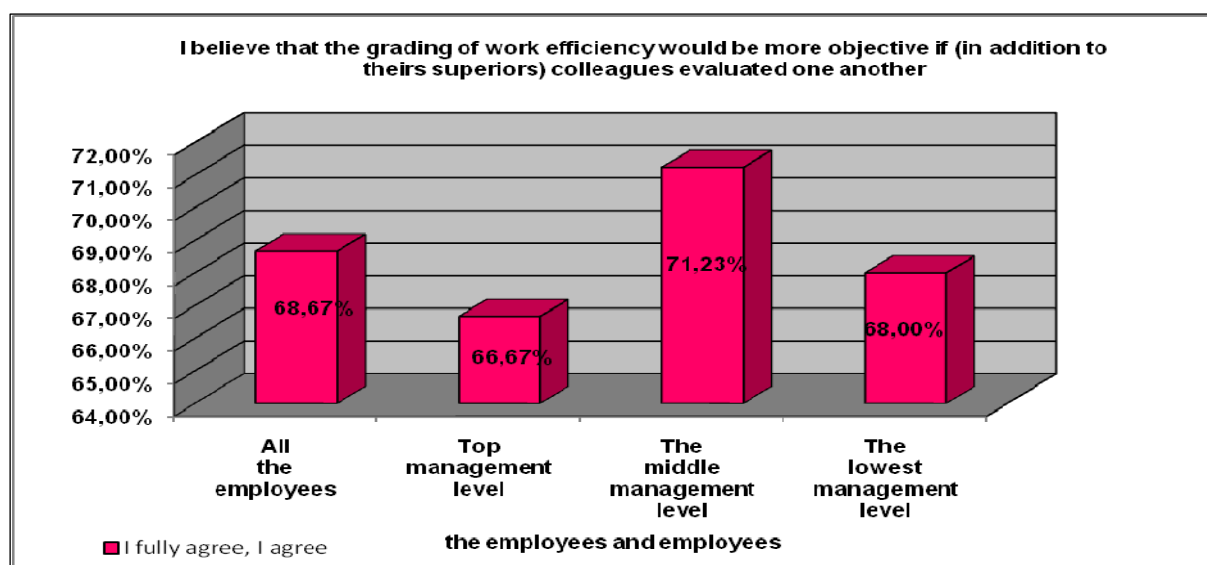
I believe that the grading on work efficiency would be more objective if colleagues were evaluating one another (along with the supervisors)	The level of agreement/ disagreement				
	I completely agree	I agree	I agree to certain extent	I do not agree	I do not agree at all
All the employees	24,67%	44,00%	17,33%	9,67%	4,33%
Top management level	29,63%	37,04%	22,22%	11,11%	0,00%
The middle management level	21,92%	49,32%	20,55%	4,11%	4,11%
The lowest management level	25,00%	43,00%	15,50%	11,50%	5,00%



Graph 5.5. Attitudes of the employees in the public administration of BiH towards their colleagues as evaluators (Source: Results of empirical research)

The results obtained on the basis of empirical research show that 68.67% of employees (civil officials and employees), 66.67% of the employees at the top management level, 71.23% of the employees at the middle management level and 68.00% of the

employees at the lowest management level in the public administration of BiH "fully agree" or "agree" that the work performance evaluation would be more objective when, in addition to their superiors, colleagues evaluated one another.



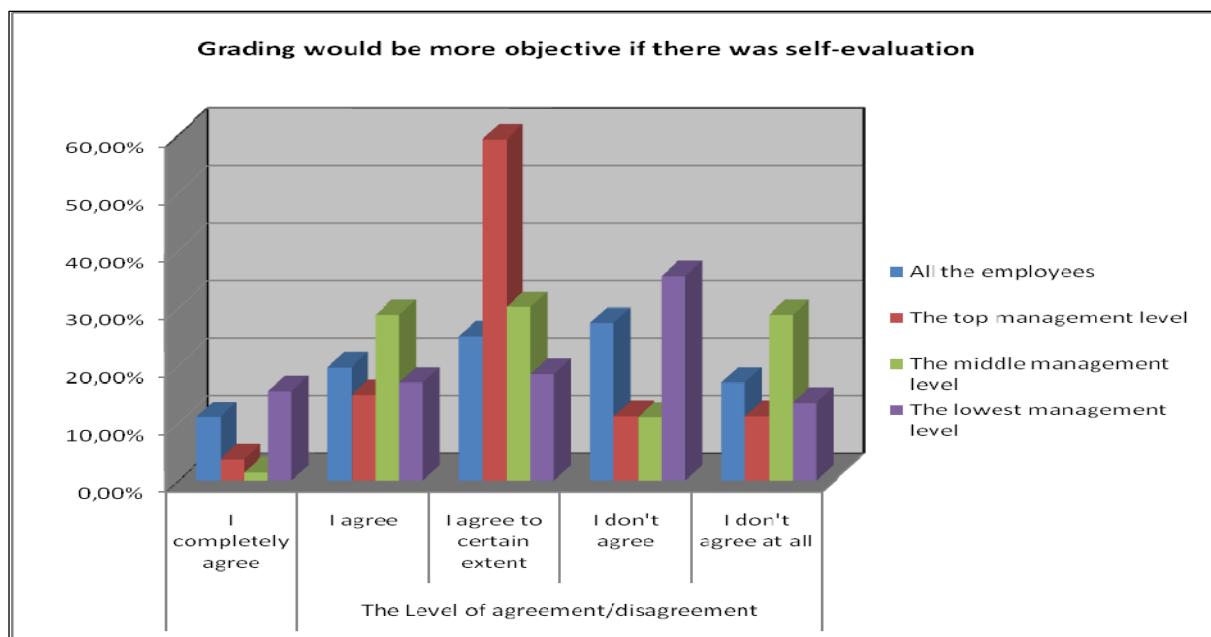
Graph 5.6. - Attitudes of the employees in the public administration of BiH towards their colleagues as evaluators – for all the strata in the sample (Source: results of empirical research)

Table 5.4. Attitudes of the employees in the public administration of BiH towards the self-evaluation (Source: results of empirical research)

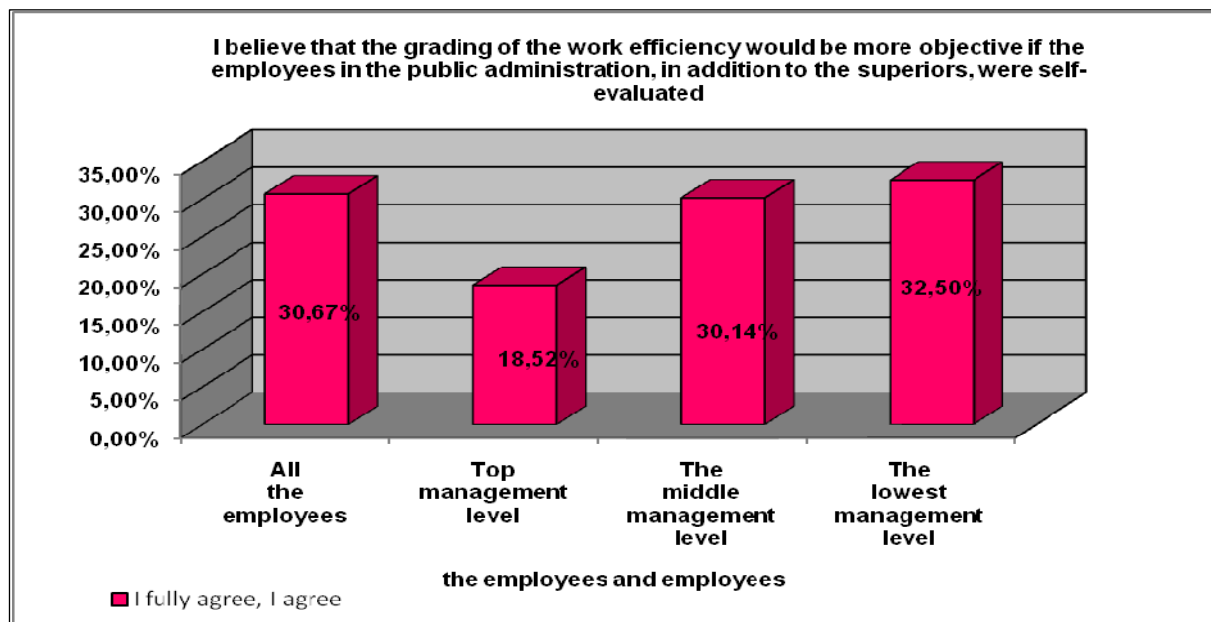
I believe that the grading of the work efficiency would be more objective if the employees in the public administration, in addition to the superiors, were self-evaluated	The level of agreement/ disagreement				
	I completely agree	I agree	I agree to certain extent	I do not agree	I do not agree at all
All the employees	11,00%	19,67%	25,00%	27,33%	17,00%
Top management level	3,70%	14,81%	59,26%	11,11%	11,11%
The middle management level	1,37%	28,77%	30,14%	10,96%	28,77%
The lowest management level	15,50%	17,00%	18,50%	35,50%	13,50%

The employees themselves, as evaluators, have the best insight into their own work. However, it is generally known that there is always a risk of overestimating and underestimating their work efficiency. Studies conducted in this field show that grades that are the result of self-evaluation were usually higher than the ratings conducted by managers, and women were more likely to self-evaluate themselves with the lower

grading compared to men and the same applies for younger people who would evaluate themselves with the lower ratings, unlike the older people. The results of research conducted in the public administration of Bosnia and Herzegovina confirmed that the self-evaluation is rather subjective to some extent.



Graph 5.7. Attitudes of the employees in the public administration of BiH towards the self-evaluation (Source: results of empirical research)



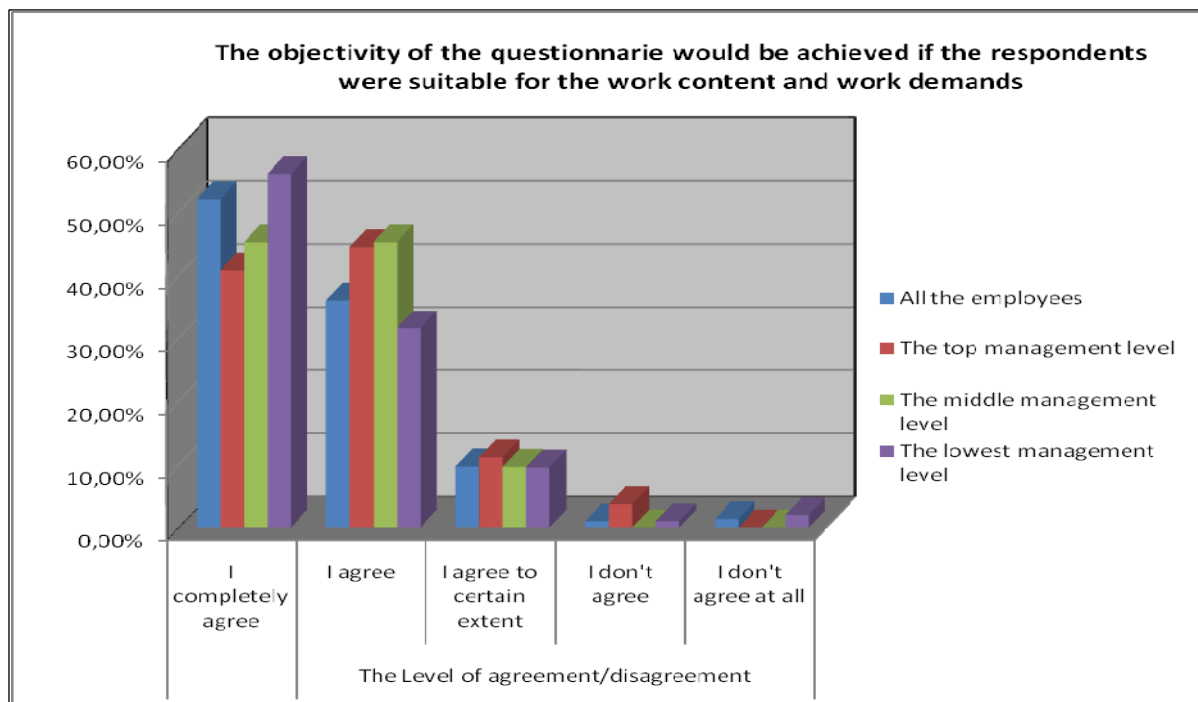
Graph 5.8. Attitudes of the employees in the public administration of BiH on the self-evaluation - for all strata in the sample (Source: results of empirical research)

The results of empirical research suggest that the work performance evaluation would not be objective when (in addition to superiors) the employees in the public administration of Bosnia and Herzegovina self-evaluated themselves. In fact, only 18.52% of the employees at the top management level, 30.14% of the employees at the middle management level, and 32.50% of the employees at the lowest management level, believe that the evaluation of work performance were more objective when (in addition to superiors) employees in the public administration rated themselves. In general we can conclude that over 60% of civil officials and employees in public administration believe that the use of self-evaluation performance of the employees would not achieve the re-design of the existing system of evaluation in the terms of increasing its objectivity.

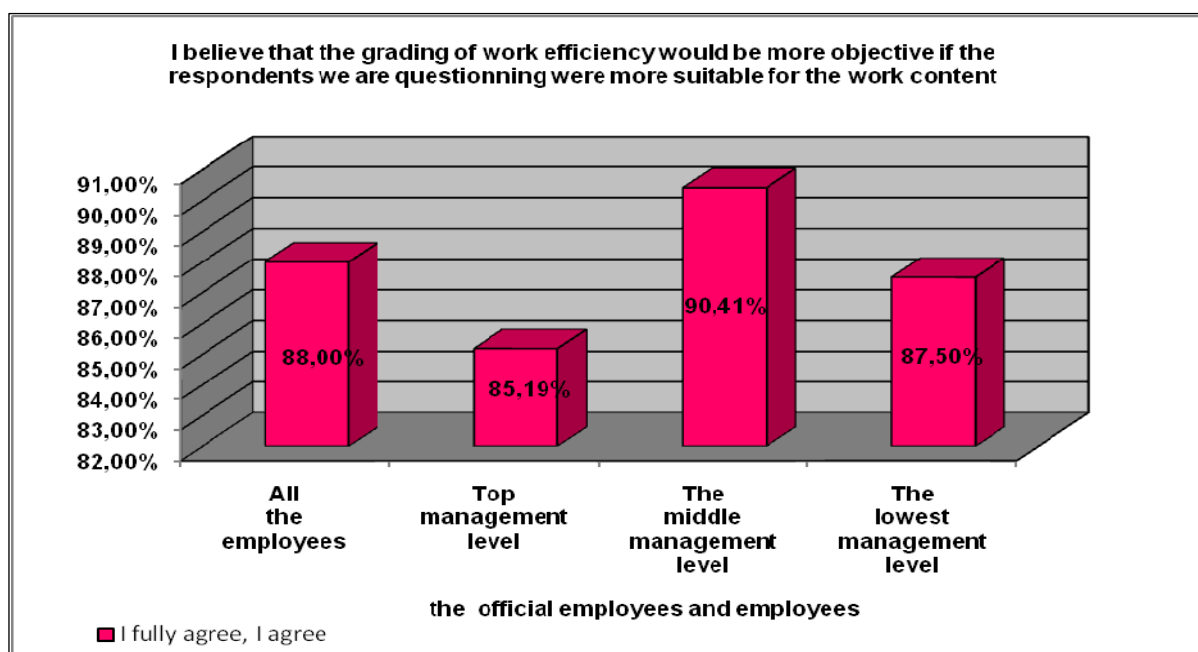
The majority of the employees in the public administration of BiH believe that the questionnaires used for the purpose of performance evaluation are not appropriately structured and suitable for job content, therefore they are resulting in evaluation. A total of 40.74% of the employees at the top management level, 45.21% of the employees at the middle management level, 56% of the employees at the lowest management level and 52% of all employees (civil servants and employees) fully agree that the objectivity of grading on work efficiency evaluation would increase if the questionnaires used for this purpose were more closely adapted to job content.

Table 5.5. Attitudes of the employees in the public administration of BiH towards the relevance of the questionnaire on work content (Source: results of empirical research)

I believe that the grading of the work efficiency would be more objective if the respondents we are questioning were better prepared and more suitable for the work content and its demands	The level of agreement/ disagreement				
	I completely agree	I agree	I agree to certain extent	I do not agree	I do not agree at all
All the employees	52,00%	36,00%	9,67%	1,00%	1,33%
Top management level	40,74%	44,44%	11,11%	3,70%	0,00%
The middle management level	45,21%	45,21%	9,59%	0,00%	0,00%
The lowest management level	56,00%	31,50%	9,50%	1,00%	2,00%



Graph 5.9. Attitudes of the employees in the public administration of BiH towards the relevance of the questionnaire on work content (Source: results of empirical research)

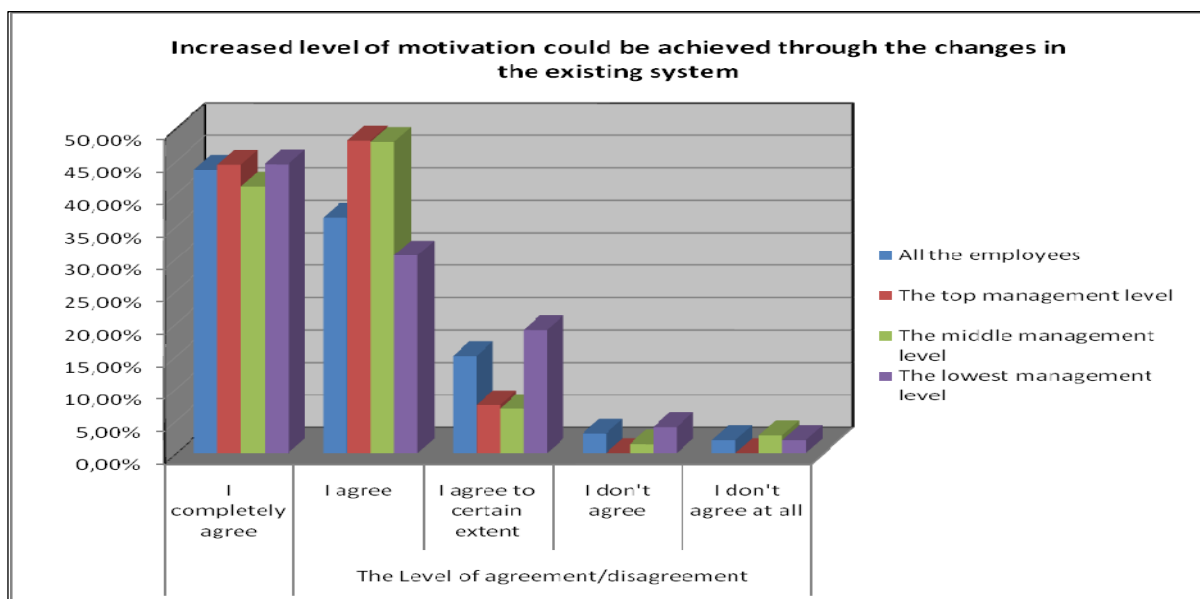


Graph 5.10. Attitudes of the employees in the public administration of BiH towards the relevance of the questionnaire on work content – for all the strata sample (Source: results of empirical research)

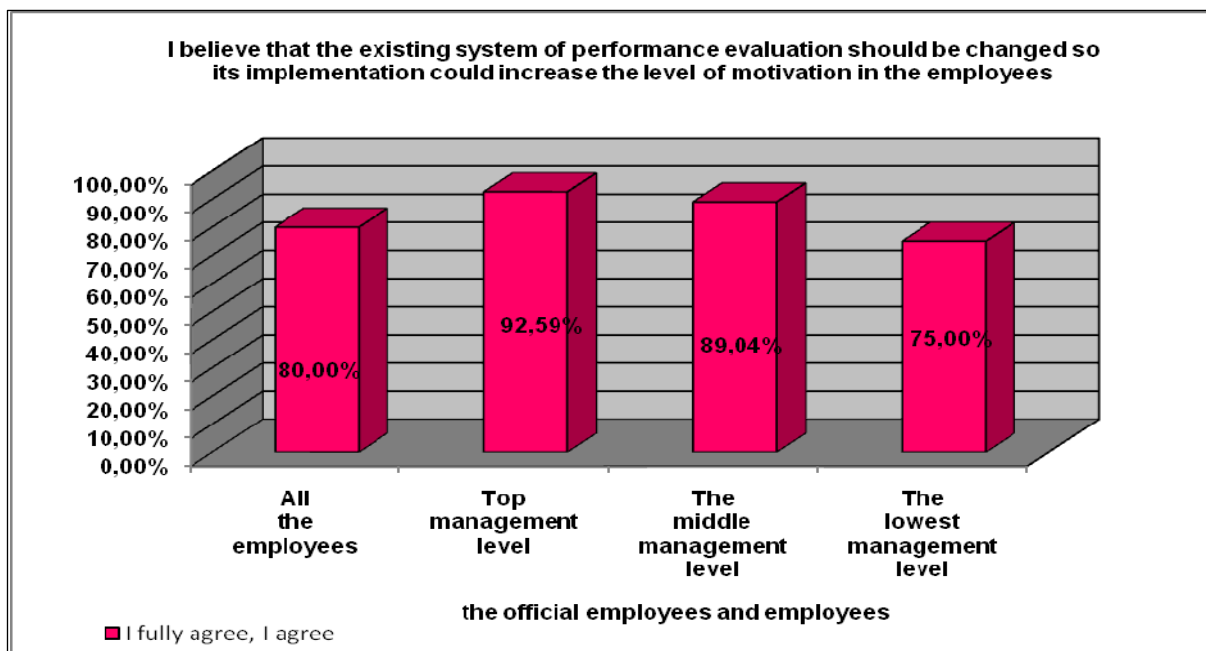
Table 5.6. Attitudes of the employees in the public administration of BiH towards the existing system of performance evaluation in terms of motivation (Source: results of empirical research)

I believe that the existing system of performance evaluation should be changed so its implementation could increase the level of motivation in the employees.	The level of agreement/disagreement				
	I completely agree	I agree	I agree to certain extent	I do not agree	I do not agree at all
All the employees	43,67%	36,33%	15,00%	3,00%	2,00%
Top management level	44,44%	48,15%	7,41%	0,00%	0,00%
The middle management level	41,10%	47,95%	6,85%	1,37%	2,74%
The lowest management level	44,50%	30,50%	19,00%	4,00%	2,00%

Below we shall present the results of evaluation of the employees regarding the empirical research related to the opinion of level of motivation and dedication to work. respondents about the impact of performance



Graph 5.11. Attitudes of the employees in the public administration of BiH on the existing system of performance evaluation in terms of motivation (Source: results of empirical research)



Graph 5.12. Attitudes of the employees in the public administration of BiH towards the existing system of performance evaluation in terms of motivation - all strata in the sample (Source: results of empirical research)

The majority of respondents "completely agree" or "agree" (80% of all the employees, officials and employees) that the existing system of performance evaluation of employees should be changed so that its application could increase the level of motivation in the employees.

The results show that even the highest management level consisting of 92.59%, then the middle management level that consists of 89.04%, and the lowest management level which consists of 75% believe that the current grading system needs to be changed because it does not contribute to increasing the level of motivation.

5. CONCLUSION

The theoretical research and practical experience show that evaluating the success of organized labour, can on the one hand have several positive implications that can improve organizational effectiveness, primarily through the enhancement of employee motivation, creating a basis for recognizing the development potential of employees, training needs etc., while on the other hand, it can reduce employees' commitment to work. Moreover, errors in the design of evaluation performance systems, as well as the manner of its implementation in practice, are largely generated by the biased outcome of an assessment of performance, which hampers the implementation of this process. Based on the results of empirical research presented in this work, we can conclude that the present system of evaluation performance of employees in public administration of BiH should be redesigned so it could serve for the purpose of increasing the level of motivation in employees, and that would include the following: a) the system of performance evaluation of employees in the public administration should

be more closely aligned with the goals and strategies of these institutions; b) the performance evaluation system should be redesigned so that it includes the measurement of relevant aspects of the job; c) the selection of evaluators in the evaluation process should be based on the so-called concept of the "360" degrees (which implies the involvement of a number of reviewers, not just the immediate supervisors), d) the choice of methods and instruments for measuring work performance should be based on the specific requirements of individual groups of jobs; e) it is necessary to make changes in the law and rules that regulate the process of evaluating performance in the sector of public administration. On the basis of the access to the literature on the field of human resource management, it can be concluded that most authors agree that the problems in evaluating the work performance are usually associated with inadequate defining job performance, a bad choice of instruments for measuring work performance, difficulties in the phase of observation and interpretation of job performance, the lack of adequate feedback on the outcome of the evaluation process and performance, and difficulties in making decisions about the future treatment of employees associated with the outcome of their evaluation. It has been confirmed by the results of the empirical research conducted in the public administration of BiH, that the problems in the above mentioned fields represent significant limitations of relevant evaluation on work performance to some extent. Hence, the future theoretical and empirical research evaluating the efficiency of any work should be focused on finding ways to overcome the problems in these fields. This primarily refers to the responses to the following questions: How to define operating performance so that it can reflect the actual contents of the transaction? What kind of training is suitable for the

evaluators and to what extent does it reduce the possibility of errors in observations and interpretation of job performance? What importance should be attached to the results of the evaluation of work performance when making decisions in the field of human resource management? etc.

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