

## **The Some Issues of Performance Management: The Case of Mongolian Business Universities**

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### **Abstract**

The aim of this study seeks to examine the correlations between human resources, job performance in the economic issues. There is significance for developing countries tends to improve the concept “Knowledge-based economy and implementation-based benefits” in the twenty first century in the world. The main of root on organizational success is to evaluate workable performance, have to be good management, employee (professor) to work satisfy, to recruit on the good environment. Factors of work implementation effectively are being researched as multi-faceted aspects throughout the world. There are some problems for performing in the higher education reform era. There are different norm of professors' workload in the Mongolian universities.

This study discussed the effects of above mentioned results, the implications for theory and practice along with the limitations. Our study is significant in considering both theoretical and practical issues and for practices in business universities. Data were estimated by SPSS 21, variation analysis, Vensim PLE 7.2 program and statistic programs.

*Keywords:* performance management, higher education, professor, evaluation, norm, workload

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## I. Introduction

There are lots of studies examined that substantial literature on the use of performance appraisal in the for profit world, there is little literature available concerning the appraisal of staff positions in higher education. In higher education the stereotypical notions of performance, assessment, and appraisal are most often applied to the students. Questions are asked concerning how students are performing academically in their studies as well as how well they are adapting to their new social environment in higher education (Creamer & Winston, 1999). Appraising employee performance in organizations is a complex and challenging task. It is an often unacknowledged but always inevitable component in the supervisory process. Judgments about how individuals are performing will be made whether or not there is a formal performance appraisal system because people regularly make judgments about others (Grote, 1996; Seldin, 1988). Since many of these informal, uninformed judgments will be erroneous, a formal appraisal system is needed to minimize the possibilities of bias and flawed judgments. Performance appraisal is an unavoidable element of organizational life (Brown, 1988; Longenecker & Fink, 1999). An important goal for organizations is the improvement of employee job performance. It is generally accepted that performance appraisal is a necessary part of a successful performance improvement method (Creamer & Winston, 1999; Landy & Farr, 1983; Shah & Murphy, 1995). Performance appraisal allows organizations to inform their employees about their rates of growth, their competencies, and their potentials. It enables employees to be intentional in creating their individual developmental goals to help in their personal

growth. There is little disagreement that if performance appraisal is done well, it serves a very useful role in reconciling the needs of the individual and the needs of the organization (Cleveland, Landy, & Zedeck, 1983; Conry & Kemper, 1993; Grote, 1996). If used well, performance appraisal is an influential tool that organizations have to organize and coordinate the power of every employee of the organization towards the achievement of its strategic goals (Grote, 2002; Lewis, 1996). The developmental function is forward looking, directed towards increasing the capacity of endeavor concerned with enhancing attitudes, experiences and skills that improve the effectiveness of employees (Boswell & Bourdeau, 2002).

## II. Conceptual Framework and Hypothesis

### II.1. Performance Appraisal and Benefit

Performance appraisal has become a term used for a variety of activities through which organizations seek to assess employees and develop their competence, improve performance, and allocate rewards (Fletcher, 2001). Thomas & Bretz (1994) provide several additional purposes for performance appraisal including motivating employees, assessing employee potential, improving working relationships, assigning work more efficiently, and assisting in long-range planning. Mohrman *et al.* (1989) found that the appraisal process can: a) provide a managerial instrument for goal setting and performance planning with employees, b) improve employee motivation and productivity, c) encourage interaction concerning employee growth and development, d) make available a basis for wage and salary changes, and e) generate information for a variety of human resource decisions. First, performance appraisal can

improve organizational decisions including reward allocation, promotions, layoffs and transfers. Second, performance appraisal can improve individual career decisions and decisions about where to focus one's time and effort. Individual employees must make many decisions concerning their present and future roles in an organization. They must decide how, or if, they will develop future strengths and what sort of career goals they should pursue. Performance appraisal can provide accurate, timely and detailed feedback to assist in the quality of these decisions. A third way that Murphy & Cleveland (1995) suggest that performance appraisal can assist organizations is by providing a set of tools for evaluating the effectiveness of current or planned ways of operating. Finally, performance appraisal can impact employees' views of and commitment to their organization. The quality of performance appraisal and feedback has a role in the perceptions of the fairness, legitimacy, and rationality of a wide range of organizational practices. Oberg (1972) noted that appraisals can help encourage supervisors to observe their employees more closely and to do a better job of managing them. None of these four benefits will automatically accrue to an organization due to the mere presence of a performance appraisal system (Murphy & Cleveland, 1995). However, an organization that does a good job at performance appraisal may incur some or all of these benefits.

## II.2. Performance appraisal and skills, environment

In the environment these forces and conditions consist of economic conditions, political influences, laws and regulations, and academic reputation. Economic conditions refer to the world economies and their impact on both the higher education institutions and

the number of people seeking admission to colleges and universities. (Winston & Creamer, 1997). Political influences refer to those people who, while not directly connected with the institution, try to exert influence on various aspects of its operations and include such people as public office holders, alumni, religious groups and spokespersons, special interest groups, local community members and leaders, parents, present or potential donors to the institution, and commercial operations wanting to sell their services to the institution (Winston & Creamer, 1997). Winston & Creamer (1997) suggest that for performance appraisal to be most useful, it must be inherently joined to both supervision and staff development. They define performance appraisal as "an organizational system comprising deliberate processes for determining staff accomplishments for the purpose of improving their effectiveness" (p. 43). In their research, they found that in higher education performance appraisal is frequently either looked upon in a negative way because it criticizes peoples' efforts, or indifferently because it is merely a paper exercise that has little to do with other aspects of institutional life or work conditions.

The aim of this study is to reveal the difficulties faced in university professors' work implementation practice in order to improve the work implementation effectively at business administration universities in Mongolia.

In order to reach the research purpose, the following objectives have to be realized. They are as follow:

- To acquaint with modern theoretical views and concepts on work implementation,
- To determine and assess the current state of professors' work implementation

- at business administration universities,
- To determine the factors that impact on professors' work implementation effectively,
  - To analyze the norm of professors' work implementation at Mongolian universities using 3 way analysis method,
  - To work out a model norm for improving professors' work implementation,
  - To make a conclusion basing on the research results.

This research was carried out at 5 state universities, 8 private universities which run academic activities in business management sector of Mongolia. Legal documents, reports, projects and programs which regulate the academic activities at the universities were used as main research materials in this research.

### Hypothesis

Professors' work implementation has not been fully evaluated at business administration universities of Mongolia. Some factors of professors' work implementation are not taken into account at present situation at business administration universities of Mongolia.

## III. Research Methodology

### III.1. Data collection and Questionnaire design

This research can be considered as the first attempt to analyze the university professors' work implementation in order to improve the work implementation effectively at business administration universities. Practically, the research is the one of the first attempts to determine and assess the current state of professors' work implementation at business administration universities, to determine the factors that impact on it, to analyze the

norm of professors' work implementation at Mongolian universities using 3 way analysis method and to work out a model norm for improving the current state.

Common research methods such as methods of observation, analysis and synthesis, methods of comparison, logical interpretation and method of mathematical statistics were frequently used in the research. Variation, correlation and regression analyses were selectively used in determining correlations between factors. As well as, SPSS 23, VENSIM PLE 7.2 programs were used. Results were shown in tables, graphs and diagrams.

### III.2. Selection of SPSS 23 program and regression analysis

B hour performance = 0.566 + 0.162\*salary + 0.234\* bonus + 0.082\*promotion + 0.052\*engagement of professor + 0.167\*work environment + 0.175\*skills of professor

( $Z2 = 0.566 + 0.162*X1 + 0.234*X2 + 0.082*X3 + 0.052*Y1 + 0.167*Y2 + 0.175*Y3$ )

According to our model, the salary increases by 1 unit, the B-hour performance increases by 16% and bonuses is increased by 1 unit. The B-hour performance increases by 23%, bonuses are increased by 1 unit. The B-hour performance is equal to 8% The increase in 1-point increase is equal to 5%, the working environment increases by 1 unit. The performance of V is equal to 16%, and the professors' skill increases by 1 unit. The B hour performance is equal to 17%. will grow.

Also, The analysis is to find useful information in the vast majority of information and to discover its contents and to discover the cause. In this context, the correlation between factors influencing the performance of university teachers from the qualitative

Table 3.1. Correlation between factors influencing the performance of professors

	Z1	Z2	Z3	X1	X2	X3	Y1	Y2
Z2	0.4718							
Z3	0.4476	0.4184						
X1	0.4009	0.2076	0.0462					
X2	0.3566	0.2922	0.2341	0.4762				
X3	0.3521	0.4668	0.1084	0.5816	0.7095			
Y1	0.4240	0.3305	0.5248	0.0170	0.2606	0.0524		
Y2	0.5276	0.3925	0.5300	0.3914	0.5338	0.4786	0.4675	
Y3	0.4673	0.3580	0.3178	0.2572	0.2517	0.3108	0.2394	0.3323

Note: Result of own study, Z1-Z3- salary and bonus of professors; X1-X3- work environment and engagement, skills; Y1-Y3 ABC norm performance.

studies obtained from these teachers is based on Person's coefficient and Spirman's coefficient (Shown in Table 3.1).

Result of the studies, professors' engagement is low than their engagement 0.25-0.35. Then, professors' engagement stronger than work environment is 0.75. There are negative issues that salary, bonus, reward's policy on the ABC hour. However, the C-hour performance of a university teacher does not have much effect on A and B performance, or 0.39-0.63, but A- hour performance is influenced by B and C performance of 0.66-0.7. The A, C- hour performance of collegiate academy, which is the B hour performance, is the main problem of the study, which is 0.7. Considering the relevance of B hour performance, academic study and teacher involvement, which is important to the university's instructor's interest, be it part-time performance of a university teacher's role in teaching, or being a part-time worker in a teacher's job, to be more motivated and more self-centered, such as trying to develop, does not affect, or 0.41.

Questionnaire was conducted on 57 questionnaires conducted by the management of universities. The survey results were processed on SPSS 23 and Vensim PLE 7.2. The Vensim PLE 7.2

program describes the form of dependence that forms the basic types of dynamic systems in the dynamic system aimed at the relationship between structure and action, and is used for modeling.

#### IV. Conclusion

Basing on the research results, we have come to the following conclusions. They are as follow:

- In order to improve the quality of higher education, it is important to develop university professors through the following measures taken to improve their working conditions, properly evaluate their labor and increase their involvement in management activities and etc basing on scientific research results.
- It is important to improve the quality of research works, put them into the scientific usage circulation and show a real support on their research proposals to be taken a consideration at decision making level.
- It is important to pay attention to differentiating professors' work implementation for higher educational institutions.
- It is important to set professors' work implementation basing on scientific research results.
- Although a number of renovations were

made for improving professors' work implementation in our country, expected results have not been reached at all.

#### Theoretical and Practical Importance

Theoretically and practically, the research is important because core theoretical concepts can be used in further researching and results are available for those who are interested in related fields.

Theoretically, the research is important due to its first attempt in introduction of modern

theoretical views and concepts on work implementation to our country.

Practically, the research is important because current state of professors' work implementation at business administration universities were determined, factors that impact on it were revealed, a norm of professors' work implementation at Mongolian universities were analyzed using 3 way analysis method and a model norm for improving the current state was worked out in the framework of the research.

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