Individual Performance Management in Higher Education Institutions

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Abstract

**Individual Performance Management in Higher Education Institutions**

Higher education institutions in Europe are undergoing a process of reform. *Performance Management* has been a core theme in this reform process in higher education institutions. This article looks at the meaning of Performance Management as a HRM instrument in higher education institutions. The purpose of our research is to investigate to what extent and why a faculty of a higher education institution in Flanders implemented *individual performance management* (IPM). We present a detailed in-case study where we examine whether a faculty in a higher education institution uses some form of role definition, goal setting, developmental goal setting, monitoring, evaluation and/or appraisal in order to manage individual performance. Finally, we investigate if the actual implementation of these IPM activities are influenced by factors addressed by the rationales of adoption from a Resource Based View and a Neo-Institutional approach.
1. Why this article?

The genesis of our argument

Higher Education is undergoing considerable change. These changes are in response to a multiplicity of factors: the development of information and communication technologies, globalisation, internationalisation and regionalisation, an advancing network society (e.g. rise of consortia, strategic alliances, etc.), an advancing knowledge society, socio-cultural trends, demographical trends and the marketization in higher education, including the changing roles of governments (Farnham, 1999; de Boer et al, 2002; Sporn, 1999; Gumport, 2000). ‘Marketization’ within universities and colleges is a prominent feature of the contemporary wave of accountability. Higher education organizations are being asked to solve problems of costs, quality, effectiveness, and access. Responsiveness to society has become a key element in assessing the quality and the raison d’être of higher education institutions. Furthermore, the daily routine of the academic world is undergoing continuous change. New expectations about academic employment are influencing academic workload, job tenure, salary, career and promotion considerations, and creating challenges for faculty (Mackay, 1995, OECD 1995, 2006). More than ever, higher education institutions are asked to justify themselves, their objectives, and methods of attaining these objectives, the allocation of their resources, priorities and responsibilities to society. Students, businesses, industry and the public want to see evidence of the efficiency and effectiveness of these institutions (Gillie, 1999). Higher education institutions must be able to demonstrate their value to be able to continue the competition for funding and to gain the support of their customers. Consequently, the quality of academic staff and how they are trained, recruited, rewarded, utilized and motivated are crucial to the effectiveness of a higher education institution. These demands for increased accountability, efficiency and effectiveness keep enhancing the pressure on the adoption of performance management in higher education (Lapsley and Mitchel, 1996).

Demands for management reform, including mandates to apply business-like strategies, are evident in higher education across a wide range of national systems and institutions throughout Europe and the United States (Sporn, 1999). On the one hand, we see that higher education traditionally has refused to adopt modern management and planning techniques. On the other hand, an increasing number of educational leaders are now exhibiting awareness that the status quo is no longer a viable option for higher education (Alexander, 2000). Those who run higher education institutions are expected to ensure that such value is provided and their role as academic leaders is being subsumed by a greater concern with the management of finance, staff, students, teaching and research (Deem, 1998). This leads us to the conclusion that higher education institutions are facing an unstable and confusing environment and that they are under pressures to manage their most expensive and important internal resources: their staff.

The Performance Movement

Not only higher education institutions, but the entire public sector has undergone several organizational reforms. The introduction of the New Public Management (NPM) paradigm in the early 1980’s - with its clear emphasis on effectiveness, efficiency and accountability - is often located at the offspring of these changes (Hood, 1991; Pollit, 1993; Osborne & Gaebler, 1993; Ferlie et al, 1996; Christensen & Laegreid, 2001). NPM introduced market and quasi-market mechanisms, the separation of purchasing and providing functions linked via contract, and
attention is focused on outputs and performance rather than on inputs. Accountability is emphasized via the measurement of outputs and the creation of performance indicators (Hood, 1991, 1995; Lapsley, 1999; Townley, 2001). In addition, NPM refers to the adoption of private management tools in order to become more market oriented and able to compete for clients, funding and prestige, and to meet the growing pressure to cut costs (Scharitzer & Korunka, 2000; Christensen & Laegreid, 2001). Responding to increasing demands for performance and performance documentation, performance management has become a key component of the New Public Management reform (Osborne & Gaebler 1993; Hood 1995; Pollitt 1993; Hoggett 1996) and includes techniques from Human Resource Management (HRM), and Management Control & Accounting Systems (Butterfield et al, 2004; Pollitt & Bouckaert, 2000).

The common goal is holding governments and public- and social profit organizations accountable for outcomes (Pollitt and Bouckaert, 2000). Reform of the public sector has been a major focus of researchers and performance management has played a central role in modernizing the public sector reform. Much of this research has been driven from the management accounting and public administration perspective rather than the HRM perspective. Performance based practices in public sector that are examined in literature are focussing on the allocation of resources, changing work processes and increasing efficiency, the formulation and monitoring of licensed or contracted privatized services and strategic planning and rewarding staff and performance pay (Van Dooren, 2006). Although the issue of performance is well known at the organizational and the individual level, most studies forget the mediating role of Human Resource Management (HRM) in the performance management process. To some extent, this can be explained by the limited relevance of HRM topics in public management reforms, particularly in the first decade of public management reforms (Pollitt & Bouckaert, 2000). Nevertheless, during the past two decades scholars have witnessed that OECD governments initiated bold public management reforms and that Human Resource Management (HRM) has been the key area of these reforms (Shim, 2001; OECD, 2002).

Performance management: not only about numbers

There is no element within the performance management process that is more important than the reliance on numbers and quantitative presentation of accomplishments. Our argument is that this is not the only way to think about these issues. This study argues that Performance Management refers on the one hand to outputs and outcomes but also states that performance is about doing the work as well as taking care about the results achieved. For this reason, we want to use a more comprehensive view of performance management. This implicates that when managing the performance of teams and individuals in organizations, both inputs (behaviour) and outputs (results) need to be considered and managed. We find these issues in the literature and research of Strategic Human Resource Management. A key feature of New Public Management - style HRM is the focus on individual performance in all aspects of personnel management, primarily through such NPM instruments as individual contracting and "pay for performance". Individual Performance Management (IPM) is generally a small part of a broader ‘plan’ that encompasses strategic goals and objectives for the division or organization. The existence of a seamless link between wider organizational objectives and individual performance is a key assumption that underlies a systems approach to performance management (Osborne & Gaebler, 1993; Hood, 1991, 1995; Pollitt & Bouckaert, 2000; Behn, 1995; Wholey and Hatry, 1992).

In HRM, key practices for the so called “Individual Performance Management system” (IPM) include a clear job description; linking individual to organizational goals through clear performance expectations, formulated in observable and measurable terms; the planning of individual training and competency development; coaching practices; and regular performance evaluation and appraisal (Graham, 2004; Armstrong, 2004). The monitoring and evaluation of
individual performances takes place on a regular basis, and fits in a general approach of regular communication with the employees.

**Why should an organization use IPM?**

Scholars indicate this as the ‘promise of performance’ and assume that individuals or groups are held accountable for their behaviour and results with a general aim to perform better. The claim is that organizations must learn that, through the effective management of their human resources, they can develop core competencies, and improve the flexibility and innovativeness of their operations (Locke & Latham, 1980; Bolton 2003; Forsythe 2001; Halachmi 2002; Ingraham, Selden, & Moynihan 2000; Roberts 1997). The adoption of IPM by higher education institutions has been modest at best, perhaps even low (OECD, 1998).

**Prior Research**

Although the literature has so far concentrated on the emergence and international diffusion (Pollit & Bouckaert, 2000) as well as on the advantages and weaknesses of performance management systems, less is known about the mechanisms that are supposed to facilitate the spread of these systems. Reviewing the growing body of literature, it appears that little attention has been paid to the extent of adoption of individual performance management and the motivation for higher education institutions to adopt this HRM practices.

Indeed, we can say that it is really a ‘free choice’ of managers in higher education institutions to adopt IPM practices, nurtured by the willingness to survive or even to be(come) the best among competitors? Or are there other possible motives for adoption besides economic-rational choice? Regardless of the relationship between a manager’s activity and an organization’s local environment, centralization of decision-making at the national level may determine a manager’s ability or opportunity to contextualize their activity (Stevenson & Baker, 1991). For instance, do managers in faculties adopt performance management practices because they have to obey to the Ministry of Education that is responsible for national policy on education and often funds part if not all of the educational and research activities that occur in a nation/region? Are leaders in higher education institutions pressed to run their organizations in taken-for-granted, legitimate ways? Or are these organizations facing a situation -with a variety of challenges- that cries out for adopting HRM practices?

Another question that raises when examining IPM practices in organizations, is the gap between ‘intended’ and ‘implemented’ HR practices (Keenoy, 1999; Khilji, 2002; Legge, 1995; Purcell, 1999; Schuler et al., 1993; Truss, 2001). A crucial question relates to how people know what to do with new practices: if a faculty or department of a higher education institution has adopted IPM practices, what can we then say about the utilization process? Several scholars have seen that even when organizations develop performance measures, the biggest challenge is to get them used and managed. The problem of utilization of performance measures emerges as a multifaceted one. It is already difficult to developed performance measures; the question of how to manage the utilization process is on the other hand a problem in performance management. We turn next to the theories and research that can help us understand this process.

**Problem Statement and Research Questions**

The emphasis on performance management is driven by the New Public Management paradigm and employee performance management is seen as a part of performance management in large. Performance management is multi-faceted: although there are many meanings formulated in
literature and in the practice of public sector organizations, there is no element within the performance management process that is more important than the reliance on numbers and quantitative presentation of accomplishments. Our argument is that this is not the only way to think about these issues. This study argues that Performance Management refers on the one hand to outputs and outcomes but also states that performance is about doing the work as well as being about the results achieved. We find this mixed model in the Individual Performance Management model (Baron & Armstrong, 1998) that can be seen as a strategic human resource management model in the organization and is defined as an integrated process in which managers’ work with their employees to set expectations, monitoring, developmental goals, measure and review results, and reward performance in order to improve employee performance, with the ultimate goal of positively affecting organizational performance. Reviewing the growing body of literature, it appears that on the one hand little attention has been paid to the extent of adoption of individual performance management and on the other hand the motivation (rationales) for higher education institutions to adopt these IPM practices. Our research assumes that we can explain the level of implementation by the rationales of adoption. Therefore we examine:

1. The vocabulary of individual performance management in HRM;
2. The extent of individual performance management in 1 faculty of a higher education institution in Flanders and;
3. The rationales of adoption of individual performance management in higher education institutions

This paper argues that individual performance management research needs two criteria to develop a coherent body of research. First, it is necessary to describe IPM practices in their totality in order to understand the interconnections between the elements (forms of role definition, goal setting, developmental goal setting, monitoring, evaluation and/or appraisal in order to manage individual performance). Second, in-depth research methods involves detailed research (talking to managers and research in internal documents) are required to develop an understanding of the extent and the rationales for adopting IPM. For these reason, we employed the case study method (Yin, 1989). Case study research will help is to understand the extent of the IPM circle in the faculty and is also appropriate for answering the why question of adoption/implementation.

We visited a faculty of a College University in Flanders which has to remodel their academic bachelors and masters degrees within the framework of the Bologna Declaration. Indeed, in accordance with the ideas of the Bologna Declaration about the restructuring of higher education institution in Europe, the Flemish Minister of Education decided that from the academic year 2002-2003 the Bachelor’s and Master’s degrees will be proclaimed. Above the introduction of the bachelor/master system, this faculty has to remodel and work within the framework of an association with a university for improving its academic research and education. An essential criterion of his academic study program is that education has to be embedded in research. Although the faculty already had a strong research tradition in some areas, the Bologna Declaration and the academisation process has increased the need for education embedded in a research environment. Employees in charge of research are increasing within the faculty and the link with the association partner in terms of research is strengthened through the Association movement.

The faculty has 1500 students. The dean of the faculty is in charge for HRM in his faculty. He follows the rules of the executive board of the higher education institution. The faculty has 9 departments; 9 heads of department have to manage the 120 FTE – staff.
Level of analysis

The adoption of individual performance management within higher education institutions is examined at the level of the dean and the heads of department who have a primary responsibility for managing the performance of their unit of organization, and hence the performance of individual faculty and department members. One of the most important groups of academic managers is those charged with the stewardship of the basic academic units: faculties and departments (Meek et al, 2000).

A semi-structured interviewing approach was adopted in order to understand the extent of IPM adoption and implementation. One author visited each department between April and July 2007 and interviewed respondents using a standardised interview schedule. Those interviewed included the dean, the heads of department, the HR manager of the College University and the quality manager of the department. The anonymity of all interviewees and organizations was assured. Interviews were tape recorded with permission and these recordings were fully transcribed, augmented by additional observational field notes.

The interviews started by asking the dean to describe the organization’s choice of IPM practices in specific areas. During the second phase of interviews, we asked the heads of department in each department to describe what the implemented IPM practices were in their department.

Public sector studies offer evidence of the critical role that public managers play in bringing about organizational change (Abramson & Lawrence 2001; Borins 2000). The role of leadership and policy entrepreneurs is underdeveloped in institutional theory to date (Scott, 2002). For this reasons, we will focus on the role of the deans and the heads of department as managers of the faculty and the department. Data are also collected by semi structured interviews with all the heads of department. Many scholars have written about the organization and governance of higher education; relatively little is known about those who lead and support faculties. Leaders at this level were chosen because they have formal responsibility for work on planning and quality, as well as having close contact with a department’s academic and administrative staff. Most individual performance management practices are facilitated and implemented by direct supervisors or frontline managers (den Hartog, Boselie, Paauwe; 2004). The individual performance cycle increases the line manager’s role. The line manager is responsible for the performances of their workforce, and for creating a culture focused on executing an organization’s strategy (Huselid & Becker, 2005). Bringing Human Resource Management responsibilities to the line manager is central in Human Resource Management thinking (Teo, 2000; OECD, 2004). It moves more and more Human Resource Management accountability for individual performances to line managers.

Mechanisms for adoption

The Resource-based View (RBV) of the Firm is one of the dominant theories in the field of human resource management (HRM) and performance management (Delery & Shaw, 2001; Paauwe & Boselie, 2003). In this Resource-based View on HRM, higher education employees are a major determinant of the faculty’s unique organizational performance and leads to sustainable competitive advantage. To profit optimally from the employees as a unique source for performance and competitive advantage, universities use IPM practices. These practices bring about HRM outcomes, such as organizational commitment and quality of job performances (Guest, 1997), which in turn may contribute to unique organizational performance and sustainable competitive advantage. Adoption and implementation will be in the first place explained by this RBV.
On the other hand, we can not compare management activities in higher education institutions to those of managers in private organizations. Compared to the activities of managers in other organizations, management activities in semi-public organizations such as higher education institutions, in particular, are unique (1) because of their character as public service as well as publicly financed organizations where high degrees of organizational autonomy and external penetration are both expected and required and (2) because of their institutionalization across organizational environments (Weick 1976; Meyer & Scott 1983; Ingersoll 1993, Wiseman, 2004). For that reason, we use the neo-institutional theory of organizations to develop additional explanations of the adoption of performance management.

We argue that the neo-institutional theory provides an alternative understanding to explain the emergence of individual performance management at higher education institutions. We will use the concept of isomorphism, developed within the institutional theory, to explain the adoption of IPM in a faculty of a college university. In “The Iron cage revisited: institutional isomorphism and collective rationality in organizational fields” (1983), DiMaggio and Powell describe and investigate the remarkable process of isomorphism. This is defined as the process of homogenization in which organizations in the same organizational field are made increasingly similar as they are changing. Institutional isomorphism is described as the process in which organizations become homogenous as they conform to the same normative demands and expectations of their institutional environment. Even though the central purpose here is not economic success, action taken in this perspective is also rational because getting legitimacy is the original purpose. According to DiMaggio & Powell, organizations operate in an environment dominated by roles, requirements, understandings, and taken-for-granted assumptions, beliefs and scripts about what constitutes appropriate or acceptable organizational forms and behaviour, and organizations tend to become isomorphic with them (Scott, 1987; Oliver, 1997; DiMaggio & Powell, 1983, 1991; Meyer & Rowan, 1977). The institutional perspective provides theoretical concepts that explain the institutionalization of IPM in higher education institutions. Institutional theory provides insights that may explain why IPM becomes a common technique in higher education institutions. Institutional theory predicts that successful adoption of an innovation proceeds from emergence through diffusion to stabilization in isomorphic (similar or equivalent) form across the organizational field.

There are three mechanisms by which institutional isomorphism occur: coercive (conformity to political institutions), normative (through formal educational and professional networks), and mimetic (common responses to uncertainty based on modelling) (DiMaggio and Powell, 1983). DiMaggio and Powell defined isomorphism as “a constraining process that forces one unit in a population to resemble other units that face the same set of environmental conditions” (1991). As a result of these mechanisms, organizations modify themselves to conform to the institutional norms and expectations of an organizational field. Structural homogeneity of organizational form results and related institutions become isomorphic. From the neo institutionalism point of view, IPM systems – like other formal organizational structures – are shaped by institutionalized rules of the social environment (Meyer & Zucker; 1989, Brignall & Modell; 2000; Modell; 2004).

We will focus on this through two theoretic lenses: institutional theory and resource based view and integrate the relevant insights gained from these theories into a more complete model and derive propositions for future research. In doing so, we meet the urge of Paauwe & Boselie (2003) to combine typical theories in the field of Strategic human resource management – such as the resource-based theory of the firm (Barney and Wright, 1998) – with an alternative theory like DiMaggio and Powell’s (1983) new institutionalism.
The principal contributions of our article are threefold. First, by integrating the insights of multiple theoretical perspectives, we offer an explanation of management’s decisions about the implementation of individual performance management and a set of testable propositions. Second, our model and analysis offer a platform for understanding why organizations adopt HRM innovations. Finally, we bring together a diverse body of literature on individual performance management around theoretical perspectives.

**Adoption versus Implementation?**

Indeed, there is no univocal definition of adoption and implementation of IPM practices, nor is there unanimity about the concepts. Leseure et al (2004) made an integrating study and created an overall covering process-flow-model of adoption and implementation of promising practices. In their model they distinguish five stages or steps of implementation: (1) initiation and adoption decision, (2) set-up or adaptation, (3) implementation, (4) ramp-up and (5) integration. We hold a much broader and slightly different definition of the concepts in this paper. Under ‘adoption’, we understand the launch of an IPM practice, or what Leseure et al (2004) define as the initiation of a practice. Here, we agree that adopted practices are not necessarily entrenched in the organization (Zeitz et al, 1999). Our definition of ‘implementation’ is also totally in line with the one of Zeitz et al (1999). They refer to the concept of ‘entrenchment’ and define it as the embedding of practices such that they are likely to endure and resist pressure for change. This in fact is what Leseure et al (2004) also classify under ‘integration’, meaning the real use of a practice as was meant from the beginning. This stage starts when the practice becomes increasingly, but gradually entrenched in the day-to-day routines and life-events of the organization.

3. Data and Findings

**The vocabulary of performance management in HRM**

Performance management from a HRM point of view is generally concerned with the management of individual, team, unit and organizational performances. It is an integrated process where managers strive to organizational success by managing employees, systems and structures to improve individual and organizational performances. It is basically concerned with performance improvement in order to achieve organizational, team and individual effectiveness (Armstrong, 2001). The emphasis in the area of Human Resource Management is often associated with different levels of investigating Human Resource Management (Colbert, 2004). These levels correspond to the classical sociological division between organizational, group and individual level and need different ways to be analysed. This corresponds with the organizational, individual and team performance management systems and practices in an organization. Besides the different organizational levels on which Human Resource Management can work, we also make a clear distinction between practices, systems and principles (Becker & Gerhart, 1996; Colbert, 2004). Practices refer to the concrete and operational execution of Human Resource Management through specific tools. Competence based selection of new employees, individual performance review, variable pay schemes for managers, and individual performance planning are some examples of Human Resource Management practices. The next level is composed of HRM systems, which are comprehensive and more abstract and integrated systems of Human Resource Management practices. Competency based selection, career planning on a competency based platform and use of competency-based assessments fit into a comprehensive competency management system. High Performance Work Systems (Becker, Huselid, Ulrich, 2001; Pfeffer, 1994) are examples of comprehensive work systems, which results in a strategic advantage. These systems refer to several Human Resource Management practices which lead to organizational performance (Pfeffer, 1994; Becker & Huselid, 2001). The third level of Human
Resource Management principles refers to more abstract guidelines or system architecture (Becker, Gerhart, 1996), which shape Human Resource Management systems and practice. The learning organization, or active employee participation are examples of leading principles, guiding Human Resource Management systems and practices. Human Resource Management practices and systems are mostly investigated from the point of view of a sustained relationship between Human Resource Management and organization’s performances.

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System Levels and Organizational level of Human Resource Management

We can find practices at all levels of Human Resource Management, while principles are found on the organizational level. Individuals are confronted with principles through the translation of principles into individual practices. Performance management is a subset of Human Resource Management systems and practices, which links individual output to organizational goals. Individual and team performance management refers to practices whereby individual performances are managed to bring forward organizational performances.

Managers work with their employees to set expectations, measure and review results, and reward performance or competences in order to improve employee performance, with the ultimate goal of positively affecting organizational performance (den Hartog et al., 2004).

In line with the different organizational levels of studying Human Resource Management, performance management articulates these levels through different performance related systems and practices.

The organizational level stands for the development of the so-called performance oriented organizations.

From this point of view, we observe different approaches of performance management as a central element of Human Resource Management. Performance management at the organizational level includes the presence of well-articulated mission and strategic goals and the supposed vertical alignment, the presence of continuous improvement systems, measurability and verifiability of objectives, training and development programmes, regular communication, feedback systems, and a recognition and reward system which encourages good performances (Graham, 2004). But the strength of performance management stands on the vertical integration of all levels of organizational units, from the top to the individual. This is formulated in the cascading down of strategic objectives to individual targets (Armstrong, 2001; Vanderstraeten, 2001; Roberts, 2001). Individual performance management is supposed to start from the very beginning by formulating links between organizational strategy and individual targets. This top down cascade of performance levels is central in a global performance oriented organization, and plays a major role in the introduction of Human Resource Management in public organizations.

Individual Performance Management

So far, we are confronted with organizational performance management. It consists of management principles, systems and practices that operate at the structural and system level of organizations. Almost all models of performance management stress the importance of managing
not only organizational settings and processes, but also individual and team actions, with the purpose of achieving firm performance. Human Resource Management is central in shaping individual performance management, which lead to a more individualised management approach. The individualisation of internal employment relationship is reflected in the upcoming interest for individual performance management in public organizations. New Public management puts forward practices of individual and organizational performance management. NPM principles allow a more flexible and responsive approach to questions of recruitment, selection, retention, training and development of public sector employees (Brown, 2004). Human Resource Management in public organizations can takes some advantage in putting forward individual and organizational performance management. We are in our study mostly concerned in the shaping of individual performance management practices with the help of central Human Resource Management systems and principles.

In Human Resource Management, key practices for individual performance management include clear performance expectations, formulated in observable and measurable terms (Graham, 2004; Armstrong, 2004). The planning of individual training and competency development, coaching practices, and regular performance evaluation and appraisal comprises a basic set of most individual performance systems. The monitoring and evaluation of individual performances takes place on a regular basis, and fits in a general approach of regular communication with the employees.

The aim of reaching individual targets in line with organizational strategy is a central component of the performance management cycle. The vertical integration of individual targets and organization’s strategy is an intrinsic feature of individual performance practices. A well articulated mission and operating strategy is therefore a key element in performance management (Graham, 2004). This supports the idea of vertical integration of individual targets with organization’s critical strategic mission and objectives. This is a starting point for individual performance practices.

The performance management cycle is another basic instrument in building up an individual performance management system. It reflects the close relationship between the continuous improvement of individual performances and the organization strategy. The performance cycle sets clear the individual targets and the criteria for future evaluation. A next step consists in the planning and the improvement of employee’s competences, and the follow-up through regular monitoring of the employee. This is done through the use of a coherent competence management system, which becomes more and more a central element in individual and organizational performance management systems.

The accountability stands for working with measurable objectives and results. A performance organization stands for employee performance plans, which are made measurable and credible, and work with clear observable or verifiable standards.

Finally, we arrive at the final stage of employee’s evaluation, which lead to an appraisal and rewarding. Performance appraisal and related pay is a consequence of the use of the performance management cycle. In line with the general theoretical model, performance appraisal composes an essential part of the performance management cycle (Fombrun, 1984). Performance related pay is a further consequence of the individualization of the employer-employee relationship, with its focus on variability in salaries directly linked to individual results. Pay for performance is still controversial in public sector environment (Risher, 2002).
Individual Performance Management in a faculty of a higher education: some preliminary findings

Our case study is a college university increasingly being charged with new targets: research and accreditation obligations. As already mentioned, this university college is forced to collaborate intensively with the university in the field of research and education through an association with this university. The case study revealed the following information which reflects the extent of IPM practices and systems, and the motivation for using IPM.

The faculty decided to formulate a strategic plan to improve organizational performance and to accomplish these new targets. Every department within the faculty has the obligation to set up an operational plan to formulate objectives for teaching and research and means for the own department. This reflects elements of performance management at the organizational level.

When we look to the individual performance management level, most of the used IPM practices, systems and policies were created and introduced by the dean and the management of the faculty. The dean has set up an IPM system and was responsible for the adoption, while the heads of department are in charge for the implementation process. This IPM system should - according to the dean - help the organization develop change management capabilities to face the ongoing changes that will continue to be a part of the educational environment.

The dean is influenced by the institutional environment in his adoption process. For instance, regardless of the fact that his organization is not yet a university and that the performance management practices used at the university are sometimes difficult to implement, the dean has adopted the same performance management practices as used in the associated university. Also, he followed the advice of a consultant in the private sector to set up an IPM system. So, at the level of the dean, we see that, in order to cope with societal developments and changing demands, the dean has adopted IPM practices in a modest system. In the creation of his IPM system, he has also been under pressure of the institutional environment. We clearly see the imitation of seemingly successful models and practices from the environment, due to uncertainty regarding how to pursue the strategy of the organization. We tracked the influence of professionals and other experts (consultants) in his implementation process; the so-called mimetic and normative isomorphism.

As we look in more detail to the IPM system, and especially the IPM practices, we see elements of the IPM cycle. The role definition is not specifically asked but mostly included in the selection procedures. Key result areas are sometimes included, but this is not an obligation. Competence requirements are not agreed and not formally included.

What the individual has to achieve in the form of objectives is described in a job-description. How performance will be measured and the competencies needed to deliver the required results are on the other hand no obligation for defining. For specific job application, certain elements of these performance agreements are sometimes defined. Agreements cover objectives and standards of performance, measures and indicators, competency assessment and core values or operational requirements; mostly we see that the results to be achieved will be defined. Objectives or goals define what the employee is expected to achieve over a period of time. These objectives are mostly expressed in terms of results to be attained for research, which can be measured in terms of research production (authored books, edited books, short works, conferences, editorships, papers in academic/profession/popular journals, reviews,…) and in terms of gathering extra funds for research and development from governmental research councils and all other sources lumped together as “third-stream income”. The personal development plan is not formally captured by the IPM system. Particularly the elements of managing performance throughout the year and the performance review are organized by the IPM system. The employee has to provide feedback on performance, has to conduct informal progress reviews, update his objectives and deal with performance problems in dialogue with his head of department.
Performance management is concerned with improving individual and team performance. We provide an overview of the key performance management activities in the faculty at the level of the head of department and then deal with the main performance management processes related to IPM in this faculty. When asked what processes were used to help the planning cycle, almost all respondents referred to the strategic plan. None of the heads of department used a scorecard. Motivations to measure and to use performance indicators in the IPM circle came – according to the heads of department – in the first place from the push pressure from the dean but also from other pressures. The accountability measures introduced by government to monitor higher education institutions (such as the quality reviews and the teaching evaluations, ...) were mentioned as rationales. The Bologna Declaration has been a great pressure to start with IPM practices and systems in preparation for obtaining accreditation. Adoption of IPM practices came also – according to the heads of department – from the habit and obligation to work with external funded research partners; they ask more results, you have to give more accountability which are more or less translated in more IPM practices. Other motivations to use were: the (obligations) of a strategic plan for the department such as an annual report with inclusion of performance measures, and the push for monitoring quality. All this has led to more IPM practices, but the results of monitoring are not used or translated in budget, strategic plans and others. Monitor and measure mechanisms are mostly used in research and are copies of the monitor systems at the university. These are all institutional pressures (pushes) that lead to the adoption at the level of the department.

The extent to which heads of department use IPM for managerial purposes is restricted. We see several explanations for these difficulties in the use of IPM. Measuring outputs leads for the respondents not always to better outcomes; especially in the field of teaching areas. Many of the respondents point to the unintended consequences in measuring outputs for higher education institutions. They refer to the massive paperwork involved with this IPM practices, without seeing concrete results. Without managers' support and cooperation, it is unlikely that an IPM can be successfully implemented. The faculty may gain a great deal by providing good examples of IPM and by providing more HRM support and communication in constructing all elements of the IPM circle for the line managers. Earlier research by Armstrong and Baron reported a shift in perceived ownership of IPM to line managers. In our case study, we discover a strong sense of empowerment to the heads of department; they are in charge for the use and implementation of the five elements in the IPM circle. The dean is steering at a distance, but remains the owner of the performance management of the whole organization.

Adoption/implementation of IPM: a matter of manager’s decision?

In the departments of the faculty, we see that the decision to adopt or to reject an IPM practice can be an outcome of both rational and non rational forces working in the organization. We characterise the IPM obligations of the dean as ‘push forces’ (kind of coercive isomorphism): this
adoption of IPM practices by the head of department are by most of the respondents driven through institutional pressures, coming from the dean of the faculty. These institutional pressures are normative and according to the heads of department, sometimes not relevant for their management.

Pull-drivers, in contrast, are rather internal factors which force the organization and managers to change and to adopt promising practices. Especially the dean of the faculty has mentioned this rationale as a major motivation for introducing IPM. He has on the other hand also been influenced by several isomorphic pressures, coming mostly from the associated university, but also from governmental obligations and even a private consultant.

The human resource function should work with line managers to make sure that the IPM practices are horizontally integrated with each other and with the other management systems and practices of the faculty. This is only partly the case in the faculty because of the absence of a real HR manager. We are confronted with an incremental building of HRM practices, and a failure of integrating all HRM practices in a full integrated HRM system. The IPM practices are partly implemented or even sometimes obstructed in the several departments. Many of these measures and initiatives imposed by dean and central management have encountered resistance from the heads of department.

In a higher education institution, the management of competencies of the Human Resources and the capabilities of the organization are urgent tasks. The competency approach is formally absent in the IPM approach of the faculty. Although all respondents agreed on the importance to send employees to seminars and to offer career feedback, most of the respondents said that their department do not use a system for this staff development. Career feedback happens more with juniors (research assistants).

Conclusion

The institutional environment plays a major role in the adoption/implementation of IPM in higher education institutions. These pressures work mainly at the level of the head of department and to a limited degree at the level of the dean and the central management of the faculty. Heads of department play a major role in the implementation of IPM, while the dean is more responsible for the adoption of IPM practices and systems. In this case study, the dean not only introduces IPM because of mimetic and other neo-institutional isomorphism, but also takes a managerial and strategic approach to implement practices and systems. Heads of department feel more institutional pressures from their dean of faculty, who ‘forces’ the introduction of IPM practices at the level of the departments. We found more encouraging and facilitating elements from a Resource Based View approach to complete the picture of adoption/implementation of IPM: the dean and central management of the faculty is slowly driving change not only in IPM practices but also in the way the human resource function is organized. The findings indicate that the faculty is moving toward a more strategic approach through the adoption of IPM. The mixture of neo-institutional and resource based view leads to a complete picture to understand the mechanism of introducing and entrenching IPM practices and systems as a cornerstone for a more modern Human Resource Management in educational organizations.
References


