Criteria for Performance Appraisal in Saudi Arabia, and Employees Interpretation of These Criteria

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Abstract

This study explores the criteria for evaluating performance, established as recently as 2017, by the Saudi Civil Services body (SCS), and which defines the methods and techniques for a fair and rational implementation of the appraisal system, and examines how employees perceive these criteria. Throughout, the research looked at the attitude of employees within public agencies, in the city of Tabuk, Saudi Arabia, vis-a-vis the newly implemented appraisal system, and at how they interpreted its' modus operandi and its' findings. The study made use of Qualitative methodology, wherein data collected from five public agencies on the basis of face-to-face interviews, sought to understand the employees' perspective of the application of the current appraisal system and to fathom their experience of it. The sample size comprised 10 employees, two from each agency. The findings reveal significant public sector employees' concern regarding the new appraisal system, the degree of accuracy in implementing the appraisal process. Employees' concerns extended to the mechanisms are used to link between the appraisal grade and the allowance (pay for performance), to the nefarious influence of nepotism on the factors of fair play and accuracy. The question of how to raise the level of awareness of the new system among raters and ratees came to the fore during the face-to-face interviews.

Key words: performance appraisal (PA), Saudi civil service (SCS), force distribution (FD)

1. Introduction

Within Human Resources Management, Function Performance Appraisal (PA) is the most distasteful task for line managers Dessler (2011). Thomas and Bretz 1994 study on PA., concluded that it "has remained a largely unsatisfactory endeavor" (p.28). For his part, Bernardin 2003 indicated that, in the areas of HR the most problematic issue is performance appraisal. Chipping in with doom, Kondrasuk (2011) stated that, "performance appraisal is fraught with problems and conflicts, in what it was designed to accomplish, how it is conducted and how the results are used" p.57.

With respect to PA., the management must decide the planned operational purpose under which the PA., system must exist, and then determine the process for implementing the selected components of which the system comprises. That the management must monitor the implementation of the process as to manage its' performance successfully, constitutes the crucial part in the process. Applying Performance Appraisal PA in a proper way boosts organizational productivities because the success of firms depends on the effectiveness of their workforce. Performance appraisal as it stands plays a critical role in the process of HR. Identifying thus, the weak spots of an organization, so to speak, as to fortify them, constitutes for organizations a priority focus.

This introductory section reviews summaries of old and contemporary appraisal systems used by SCS. Article 36 of the Saudi Civil Service Performance Appraisal System, through the bulk of its seventeen paragraphs stresses that, all public sector employees must undergo yearly evaluations. The article also outlines the mechanisms under which the appraisal system of public sector employees must operate and the model for their organisation. Paragraph seven clearly states that, the section manager sets the parameters for evaluating the employees under his wing, but the top manager or middle ranking manager approves the timing and procedures. Either of these two may at his discretion modify the parameters for conducting the performance appraisal, manipulate the grades that can be assigned to employees and determine the results from excellent, to very good, good, satisfactory or unsatisfactory. Empowering employees' right can get a copy of their evaluation. Once it had been officially approved, while paragraph eleven reinforces that right by stating that any employee with an unsatisfactory score has the right to appeal within fifteen calendar days of the formal notification. To reform the old system, the SCS

introduced the FD technique. The new appraisal system changes the practice, wherein now, the evaluation starts at the beginning of each year by setting employees objectives. The latter amount to at least four objectives for each employee, and a distributed weight ration allocated to each objective, with the total weight equating 100%. These objectives must be negotiated between the employee and his/her immediate manager.

In its' drive for improving the system, the SCS announced a new plan, which targets a number of programs in the field of Human Resources. King Salman Human resources Development Program constitutes the most important program of all. Developing the country's performance appraisal system represents a key initiative of the Royal program. Raising the efficiency of the public sector, increasing employee productivity, and supporting them achieve higher performance, encapsulate the gamut of objectives set by the Royal initiative.

Having evaluated the current performance appraisal system, and highlighted its' shortcomings, The SCS went on to review local and international practices in systems pertaining to performance appraisal. They came up with an issue guide manual for performance management, then outlined a role for performance management, based on force distribution method of performance appraisal.

1.1 Objective of the Study

Performance appraisal constitutes the practice sine-qua-non of organizations because it summarizes how employees effort convert into numbers, wherein those numbers reflect on employees' contribution to their work environment and ultimately their level of productivity. In other words, when these numbers reflect actual achievement and behavior of employees, they may positively act as stimuli, which motivate them and visa versa.

A growing volume of research and an array of studies currently examine how throughout the world employees' react toward their PA. Nonetheless, this type of scholarly activity remains rare within the context of Saudi Arabia. The study at hand fills a scholarly gap and enriches literature in the field. Understanding employees' attitude towards performance appraisal and its' context, illustrates the key components for designing a system that can prove operationally successful. As noted, by Lawler (1967) "attitudes, towards the equity and acceptability of a rating system then, are functions not only of the system itself, but also of organizational and individual characteristics" (p. 379). A number of scholars indicated that even if the system's performance appraisal reflects accuracy and rests on professional design; lack of employees acceptance of the system, definitely undermines its' quality and compromises its' success; Kim and Holzer (2016) Murphy and Cleveland (1995), Keeping and Levy (2000). On the other hand, the concern of practitioners, and academic moved to evaluate the amount of influence that appraisal make toward employees' outcome Cappelli and Conyon (2016). The stumbling block revolves around the issue of how to move performance appraisal from subjective measure to objective measure. This study stands as the first of its' kind targeting publication, and bring to the fore novel methods for gauging employees performance appraisal, implemented within the Saudi public sector. It explores the efficiency and feasibility of the current system, form the point of view of employees in how they perceive the implementation of the process.

To this effect, this research explores the experience of employees in the application of current performance appraisal techniques, and delves into the area of a hitherto unexplored method of implementing a new FD appraisal technique. The work at hand stands to enrich scholarly research and assist academics in their drive for a comprehensive grasp of the leitmotifs, which shape the dynamics of appraisal techniques within Saudi Arabian public-run organizations. The study at hand thus, brings to the fore the experience of employees in a process that largely focusing on the public sector. The author of this research seeks through his findings to provide the tools, which act as a base for testing other contexts or for comparing the public and private sector. By the same token, through these findings, practitioners will acquire the means to figure out the pros and cons of the system and ipso facto remedy the flaws inherent to it. In addition, as a new implemented technique, the study will provide researchers and practitioners with employees experience and key information about the level of effectiveness of the FD appraisal technique within the Saudi public sector.

2. Literature Review

The process of Performance Appraisal (PA) rests on the twin tasks evaluating and judging the performance of employees. For Kondrasuk (2011) Kim and Holzer (2016) some organizations use PA., to motivate high performance employees and to punish poor performance employees. Many organizations try to improve their method of appraising their employees in order to achieve their objectives. PA., always stood synonymous with performance rating, performance evaluation, and performance review wherein, all these terms reflect the instrument or kind of assessment tool for gauging employee's job performance. In relation to appraisal dimensions employers usually appraise employees on the basis of the job they have performed either, and on their personality traits such as, initiative, enthusiasm, cooperation or judgment, or job-related standards of which accomplished tasks, speed, implementation, and knowledge of work procedure. Appraisal dimensions should be described

clearly for appraisers and appraised alike, with no margin for ambiguity. By first reviewing previous studies in the field, this research reviews the definitions of performance appraisal used so far by raised by scholars. Examining a number of articles highlights various definitions of performance appraisal proposed by researchers. Armstrong (2009) defines PA., as "the formal assessment rating of individuals by their manager" (p.618).

We classify the reasons for using PA under three purposes. First, administrative purposes such as pay increase and promotion, second training development with employees' feedback, the third purpose as the most recent one, incorporates the strategic sphere, related to aligning employees' performance with organizational goals (Noe et al 2008). Moreover Gary (1984) stated that performance appraisal plays a critical part for the success or failure of the strategic plan of the organization. Moreover Kuvaas (2006) indicated that PA increasingly becomes a part of the strategic plan, and this by integrating HR activities and business goals. At the other end of the scholarly spectrum, researchers such as, Frederick (1981) goes as far as to indicate that performance appraisal scores low in reliability and validity. He also described as dubious the ability of PA., in improving performance. He goes on to emphasize the need to validate the criteria for the selection and promotion of employees.

Studies trumpeting the importance of PA for individuals and organizations abound and occupy large chunks of literature. Fandray (2001) asserts that the vast majority of public and private organizations apply it around the world for monitoring and improving overall performance. The reason revolves around PA's ability in providing organizations with information that is important for employees and employers, such as, increasing salary, training employees, promotion, feedback and transfer them; Murphy and Cleveland (1995), which is a determining result of employees' work. Russell and Russell (2011) pointed out that performance appraisal is a process and not a single event. In other words, it needs to be looked as a holistic approach, one in which organizations need to oversee the successful integration of daily functions with the overarching ideology of the system. The authors emphasized that without this integration, the appraisal has less chance of successful implementation. Notwithstanding, PA., involves many issues, and bias stands at the very top of these concerns. Human bias constitutes the fundamental hurdle on the way to implementing an impartial, non-partisan performance appraisal. The human factor almost always trades on subjectivity, which takes different forms such as leniency, favoritism, severity, and central tendency. The system of Forced Distribution has been designed to deal with the issues of leniency and the lack of discrimination when measuring employees' performance McBriarty (1988).

With regards to appraisal objectives, we can cite the need to enhance organizational effectiveness in that performance appraisal helps organizations achieve their goals. Another objective of PA focuses on the need to improve individuals' performance. As employees strive to know how they perform their job and learn about consequences of their performance, they will raise their game, which leads to an improvement in communication between subordinates and supervisors. PA also endeavors to assess future potential for employees. To that end, employees who show high potential may be transfer to more challenging tasks or line of work. Regrettably but inevitably, managers use PA to make a decision on employees' termination. Conversely, PA remains important in identifying training needs for employees, and in helping organizations in the decision-making process, specifically decisions related to granting compensation and benefits.

Individuals usually accept the appraisal practice when they perceive that the process of practice or procedure that determine the outcome goes through a fair process Moon et al. (2016). With respect to performance, employees seek to receive assigned goals for them their evaluation rests. In line with employees' desire, Latham and Locke (1979) developed a goals setting theory, which emphasizes the relationship between goals and performance. A number of research supports the theory's assertion that individual performance seems more effective when employees receive specific goals. Locke and Latham (2002) stated there when employees get specific goals, their behavior influences their performance. In earlier research, Fletcher, 2001; Earley et al. (1990) emphasized that one of the key activities of PA is goals setting. Appraisal cycle starts with the task of assigning goals and ends with the appraisal result or grade. Earlier support for this link came with Adams (1965) outcomes equity theory, which describes the relationships between employees and their organizations, wherein employees measure the ratio between their contribution or performance to the outcomes that he/she got. That means when an individual perceives disproportionality between their contribution and what they get in return, they feel injustice in the practice of performance appraisal. Research in the field of psychology indicated that employees feel PA is subjective and sometimes inaccurate Greenberg (1986), Levy and Williams (2004). In this regard, researchers emphasize the employees' acceptance of the system as a prerequisite for influencing their behavior and future development. If employees reject the system, it is doomed to fail (Murphy & Cleveland, 1995; Kuvaas, 2006).

Literature abounds with solid research that when PA linked to pay, individual performance can be motivated, (Rynes et al., 2005; Greene, 2015; Lawler et al., 1984). Therefore, management must reward performance for improved productivity and employees' contentment. Most organizations claim that they use Pay-For-Performance

system (PFP) Rynes et al. (2005). To this effect, management must never overlook the importance of accuracy in measuring performance because the effectiveness of defining, measuring and rewarding performance significantly influences the workplace level of productivity and work environment. Some researchers argue that reward should be linked to the performance of employees as it motivates them to increase their effort, and better their behaviour. With this in place, individuals will be more productive when they believe that their performance will be reflected in their salaries or pay (Kellough & Nigro, 2002; Lawler, 2003; Greene, 2015). One might argue that due to some supervisors' imprecision in measuring employees' performance, they fail to make a reliable link between appraisal and reward. As such, employees might receive unfair wages or lower compensation than they otherwise deserve. The argument relates specifically to the difficulties encountered when attempting to link performance to compensation, with a pointed focus on the supervisors. In public sectors in particular, where supervisors are restricted with formal regulation and not given the needed space or time for flexibility to connect pay with performance, hat absence of operational flexibility make it difficult for them to match reward with performance. Winstanley 1975 argued that the amount of pay should not be based or linked to the level of job performance. He adds that pay should be based on other factors other than performance such as, economic factors, maturity and job level. Organizations must take this fundamental issue seriously. Corroborating this view, as early as 1971, Lawler pointed out that "The one issue that should be considered by all organization theories is the relationship between pay and performance" (p. 273)

In spite of the existing consensus about the benefits of PA to organisations, the drawbacks appear when it comes to the practice and implication of the process, which in some cases show that either the supervisor or the employees does not support using it, Kim and Holzer (2016) Berman et al (2006). When these deficiencies become apparent, the effectiveness of PA increasingly becomes challenging. The FD system requires successful implementation as to deliver higher organisational performance. To that end, higher management must ensure that the supervisors or raters have the ability to apply the process accurately by differentiate between higher and lower performing. This particular exercise comes with training raters in how to apply this FD method for evaluating employees and for using open feedback, Moon et al (2016). Continues feedback from supervisors also helps employees overcome their shortcomings and built up performance. The findings of Al Harbi et al. (2016) conclude that when the level of manager knowledge is high and able to provide employees with regular feedback the level of trust improves. Raters or appraisers constitute key factors in the success appraisal process as in Maria's (2015) "All appraisers should go through training programs regarding the appraisal procedure and to be clearly informed about the error factors in the process of evaluation for which they are directly responsible, and about the impact that a false evaluation might have over the performance of the organization" (p. 278). For decades researchers have identified that the top priority area for the success of performance appraisal system is the raters/ supervisors training (Farooq, and Khan, 2011; DeNisi and Smith, 2014; Mulvaney, 2017).

3. Methodology

This research was conducted on the public sector of the Tabuk region, in Saudi Arabia, and covered five public agencies. Because points of views usually differ from one individual to another, the Interpretivist paradigm was appropriate for employment as to extract the accurate views of employees and get a deep understanding and a richer meaning Neuman (2011). This qualitative research thus, requires for techniques that are appropriate to such an approach, of which an interview aimed at obtaining employees' perception of the practice of the new system. A Semi-structure interview with 10 public sector participants was used to collect data. The interview was conducted with employees who are evaluated by their manger because they were the focus and target of the new system, which impacted directly on them. As such, two employees were selected randomly form each organization who were able to supply information that serves the purpose of this research. Interview questions were developed from literature reviews related to the practice of performance appraisal. The Interview was divided into three sections; section one dealt with the participant information such as, years of experience, qualifications, job title names, section two was about how they understood the concept of performance appraisal and how they interpreted it, section three was about the practice of the new appraisal system and the difference between it and the previous system. The interview's final question asked the participants if they wanted to add any information that may be important to the research. Permission was obtained from each institution and each interview lasted between forty minutes to one hour. Employees who have less than three years experience were excluded. From a validity point of view, it was deemed proper that the participant had a minimum of two years practical exposure to the old system and one year of the same with the new system.

The interview was conducted in Arabic and translated to English, through back translation to minimise the distortion of meaning Neuman (2011). I first analysed the transcripts and followed that with the methods that described by Marshall and Rossman (2011). I organised the data, generated categories and themes, and then I

coded the interpretation in search for deeper meanings in order for groups themes and sub-themes.

4. Analysis of Data

The analysis section takes off with the precept that all employees who participated in this study understood the concept of PA, including the meaning and objectives of PA, used by the organisation. for example:

"The evaluation of employees levels of skills, attendance and productivity, as well as their dealings with their supervisor, subordinates, and public at large" (p3), provided the setting for this section. A participant responded with pinpoint accuracy and clarity when he indicated that: "Evaluate employees once they had accomplished tasks throughout the year, in relation to their job title and job description and in relation to the tasks that were assigned to them" (p6). Meanwhile, another participant made a statement which deviated from that of his colleague when he stated that: "Evaluate an employee's performance at the end of the year, whether a specific task had been assigned to him or not" p10.

The statements above indicate that employees in the public sector understand the concepts and the objectives of the PA.

4.1 Goals and Objectives

With regards to the differences between the old and new systems, most participants agree that the new system outdo the previous one. The participants reached their decision on the ground that the new system assigns goals for employees at the beginning of each year:

First participant stated the difference in clear manner:

"The old system was subjective, laden with assiduity and flatter. The one who works and the one who does not work scored the same grade in the supervisor's evaluation, whereas the new system is linked to numbers," p1

From the point of view of another participant, the new appraisal system was more appropriate because it linked the objectives with the job title: in his words:

"The old system was general and didn't have any objectives to be assigned to employees while the new system assigns objectives based on the job description" (p. 6).

Participant 6 above explained that the new system helps organizations by allocating each employees to the job description for which he/she had been employed in the first place, with task entirely related to their skills. He adds that this process better helps employee in focusing and in improving their employees' skills and in developing their career. The process, he adds relieves employees of tedious tasks that are unrelated to their job description.

Another participant stated that " the old system was a mirror for employees, in other words it measured things more in relation to their social and personal profile than to their productivity. The old system focused on employees' appearance, whether they cooperated with others and their level of attendance. The new system breaks with the old and significantly focuses on the productivity of employees" p8.

Employees expressed warmth towards the new appraisal system and seem to have positive perceptions of its' intentions and outcomes. They spoke of how the new system puts emphasis on setting goals and objectives, and how these elements gave them clear directions on how they should perform their tasks and navigate the demands of higher productivity throughout the year. The new process in place, allows them to estimate their grade at the end of each year by comparing their accomplishment, in relation to the goals they had initially set for themselves and in cooperation with their supervisor.

Notwithstanding, the clarity of goals remained an issue for many employees, In the words of one such employee:

"A contentious issue with the new system pertains to the fact that some goals not measurable " (p1).

The above participant has compared the old and new systems, and stated that new system was better because it assigned goals for employees, which meant each employee knew what he had to do, he mentioned however, that some goals remain unclear and foggy.

4.2 Link of Annual Allowance with Appraisal Grade

There were concerns among the participants with regards to how the grade links with the amount of annual allowance or benefits. This concern if not addressed may reduce the employees' enthusiasm for performing their task in an effective way. To quote one employee:

"There are objectives for each employee, also there is a distribution for the grade (bull curve). How could it be then that all employees who got grade 2 or 3 or 4 or 5 got the same allowance, and there was no deprivation of the allowance?" (p. 3).

P3 above clearly stated that the annual allowance should be linked to the grade obtained. He has pointed out that in his department there is a distribution of grade assigned to each employee's evaluation. Irrespective of this, if they are at the same rank, their bonus will be the same and that means the one who is diligent and hardworking will receive the same allowance as the one who is less performing and got less grade, which is unfair.

Another participant stated: "linking annual allowance with the appraisal grade requires fair implementation of the appraisal process" p6.

The participant above indicated that in the act of linking allowance to grade, fairness should be applied to the appraisal process. A prerequisite for fairness though calls for greater accuracy of the appraisal process of employees, without which it will come short.

Another participant discussed this issue from a different angle as said:

"Some employees got more than what they deserved, which is unfair in as far as the university is concerned. Let's take the case of employee who definitely didn't deserve to get grade 5, but who did, and the case of another much more deserving, and hardworking who, too got grade 5. Both went on to get the same salary, with no difference in as far as their financial benefit goes" p10.

The participant above indicated the futility of the system by comparing a lazy employee with a hardworking one, and how the appraisal system awarded them both equal grade and consequently equal salary status.

4.3 Regulation for Appealing

Employees, who feel dissatisfaction with their evaluation result and that appraisal mechanism inaccurately graded them, can appeal the result. With regard to the new system, the participants in the study expressed concern with the scale of 1-5 under which the new appraisal system operates. Suppose, they argued x employee got a grade from 2 to 5, he won't be able to appeal, but the only employee who can appeal is the one with grade 1, namely the unsatisfactory candidate. Cementing this view, another participant added:

"When an employee realises that he had been evaluated, less than what he thought he deserved, and if his grade is above 1, he cannot object or appeal the result" (p. 9).

Another participant stated:

"The appeal system appeal does not deal with above unsatisfactory cases, namely grades between the range of 2-5. This is prejudice plain and simple. If you are in a manager's bad book, so to speak, he can give you a satisfactory or good grade, even if you deserved very good or excellent because he knows that with a grade within that range, you are excluded from the appeal system. This loophole opens the door for unethical managers, and provides them with the means manipulate the scores and grades, to suit their interest" p6.

The quotes above show the participants caught between the twin fear of getting less than their deserved grade and the rigid regulation under which the new performance appraisal system had been organised. Article 16 of the system's new regulations addressed concerns that were highlighted by participants, and states: " It is permissible for employees who are evaluated with unsatisfactory grade to appeal to the top management of the organisation within ten days of receiving their grade"

4.4 Nepotism and Cronyism

Relationships play a strong role in influencing and shaping the results of performance appraisal in the public sector. Some participants resented the nefarious effect both nepotism and cronyism have on fair play. They emphasised how the results of an evaluation are often manipulated under the pressure of relatives and friends of the employee. In the words of some participants:

"Approximately thirty per cent of evaluations are influenced by nepotism and cronyism" (p. 5). And, " Most of the time, the evaluation does not depend on the goals of the organization because a manager may ask you to do task beyond your job description, and if ever you object, he will use that objection to temper with your evaluation, and nepotism and cronyism are ever present in any evaluation" p4.

Participant no 6 stated that: "the accuracy is high but nepotism and cronyism are a daily feature in the practice evaluation." (p. 6).

Participants presented different experiences of how nepotism and cronyism influence the validity and accuracy of the appraisal system. These shared perceptions reflect employees' reservations about the fairness and validity of the appraisal exercise. The belief that employees will never be evaluated honestly on their exact level of contribution and productivity, rather they will be evaluated on the degree to which they exercise the twin weapons of nepotism and cronyism.

4.5 Implication of the Process

Despite the fact that employees are supposed to be evaluated on assigned objectives, this participant begs to differ:

"There is no link between objectives and evaluation at the end of the year, the manager only relies on his memory to evaluate me and does not discuss my achievements" (p.10).

Another interviewee stated that the manager had assigned objectives that cannot be measured in practice: "The implementation of the process is accurate up to 50% while the other fifty stands as immeasurable goals" (p. 1).

Above participant indicted that half per cent of evaluations on these objectives were not assigned on SMART model, which means different manager can evaluate in different ways if goals are loose, and participant No 4 is at one with his colleague. He adds that in this case the manager may need to be trained in how to make accurate and fair evaluation.

Another participant stated that immeasurable objectives may be used by manager to downgrade your evaluation:

"There are immeasurable goals that may be used by the manager to make your evaluation low" (p. 1).

Another participant indicated that the force distribution system constitutes a problem for employees and managers alike:

"Forty per cent of inaccuracies in the evaluation occur because of this system (FD)" (p. 3).

This participant blamed the appraisal procedure, which presupposes that all employees are performing well, while the system grades them from 5 to 1. The interviewee further wondered, how could we assign grade 1 and 2 to employees while they are performing very well?

In contrast with above participant this one said:

"After assigning objectives and drawing the plan with my immediate manager employees surprised his manager asked me to perform a task that wasn't initially included in the objectives we had agreed upon at the beginning of the year. By moving the goal posts, the manager imposed upon me new objectives, which contravene my job title and description. He evaluated me without referring to the initial objectives, at the start of the year, we had set and were I to ask him to reconsider what he did, or air my concerns, he would take it personally" (p.4).

The above participant highlighted that the manager far from sticking to the assigned objectives and honouring them, keeps changing or adding other objectives throughout the year. Participant 7 concurred with this view, and argued that managers at times add more goals to employees after they (manager and employee) had already agreed on goals at the beginning of the appraisal cycle. The shifting of goals by managers, he explained were the results of cooperation between employees or were due to emergency cases, such as when some employees had taken a longer than expected holiday.

Finally, participant no 10 didn't differ from the other participants, but he went on to say that the difference between the two systems was only on paper, and that nothing had changed at the work place.

"The difference between the two systems is only on paper (administrative procedure), but in actual fact there is no difference. With the old system the evaluation was carried out on one form at the end of the year, whereas the new system only assigns objectives at the beginning of the year. However, at the end of the year these objectives are not taken into consideration when the manager evaluates his subordinates. As evidence of this, compare last year's evaluation of all employees at the university compare with this year's one and you will notice to the same results" (p. 10).

That he meant practice is the same only new system start by assigning objective at beginning of year and evaluate employees at the end of the year while still same behavior form direct manager that does not look for assigned objective and he evaluate on relation to the work he (means subordinate) do.

4.6 Raising Awareness

Some employees highlighted that the new system lacks the awareness factor, and recommend that the Ministry of Civil service must do more to raise the awareness of the system through the ranks of employees and top management alike. When asked if he had been fairly evaluated on his actual performance, one participant responded:

"No, there is not enough awareness of how to apply this system" (p. 8).

Concerns about the clarity of the system to employees were equally raised came in the response of this interviewee:

"There should be some workshops for raising awareness among employees, some training courses and greater

availability of brochures publicizing the system."(p. 6).

Calls for improving awareness as key to effective application of the system formed the response of this participant:

"I appeal to officials at governmental ministries to organise workshops for training employees and courses to them help them understand what is required of them" p3.

The quotes above stand as evidence of the employees' frustration with the absence of clarity in processing the new system.

5. Discussion

The findings of our analysis reveal that while the participants accepted the new system of performance appraisal as a whole, they did not accept a set of issues related to its process. The first issues raised by interviewees, as reasons for accepting the new appraisal system centred on defining and setting goals for employees. Defining goals for employees motivates them to achieve what is required of them. As stated by Latham and Locke (1979) in the development of goals theory, employees are motivated when they receive specific goals. Participants felt that the previous appraisal system was unclear and subjective in evaluating employees, whereas the new system has issues pertaining to goals that are unclear for employees and which are not measurable. These findings are consistent with Al. Harbi et al (2016) study. The team covering the Saudi private sector observed the same trends, in that the participants complained about the absence of clarity of the goals. Previous research went as far as indicating that poor clarity of goals and objectives make employees unhappy with the practice of appraisal and feel unfairness (Ismail, 2018; Sudin 2011; McDonnel & Gunnigle 2009; Kuvass, 2006).

The second issues highlighted in the findings centred on grade and allowance. The issue raises the question of linking the grade that employees got to the amount of allowance they get. In other words, it focuses on commensurability of the standards applied and the financial rewards that follow the appraisal. The participant concerns questioned the uniformity of the grade among high and low performing employees. They expressed bemusement at a process that demotivates instead of motivating them. What's the purpose, they asked of working hard to achieve one's goals then get the same bonus as a free rider employee who does little to deserve a bonus? The practice has the unhealthy diagnosis written all over it, and sends an ambiguous message that performance levels didn't matter one iota. Greener (2015), added that "rewarding everyone the same often reduces the motivational (factor) for individuals, to perform at the higher levels" p104. This finding conflicts with previous research that revealed how people and organisations pay great attention to the issue of reward differentiation between higher performers and lower performers (Kanfer, 1990; Pfeffer, 2001; Lawler, 2003). Welch (2001) for his part, argued that top performers should get higher reward two or three times to the next level of performers employees. A typical approach "merit pay" as defined by Kellough and Nigro (2002) "links individual employee performance ratings to annual salaries increases" (p. 146). On the other side of the scholarly debate, Adams (1965) Equity Theory suggested that in these scenarios and situations, as per the findings above, top performers and most productive performers were more likely to perceive inequity.

A third issues highlighted by the findings pertained to the limitations of the appeal system. On this issue, the participants indicated that employees can't appeal, if their grade were above one of five. That in turn meant that the only employees who can appeal were those evaluated at grade one. These restrictions, conflict with literature which indicate that performance appraisal is mostly perceived fair when the appraisee has a chance to appeal Murphy and Cleveland (1995) Greenberg (1986) Thurston and McNall (2010).

Further issues raised by the findings were the twin curses of nepotism and cronyism shackling the fairness process before it even takes off, and they are multi-faceted and hard to pin down. The widely held belief among participants that nepotism and cronyism highly influence the practice of evaluation, which in turn affect the appraisal results and grades. Under the nefarious influence of nepotism and cronyism, employees are not rated with the same standard because in as far as they are concerned, who you know takes precedence over the goals and render perform irrelevant objectives. This practice creates a deep sense of unfairness towards the entire appraisal process. Evidence from previous research shows that ,nepotism and cronyism decrease fairness and integrity in the performance within the appraisal system at the level of public sector organisations (Pearce & Perry, 1983; Kellough & Nigro, 2002). As per the findings of this study, employees may express concern about their performance rating not being evaluated fairly. Moreover, Branine and Pollard (2010) argue good relation between employees and manager largely may cause irrelevant job performance.

The fifth issue highlighted by the findings centered on the level of accuracy in implementing the appraisal. To make the appraisal process more accurate, the supervisors should present transparent procedures, published for all employees to read. This theme raises three issues; *first*, employees indicated that the rater did not evaluate on the

basis of goals, as he relied solely on his memory to evaluate performance. It was for the participants crystal clear and obvious that the rater did not keep a record of employees' performance on a regular basis throughout the year. The rater's failure to keep records of daily performances shows inconsistency with standard practice, as per earlier studies, which stated that a recording note for employees performance should be kept to show objectives and unbiased evaluation, otherwise the evaluation may be subjective (Narcisse & Harcourt, 2008; Bol, 2011; Gregory et al., 1988; Katerina et al., 2013). For Shahina and Sumod (2015), "to avoid over-reliance on memory, some raters keep logs or computerised notes" (p. 24). *The second* issue was about immeasurable goals and objectives that have been set for employees, where participants raise concern about goals that are hard to measure, and where they desired their supervisor to provide them with precise measurable goals that allow them to compare their grade performance with their accomplishments. This related meeting of discussion or setting goals between rater and ratee the absence of these discussions may lead to unclear and unmeasured objectives and goals Mulvaney (2017). Earlier research has differentiated between two types of measures, which are the direct quantifiable goals as objectives and not direct quantifiable goals as subjective, Aggarwal and Thakur (2013) and Cappelli and Conyon (2016). Moreover, literature has emphasized that goals should be precisely set to be accurately measured (Islami et al., 2018; Moon et al., 2016). The issues of measurement of appraisal raised by many studies shows that the measurement has a problem, related to the scale of appraisal form than can reduce biases, Murphy and Cleveland (1995). *The third* issues of this theme focus on FD technique, where participants blame the system, which they perceive as unfair. Why, they ask should an employee receive an unsatisfactory assessment, in a case where all employees have performed well, and they point to the rank distribution as the source of the problem. The FD system requires the manager to stay close with their subordinate and supply them with regular feedback Guralnik et al (2004). The manager must regularly evaluate his subordinates and provide them with feedback. The body of literature emphasizes too, that managers who are using this system should be extensively trained and provided with continuous support; Moon et al (2016) Stewart et al (2010) Farooq, and Khan, 2011; DeNisi and Smith, 2014. They point out the reason for such practice and continuous support as enabling the managers to distinguish between their employees.

The final concern highlighted by participants was the low level of knowledge of employees and top management about the new appraisal system. In fact, supervisors at all organisations should be qualified and properly trained. When applying the appraisal system, extensive training should be given to managers to allow them to set a SMART model goals and to develop the ability to distinguish between the performance of subordinates; Moon et al (2016) Stewart et al (2010). Moreover Moon et al 2016 recommend that organisations applying FD should invest in resources such as, training raters or supervisors in the use of this system.

As shown above, the findings of this research in relation to previous studies clearly highlights the inherent flaws in applying some important aspects of the FD technique. These shortcomings pertinent to improper implementation of the appraisal process reveals that some public sector managers had not adhered to the appraisal regulations that were announced by the SCS. Concerns over these operational oversights were raised by participants when they indicated that some managers had not fully adopted the appraisal process, contributing in the process to the inevitable failure of the new implemented technique. Six presented themes in he previous section (analysis) initially cover unexplored areas of research, which may help academics in the field with the means to either unearth solutions to these stumbling blocks or investigate their dynamics in different contexts.

6. Conclusion

To effectively use PA to achieve its' goals, organisations should study employees' reaction to it because a negative perception of PA among employees causes resistance to it, which in turn leads to job related stress Kim and Holzer (2016). With Saudi Arabia moving towards full implementation of the new system, which will help it improve its' productivity, it is the right time to evolve PA and perfect it to a standard that provides more accuracy in measuring the performance of its' employees. The FD system might face some difficulties when applied to SCS employees because the rewards are not linked to evaluation, and where at the beginning of each year, employees are given a rewarding scale that employees that isn't linked to PA. Dessler (2011) indicated that in order for firms to design performance appraisal, they should consider two destinations. First, what should be measured and second, how to measure it? In this case the SCS should pay more consideration to the second issue. The reason that makes the SCS use the FD system, was that within the public sector there was a lack of discrimination of individual's performance, and this issue remains in practice as indicated by participant 10. For him, there were in reality no differences between the old and new system, and to justify his belief, he added that vast majority of employees were getting high grades, whereas the much-trumpeted distributions of top and low performers were in practice ignored and shelved aside.

These finding support Daley's (1992) statement, that the concern is not with how well the system of appraisal is

designed, the system becomes useless when employees do not accept it, or when they do not see it as useful. The findings call on public agencies to raise their game, and work hard at training the raters. With this in practice, the deficiencies unearthed by the study will be plugged. As stated by Kuvaas (2006), the (focus) then moves to developmental issues such as integrating the HR activities with overall organisations goals and translate every day activities into a strategic plan. Recommending the setting up of measurable goals Cappelli and Conyon (2016) added that "Supervisors are encouraged to set such goals and performance standards at the beginning of each appraisal cycle. An advantage of more objective measures is that the appraisal process becomes more transparent and credible to employees" (p. 100). In order to minimise bias and increase acceptance of the new system, training to all supervisors or raters in the operation of the new system must be the top priority. Furthermore, the use of FD requires high-level decision-makers to set precise goals, and train managers or raters.

In sum, this study has explored and highlighted key issues pertaining to the practice of the new appraisal technique (FD), the implementation of which, the SCS had requested of the Saudi public sector. Two Issues were examined. The first one refers to the SCS need to revise the articles of appraisal regulations, namely those that link employees allowance to their performance, appeal procedures, with more emphasis on procedures and on raising awareness for both raters and ratees, The second refers to raters bias and subjectivities when implementing the appraisal process.

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