

PERFORMANCE APPRAISAL OF CIVIL SERVANTS - COMPARATIVE PERSPECTIVES¹

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Abstract: A number of European countries introduced new civil service performance appraisal systems over the past decade. The current reform trends in the EU member states emphasise the need for development of a modern performance appraisal model, where measurable performance targets, agreed between civil servants and their superiors, constitute the main performance appraisal criterion. There is also a visible trend of linking performance appraisal to other human resource management functions, such as promotion, professional development, remuneration, mobility, termination of employment.

This paper provides a comparative review of good practice of performance appraisal in European countries. Comparison of European countries performance appraisal models provides an opportunity for learning from experiences and problems of others, taking into account particularities of national administrative systems. Improvements in the methods, criteria, ratings and style of communication are the most debated instruments.

In the context of current changes of the Serbian civil service legislation, the emphasis is on development of professional capacities and introduction of modern performance appraisal system. The authors assess the current performance appraisal system in Serbia, pointing out its strengths and weaknesses, measured against the SIGMA Principles of Public Administration and give proposals for its improvement.

Keywords: Public administration, Performance appraisal system, European administrative principles, Serbian civil service system.

¹ This paper is the result of the realisation of the Scientific Research Project entitled “*Development of Institutional Capacities, Standards and Procedures for Fighting Organized Crime and Terrorism in Climate of International Integrations*”. The Project is financed by the Ministry of Education and Science of the Republic of Serbia (No 179045), and carried out by the Academy of Criminalistic and Police Studies in Belgrade (2011-2018). The paper is also result of the realisation of the Scientific Research Project entitled “*Crime in Serbia and the instruments of the State Reaction*”, Academy of Criminalistic and Police Studies in Belgrade (2015-2019).

INTRODUCTION

One of the most widespread reforms in public administration in the past decades has been the requirement for public organizations to set and measure strategic goals and achievements or so-called “result based reforms” (Staronova, 2017). The EU member countries are not immune to such trends and, as a consequence, practices and techniques, such as performance appraisal are being introduced in public administration. Performance appraisal is a formal, organizationally approved event which focuses on performance dimension and is based on criteria that are used in the evaluation process (DeNisi, Pritchard, 2006: 253-277).

Civil servants’ performance appraisal is one of the human resource management functions, providing grounds for human resource decisions – career planning, training, rewards, mobility, and termination of employment. The main idea is to monitor the work and professional development of civil servants and provide promotion to a higher post based on operational results and the received marks (Demmke, 2007; Demmke, Hammerschmid, Meyer, 2008). It aims to remove the failures in the work, encourage better results and provide conditions for fair decision on their promotion and professional development (Stjepanović, 1958:397).

The contemporary appraisal model provides an opportunity for the employer to communicate to a civil servant what are the values, missions, visions and objectives of the organization. It should be based on agreeing and evaluating the work objectives (performance targets), along with the evaluation of various, previously determined competences of civil servants (Rabrenović, Matijević, 2011:515-528). The interest in performance appraisal can be attributed to the acclaimed increase of motivation, although there is still a debate about how motivation of public sector employees *versus* those in the private sector, can be improved.

COMPARATIVE PERFORMANCE APPRAISAL SYSTEMS FOR CIVIL SERVANTS

Considering the particularities of national administrative systems, there is no single appraisal model generally accepted to measure the performance of civil servants. It is unrealistic to aim for a perfect approach to assessment. Which system will be used to monitor the performance depends primarily on the characteristics of the civil service system and the goal the assessment system should achieve.

The most recent tendencies point to the increasing importance of performance evaluation, which is based on achievement of measurable objectives, i.e. performance targets. Some countries report a strong link between individual objectives and measurable organisational objectives, with an emphasis on personal responsibility of civil servants in accordance with performance outcomes, which particularly applies to managerial positions as well. Today, comparative civil service systems most commonly use a combination of performance appraisal based on specified criteria and the one based on agreement on work objectives to be achieved by civil servants.

In traditional systems, performance appraisal is based on the assessment of the selected pre-determined criteria, which usually includes various competences, and can be mandatory or optional. The competences may comprise: knowledge, skills, behaviours, personality traits. This model allows the use of widely set effectiveness criteria and is based on various competencies required for the performance of duties of the specific job.

The advantage of this model is the fact that standardised performance appraisal procedures based on predetermined criteria are more efficient and easier to use than those based

on work objectives, the agreeing on which is a complex and time-consuming process. Also, comparing employees' performances is easier through a standardised system of uniform criteria than the one basing the assessment on individually set objectives for employees.

In recent years, the main criticism on account of these systems has been that assessments often result from subjective judgments and that there is a tendency to award high ratings for the sake of maintaining the work atmosphere. Using uniform /standardised criteria has come to be seen as a burdensome formality and a routine task. In time, the majority of these systems started to consistently relate performance appraisal to career development, promotion and rewarding, with managers showing a growing interest in conducting assessments more professionally. For example, Lithuania considers the following criteria in performance appraisals: quantity of work, quality of work, complexity of work, individual's ability to use professional knowledge and skills, and communication and cooperation skills. Appraisal results affect the advancement to a higher rank, and therefore the pay level of civil servants. Moreover, this system has a special assessment regime for managers, including state secretaries. The evaluation of their respective performances is based on the review of the implementation of institutional strategic goals, management and leadership. This model has been developed in several civil service systems.

In Croatia, the assessment procedure involves three stages:

a) Task planning, as an annual process involving a dialogue (interview) at the beginning of the year aimed at identifying tasks and goals for the next year;

b) Work and performance control, whereby the superior continuously monitors the work and performance of the civil servant over the entire year and provides ongoing support and advice;

c) Assessment of work and performance over the evaluation year, whereby a dialogue is led with the servant on the progress in meeting objectives, the overall rating is presented and new objectives and tasks for the next year defined, as well as needs for professional development.

Criteria for assessment include: work results (quality of work, meeting of deadlines, observance of work duties, etc.) and behaviour of civil servants. General criteria are: effectiveness in performing work assignments, punctuality, accuracy and reliability, meeting of deadlines and efficiency. Specific criteria apply depending on the jobs to which the civil servant is assigned. They include: innovation, creativity, expression in writing, oral expression, communication skills, and teamwork. Furthermore, additional criteria may also apply – use of specific knowledge, abilities and skills required for performing job related duties.

Another aspect of the assessment is personal behaviour, which is evaluated using the following criteria: attitude to work (motivation), attitude to citizens, attitude to superior officers, attitude to associates, respect for working hours, attendance at professional development trainings, attitude to professional development, and in respect of managing officers – attitude to civil servants managed. When suggesting ratings, the account is also taken of the respect for the official duty.

Ratings assigned to civil servants are: 'unsatisfactory', 'satisfactory', 'successful', 'excellent' and 'outstanding', and those for public employees: 'unsatisfactory', 'satisfactory', 'successful' and 'excellent'. Additionally, when deciding on the final rating, all other duties that the servant has actually performed in addition to the regular ones should also be taken into account.

An increasing number of European countries are introducing reforms to the system of performance appraisal which is based solely on the assessment of agreed work objectives i.e. performance targets. The advantage of this model is that involving civil servants in the formulation of work objectives reinforces their motivation and commitment to goal achievement.

By basing the assessment on specific work objectives, errors are avoided that otherwise may occur when using employee personality related criteria. This approach results in a less formalised appraisal procedure, because the number of criteria used becomes fewer.

In public administration, however, work objectives are often non-measurable, which implies that the application of this principle also has disadvantages in that identifying work objectives is not a simple process. On the other hand, daily workload makes it impossible to increase focus on goal setting and performance monitoring.

In these systems, individual work objectives are more or less related to organisational objectives and integrated into the goal hierarchy. Generally, individual work objectives are linked to those of organisational units and the public authority as a whole, and the public authority's objectives to political, legal and financial framework.

In the UK, performance appraisal is conducted on an annual basis, and only in some cases, quarterly, the so-called 'performance monitoring' (*'monitoring-oriented' appraisals*) is carried out. The key role is played by the immediate manager, but there is also space for *self-assessment*. Typical self-assessment process involves a combination of these elements. Common bases for assessment are goal agreements. Since we speak of the position-based system, decentralised human resources management is practiced in this segment as well, and each ministry, agency and other public authority may develop its own performance appraisal system. Specific sets of professional competencies can be identified under the *competency framework* that distinguishes between skills, knowledge and abilities (problem-solving and decision-making ability, general knowledge, ability to lead, encourage and develop others, communication, cooperation and collaboration, etc.). If, during the assessment procedure, the civil servant disagrees with the rating received, he/she can request an interview with the appraiser. If the appraiser still holds to his/her judgment, a civil servant can apply for a legal remedy.

In Estonia, the system of annual progress review interviews with civil servants has been in operation since 1996. These interviews, led by supervising managers, ensure a 'softer' approach to pursuing personal policy, placing emphasis on receiving feedback and personal development of employees. Interviews may result in promotion or reward proposals. They have been recognised as the key factor of increasing motivation and effectiveness.

In the French system, the assessment procedure involves a mandatory interview between the immediate superior and civil servants, and the main criteria used to assess performance include: professionalism and technical knowledge, interest in professional training and development, organisational abilities, methods of work, ability to coordinate teams, decision-making ability, personal qualities and good work relationships. Ratings are based on annual evaluation interviews between the employee and the immediate manager. Performance and the results achieved are compared against a set of agreed objectives.

In Finland, civil servants in managerial positions are subjected to a mandatory interview held every year to assess their accomplishments relative to predetermined work objectives. Large deviations provide basis for taking certain actions – from warning the respective civil servant to his/her dismissal or a 'ban' on promotion.

Performance appraisal in Portugal is based on the following elements: 1. individual's contribution to the job, evaluated on the basis of performance outcomes; behavioural skills in the sense of measuring individual characteristics using success levels; personal attitudes, endeavours, and commitment. Assessments are conducted annually, according to the specified schedule. The system includes the method of self-assessment. The steps used are as follows: 1. self-assessment; 2. pre-assessment by line manager; 3. assessment reconciliation and control by the Appraisal Coordination Council; 4. evaluation interview; 5. results assessment by top manager.

In Albania, the performance of civil servants is appraised annually, only on the basis of the work objectives set at the beginning of the year and the results obtained. There are four performance appraisal rating categories: a) very good, b) good, c) satisfactory, and d) non-satisfactory.² The senior managerial staff is appraised by the National Selection Committee.³

In Bosnia and Herzegovina, all levels of government carry out performance appraisal based on the objectives set at the beginning of the year and on the basis of demonstrated competences (such as, for example, independence, creativity, adaptability, etc.).⁴ At the BiH state level and in the Republic of Srpska, civil servants' performance is appraised once every six months, while in the Federation of BiH and Brcko district, it is appraised annually. There are four performance appraisal rating categories: a) very good, b) good, c) satisfactory, and d) non-satisfactory. Appraisal of managerial civil servants is performed in the same manner as appraisal of other civil servants.

In Macedonia, civil servants performance appraisal criteria are established by the Law on Administrative Civil Servants.⁵ They include: quality, work efficiency and effectiveness; observance of deadlines and level of accomplishment of established working objectives and tasks; level of involvement and dedication to work; contribution to realisation of the institution's strategic plan, realisation of the individual plan of professional advancement, and actual behaviour. The performance appraisal is carried out once a year, at the latest, by December 1 for the current year; semi-annual interviews (by May 31 of the current year at the latest) are also mandatory. The appraisers can grade the personnel on a scale from one to five, while the overall annual grade is descriptive (A, B, C, G and D). Interestingly, in Macedonia, unlike the other countries in the region, the grading is done not only by the employee's superior but also by his/her associates and persons outside the institution. The grade given by the superior amounts to 65% of the overall grade, while the remaining 35% is comprised by the average grade of the other four administrative servants with whom the appraised employee cooperates at work, and by two persons who are not employed at the institution concerned but with whom the civil servant cooperates.⁶

In Montenegro, performance appraisal criteria are as follows: accomplished work results, independence and creativity in performing duties, quality of cooperation with clients and associates at work; quality of work organisation of conducting affairs, as well as other merits, skills, and qualities related to how work is carried out.⁷ Civil servants' performance is appraised annually, at the latest, by 31st of January for the previous year.⁸ Performance appraisal criteria for senior managerial positions are as follow: 1) work organisation of the organisational unit or sphere; 2) management quality; 3) level of accomplished relations and cooperation.

² Article 62, paragraph 2, of the Law on Civil Servants of Albania, Nos. 152/2013 and 178/2014.

³ Article 62, paragraph 3 of the Law on Civil Servants of Albania, Nos. 152/2013 and 178/2014.

⁴ The Law on Civil Servants in the Institutions of BiH, *Official Gazette of the BiH*, Nos. 19/02, 35/03, 4/04, 17/04, 26/04, 37/04, 48/05, 2/06, 32/07, 43/09, 8/10, 40/12, 93/17; Law on Civil Servants in the FBiH, *Official Gazette of the FBiH*, Nos. 29/03; 23/04; 39/04; 54/04; 67/05; 08/06; 04/12, 99/15; Constitutional Court Decision of 28 June 2016; Law on Civil Servants of the RS, *Official Gazette of the RS*, Nos. 79/2005, 81/2005 – amended, 83/2005 – amended, 64/2007, 67/2007 – amended, 116/2008, 104/2009, 99/2014, 57/16

⁵ The Law on Administrative Servants – consolidated text, *Official Gazette of RM*, No. 142 of August 1, 2016. Administrative servants are persons who carry out administrative jobs both in administrative bodies and in local self-government bodies, and in public services such as agencies, funds, public institutions on local and republican level. See Article 3 of the Law on Administrative Servants.

⁶ Articles 65 and 67 of the Macedonian Law on Administrative Servants. If the civil servant does not come into contact with persons outside the institution at which he/she works, other appraisers are administrative servants of any level.

⁷ Article 108 of the Law on Civil Servants and Employees of Montenegro, *Official Gazette of Montenegro*, Nos. 39/11, 50/11, 66/12, 34/14, 53/14 and 16/16.

⁸ Article 109, paragraph 2 of the Law on Civil Servants and Employees of Montenegro.

tion with citizens, public authorities and other subjects, non-governmental organisations and media 4) other merits and skills, as well as quality of obtained results.⁹

The effective implementation of performance appraisal is influenced by a number of internal and external factors. There is neither best appraisal model for civil servants nor best performance management system – each system has its advantages and disadvantages, and in most cases they can be combined.

MAIN TRENDS IN MODERN PERFORMANCE APPRAISAL SYSTEMS

Given the particularities of national civil service systems, it is often impossible and not appropriate or advisable to take over the entire performance appraisal system of another country. Therefore, it is useful to point to the main trends in the process of civil servants evaluation that can also provide a basis/guideline for further development of the system in Serbia. Several notable trends include: agreeing civil servants' professional objectives as a basis for performance appraisal; linking civil servants' individual objectives and organisational objectives; improving performance appraisal objectivity and simplifying rating procedure; linking performance appraisal results to other human resources management functions.

The agreement on work objectives between the civil servant and the superior is an agreement concerning the expected work results. The advantages of this approach are that involvement of civil servants in the formulation of work objectives enhances their motivation and commitment to goal attainment, encourages independence at work, identification with tasks, orientation to results, transparency, participation in establishing priorities and the alignment of job requirements with ongoing organisational needs.

Moreover, the agreement on work objectives indicates a gradual change in the hierarchical relationship between the civil servant and his/her superior, as the objectives are set jointly by the manager and the subordinate. In this context, the shift is also taking place in the concept of public administration from hierarchical toward the organisational model of *management by objectives*.

Setting work objectives in public administration is not a simple task, because working beyond job description is not a rare practice and responsibilities often depend on political circumstances. In practice, employees are often not included in the goal-setting process, and the agreement evolves into a work order.

Another factor influencing the efficient introduction of work objectives as a basis for performance appraisal is the administrative culture (hierarchical managerial structure, adherence to prescribed procedures, etc.), as, for instance, failure to meet an agreed objective can provide grounds for a more severe sanction (for instance, in the UK).

Individual employee performances determine the operational success of public administration authorities and organisations. For public authorities to accomplish strategic goals and annual business plans, organisational objectives must be linked to civil servants' individual work objectives agreed in a dialogue between managers and civil servants. If predetermined objectives are modified, organisational and individual objectives should be revised accordingly.

Anglo-Saxon countries have been more successful in aligning individual and organisational objectives due to their being dominated by the principle of '*new public management*'

⁹ Article 111 of the Law on Civil Servants and Employees of Montenegro.

granting managers the freedom to manage but making formal rules more flexible compared to continental European countries. Nevertheless, the latter systems also made progress in linking organisational and individual performances, particularly France and Bulgaria.

The most recent tendencies of improving the performance appraisal system move towards the reduced number of rating scales. While the past practice saw a widespread use of more complex assessment procedures, current practice favours a more simplified approach to assessment, with a small number of numerical scale categories ranging from 3 to up to 5. Comparative experience has shown that distinguishing between two situations in civil servants' performance, such as "excellent" or "poor performance", is easier than engaging in a more detailed assessment of performance nuances, because the emphasis is on the very process of assessment rather than on the main purpose of improving the servant's performance (Vukašinić Radojičić, 2015:168).

In comparative performance appraisal systems, one of the most commonly used mechanisms to unify the assessment practice is the fixing of *quotas*, or the proportion of civil servants who can receive a certain rating (for instance, only 5-10% of servants may be awarded the highest rating, or only 20-30% average rating, etc.) (OECD, 2006). In other words, it means determining the expected ratings distribution whereby smaller numbers of civil servants demonstrate outstanding performance; larger numbers demonstrate satisfactory performance, and a smaller number unsatisfactory performance. Quotas may be legally binding or non-binding, depending on whether the managers must stick to the letter of the law or have certain flexibility in using them.

Comparative systems use another mechanism to make the performance appraisal objective – specifically, the *360-degree* methodology, which brings more objectivity to the assessment process, because it involves a wider range of appraisers, each in a different relationship with the civil servant. It is applied as a system where assessment is directed not only top-down, or from manager to employee, but also from employee to manager and other co-workers. This system is considered as a rather complex instrument requiring a healthy basis of a simple civil servant appraisal system established before more complex mechanisms can be introduced. It is not fully appropriate for environments with underdeveloped performance appraisal system, which is why simpler assessment bases must be introduced first. On the other hand, the experience confirms that with informational support provided to this method the procedure can be efficient and cost-effective.

Method of self-assessment is a procedure by which employees evaluate their own performance at work. Self-assessment is usually part of the performance appraisal system – it does not appear as a separate appraisal method. It can constitute one source of information relevant to performance management, in that the manager gains insight into employee's perception of own work performance, but cannot rely on self-assessment as a valid source. Participation of employees in the appraisal process improves motivation. Also, it serves as the starting point for establishing high-quality communication between employees and managers.

Assessment of a group of employees or team assessment is another method used to evaluate performance in public administration. Introduction of team assessment refers to all team members involved in carrying out a specific task or duty. Its application contributes to overcoming the issues of subjectivity, and reinforces team work and collegiality, which is the key to the successful functioning of public administration. Some countries (Germany, Finland, and UK) also have systems in place for rewarding groups of civil servants for a well performed task, overcoming thus the issues associated with assessment-based rewarding of individuals and reinforcing team work in public administration.

PERFORMANCE APPRAISAL SYSTEM IN SERBIA

Over the past decade, Serbian civil service system has been subject to continuous changes of legislation and administrative practices. The performance appraisal was introduced for the first time by the Civil Service Law of 2005, which has been amended several times in order to meet the needs of the Serbian civil service system.

One of the key standards against which the Serbian performance appraisal system is assessed are the SIGMA Principles of Public Administration. Those principles serve as a *soft-acquis* in the area of public administration for the EU (potential) candidate states. The Principles of Public Administration represent an example of a change of the EU approach to the accession requirements. Unlike in the early years of accession, when the Commission was insisting merely upon adoption of certain legislation and establishment of institutions (so-called “check-box” approach), there is a strong orientation towards assessing implementation of the legal framework and its effectiveness in practice. This appears to come from a wider understanding that an attempt to change the society and civil service in particular through laws has obvious limits in the 21st century (Nicolaidis, Kleinfield, 2012: 47).

In order to be able to monitor the progress in achieving the benchmarks set in the Principles, SIGMA has also recently developed a document entitled “Methodological Framework”, which provides a comprehensive monitoring framework for assessing the state of a public administration against each Principle set out in the Principles of Public Administration.¹⁰ The Framework includes a set of indicators, which attempt to define preconditions for a good public administration (good laws, policies, structures and procedures) with the special emphasis on actual implementation of legislation and its effects and outcomes in practice.

SIGMA Principles envisage four key requirements that need to be met in relation to performance appraisal. These requirements are as follows: 1) the principles of performance appraisal are established in law to ensure the coherence of the whole public service; 2) the detailed provisions are established in secondary legislation; 3) the performance appraisal of public servants is carried out regularly; 4) the public servants have the right to appeal unfair performance appraisal decisions (SIGMA, 2014:53). These requirements are assessed individually and further reviewed based on three indicators: 1) professionalism of performance assessments, 2) linkage between performance appraisals and measures designed to enhance professional achievement and 3) right of civil servants to appeal against performance appraisal decisions (SIGMA, 2016:103-105).

Serbian performance appraisal rules are thoroughly regulated by the existing civil service legislation, which is generally in line with the SIGMA Principles of Public Administration. The principles of performance appraisal are established in the Civil Service Law, while detailed provisions are established by the Decree on Appraisal of Civil Servants.¹¹ Performance appraisal is carried out regularly, on annual basis, by the end of February for the past calendar year.¹² Performance is assessed against individual objectives, which are determined at the beginning of the calendar year, during the conversation between a civil servant and his/her manager. Performance appraisal is also based on assessment of competencies, such as independence, creativity, quality of cooperation etc., which are the same for all civil servants.¹³ The results of performance appraisal have to be acknowledged in writing in a special performance appraisal form and interviews between civil servants and their managers are compulsory.¹⁴

¹⁰ SIGMA, *Methodological Framework for the Principles of Public Administration*, OECD publishing, Paris, 2017.

¹¹ Decree on Performance Appraisal, Official Gazette of RS, Nos. 11/2006 and 109/2009.

¹² Article 3 of the Decree on Performance Appraisal.

¹³ Articles 12-17 of the Decree on Performance Appraisal.

¹⁴ Articles 24-30 of the Decree on Performance Appraisal.

In spite of the solid legal framework, however, performance appraisal has proved to be ineffective in practice, due to a consistent problem with the inflation of the highest marks. Since the introduction of the system in 2006, about 85% of all civil servants have been constantly given the two highest marks - "stands out" and "exceptional".¹⁵ The appraisals conducted in 2016 for performance in 2015 resulted in almost 90% of civil servants obtaining the highest two grades.¹⁶ For this reason, the indicator value on professionalism of performance assessment assigned by SIGMA during the 2017 appraisal has not been high.¹⁷ The established situation clearly indicates that the current appraisal method is not reliable and effective.

The reasons for ineffectiveness of performance appraisal rules are multiple. The appraisal is often considered as a merely bureaucratic procedure and unnecessary "burden" for managers (Bajic, Jovetic, *et.al.*, 2016: 44). Another key issue is a difficulty with defining the work objectives, as one of the key appraisal criteria. An additionally complicating factor is that the job descriptions were initially poorly done, so often one cannot perceive what an employee is supposed to do. This leads to a generalised definition of objectives, which are not sufficiently measurable. In addition, the current grading does not appear suitable for civil service needs. Both managers and civil servants associate five-point scale with the school marks. This provides the inertia that the grade 3, "good" is not considered as the mark of a standard and expected performance, and therefore many managers avoid it. Employees who work standardly well, in accordance with the expectations for that job, are appraised by managers by grade 4 - "stands out" instead by grade 3 - "good". The further objection is that managers as appraisers, who have the main role in performance appraisal, do not have sufficient information on the civil servants' work and are thus unable to objectively assess it, which often results in a bad working environment and adversely affects the morale of the entire organisation. In order to remedy this situation, managers then resort to awarding high level grades to majority of their subordinates, which subsequently leads to inflation of grades.

Finally, one of the weaknesses of the current performance appraisal system is inefficient link between performance appraisals and other human resource management functions, such as promotion, mobility and training of civil servants. In addition, it is necessary to identify, through performance appraisal interview, whether the trainings the civil servant has attended have had an effect on his or her work or not. Although the strategic policy documents and Civil Service Law do provide a clear link between performance appraisal and other human resource management functions, the connection between these systems still does not operate effectively.

CONCLUDING REMARKS

Over the past several decades, performance appraisal has been viewed as one of the most widespread methods for improvement of civil servants' performance. It is one of the essential human resource management functions, providing grounds for human resource decisions on career planning, training, rewards, mobility, or termination of employment. Performance appraisal can additionally show the training needs related to the achievement of concrete career aspirations, which is very important if there is a desire to keep the best people in the civil service.

Regarding particularities of national administrative systems, there is no single appraisal model generally accepted to measure the performance of civil servants. Which system will

¹⁵ SIGMA, *Monitoring report: The Principles of Public Administration, Serbia, 2017, op. cit.* note 24, p. 82.

¹⁶ *Ibid.*

¹⁷ *Ibid.*, p. 83.

be used depends primarily on the characteristics of the civil service system and the goal the assessment system should achieve.

Modern trends in civil service performance appraisal include the following elements: agreeing civil servants' professional objectives (performance targets) as a basis for performance appraisal; linking civil servants' individual objectives and organisational objectives; improving performance appraisal objectivity and simplifying rating procedure; linking performance appraisal results to other human resources management functions and reducing the number of rating scales.

The introduction of these elements is not an easy task, especially setting measurable work objectives-performance targets in public administration, since it is not easy to measure its tasks and individual achievements. Another factor influencing the efficient introduction of work objectives as a basis for performance appraisal is the administrative culture. Rigid hierarchical structure and strong adherence to prescribed rules and procedures, which characterises continental Europe administrative systems, may not provide a fertile ground for measuring performance and may be more difficult to internalise on the European continent than in the Anglo-Saxon context.

Some comparative civil servants systems use certain "innovative" performance appraisal methodologies such as the *360-degree* methodology, self-assessment or group/team assessment. These methodologies should bring about more objectivity to the assessment process, but may be more difficult to implement, especially in the civil service systems which are at the early stage of development and where organisational performance management framework is not well established. For example, as pointed out earlier in the text, Macedonia has recently introduced elements of the 360 degree methodology, but its effectiveness in practice is yet to be seen.

Following the EU accession requirements, the Serbian civil service system has been continuously upgraded through changes of legislation and enhancing administrative practice. Despite all invested efforts, there are still significant challenges for the establishment of a merit-based civil service system and an effective performance appraisal system in practice. This may be attributed to a complex political environment, which does not provide a solid ground for the implementation and internalization of the existing rules in practice. The future efforts towards a reform need to be focused on strengthening the current elements of performance appraisal and linking them to other HRM functions, such as civil servants' professional development. A stronger relationship should be established between performance appraisal and training and promotion, thereby using performance appraisal results as a key source in any training needs assessment.

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6. The Law on Civil Servants in the FBiH, *Official Gazette of the FBiH*, Nos. 29/03; 23/04; 39/04; 54/04; 67/05; 08/06; 04/12, 99/15; Constitutional Court Decision of 28 June 2016.
7. The Law on Civil Servants of the RS, *Official Gazette of the RS*, Nos. 79/2005, 81/2005 – amended, 83/2005 – amended, 64/2007, 67/2007 - amended, 116/2008, 104/2009, 99/2014, 57/16.
8. The Law on Administrative Servants – consolidated text, *Official Gazette of RM*, No. 142 of August 1, 2016.
9. The Law on Civil Servants and Employees of Montenegro, *Official Gazette of Montenegro*, Nos. 39/11, 50/11, 66/12, 34/14, 53/14 and 16/16.