

Performance Assessment by Using Behaviorally Anchor Rating Scale and Management by Objective in PT. X

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Abstract

As the competitions in industry are getting higher day by day, it is necessary that we improve employee performance. This is because employees are the key for business actors in the company to achieve the goals desired by the company. At PT. X, It is necessary that this needs to be investigated to find the factors that hinder the failure of the company's achievements. Therefore, it is believed that the Behaviorally Anchor Rating Scale (BARS) method can help solve problems by combining working behavior and worker personality. Apart from that, the Management by Objective (MBO) method will also be used to support the completion of the BARS method so that an assessment category that is less effective is obtained to continue looking for the root of the problem. The result of this research was that the average factor of the BARS method was found with the lowest value being Obedience of 3.8 in the effective category. Meanwhile, the company's two main goals are Analysis of Company Goals and Analysis Division Goals with the findings that inventory management must be the main focus of employees in the company.

Keywords: Behaviorally Anchor Rating Scale (BARS), Management by Objective (MBO), Performance Assessment

1. Introduction

In this era, the competition among industrial companies is getting higher day by day. This is forcing the human resource to give their best effort so that the company itself is able to compete with competitors. As we know, human resources have an important role in a company. The performance evaluation is one of the important tasks in human resource management. Therefore, each company has goals to force their employee to work as or over the standard that has been created. Workers are a key factor in an organization to pursue the company goals.

Performance assessment involves workers who currently stay in the company and also previous workers that leave the company to their working standard [1]. Meanwhile, according to Mathis and Jackson, performance assessment is a process to evaluate how well the workers do their task compared to standards [2]. The result of evaluation must be declared to the workers for improving their performance afterwards. By evaluating a worker effectively, the company has the ability to optimize the worker capacity to pursue the company goals. Furthermore, the worker performance will be optimized due to the motivation of the worker to give a higher performance than before.

The problems in this company are placed in the logistics department as the target that has been given by the company has not been completed yet. Therefore, it needs to be held a performance assessment to know the factors that leading to failure target achievement. The company reported the target of 2023 must be 100%, however the current achievement is 93%. This can be concluded that 7% failure tasks involve this failure target achievement. It might not be that high as a number, however when they are breaking down into tasks, it might have several duties of employees that have not been

completed yet. If the unachieved target is left and abandoned by the company without any corrective and preventive action, the bigger problem such as decreasing target gradually might happen soon.

By the data above, the company must evaluate the worker's performance to get the factors that hinder the worker so the company target has not been achieved yet. Performance assessment will be used as consideration for companies to reanalyze improvement or increase the worker productivity so it will influence the worker performance.

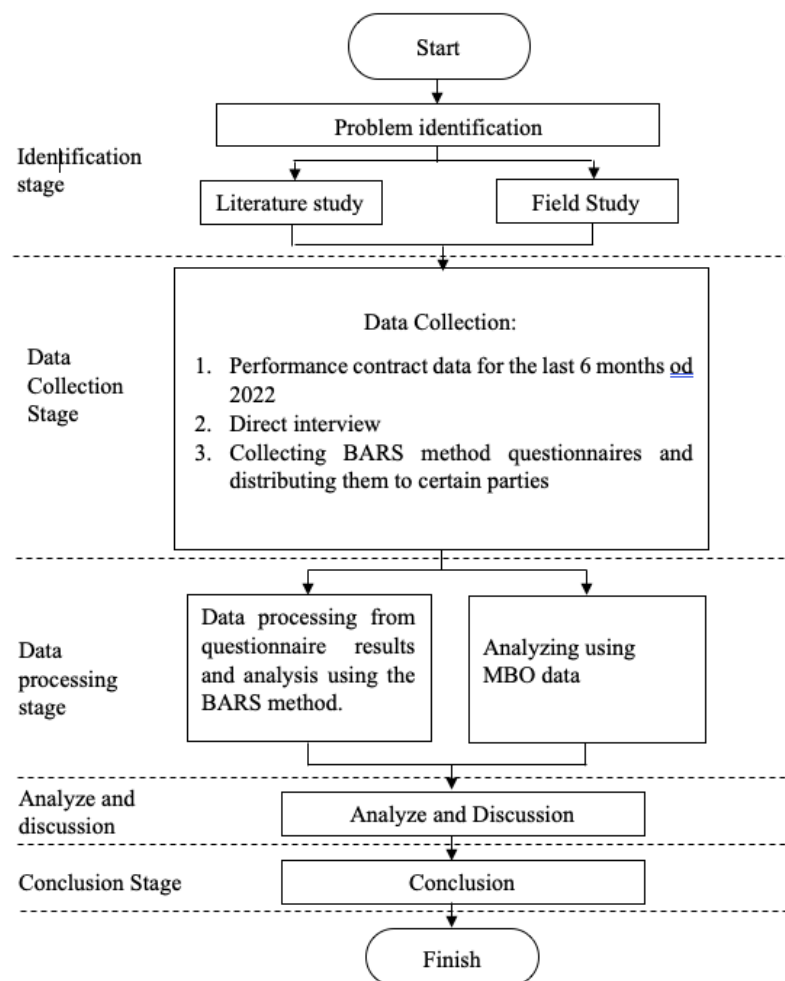
Worker performance assessment can be done by using Behaviorally Anchor Rating Scale (BARS) method. This tool is a simple method to solve the problems by combining a working behavior approach and worker personality. By using the BARS method, the performance evaluation can be done so that the company can define the factors that influence the worker and be able to create appropriate solutions to increase the worker performance [3].

Another tool that is able to support BARS is Management by Objective (MBO) method. The MBO method is a form of assessment where employees and appraisers jointly determine targets for individual employee work implementation in the future. This method approach refers more to the results approach. The MBO method can help companies and employees achieve mutually agreed targets so it can achieve maximum targets [4].

Data collection is carried out to find out what data will be used as a reference for making questionnaires for performance assessment and distributing questionnaires to find out the results of current employee performance. With this assessment, companies can improve employee performance so that they can increase work productivity.

2. Methods

The flowchart of this research is divided into five stages such as identification stage, data collection, data processing, analyze and discussion, and conclusion stage. The picture of flowchart can be seen as follow:



Picture 1. Research Flowchart

The performance evaluation method uses the Behavior Anchor Rating Scale model, an assessment method that includes work behavior approaches and personal characteristics. According to Rouza the BARS (Behaviorally Anchor Rating Scale) method is an assessment method that combines a behavioral approach with work and personal characteristics [5]. The Behavior Anchor Scale method consists of a series of 5 to 10 vertical behavioral scales for each performance metric. For each dimension, set 5 to 10 anchor points. These specific points are, in particular, the behaviors that represent performance for each dimension. Anchors are ordered from highest value to lowest value. Anchors can be serious details obtained through job analysis. This method is usually developed by a team of HR professionals, managers, and employees. This team is responsible for defining the characteristics of performance aspects and identifying 5-10 specific facts for each aspect. The special event is then reviewed and evaluated by all team members. Selected special events are then ranked on a scale from highest to lowest.

The Behaviorally Anchor Rating Scale method in its implementation requires at least five stages, namely [6], [7]:

1. Create a critical incident.
This is done by asking someone who knows the job (position holder or supervisor) to explain specific illustrations (critical incidents) of effective and ineffective performance or can be done by means of job analysis.
2. Explain the dimensions of performance where in this stage the events are collected into smaller groups of work dimensions and each dimension is defined, such as "selling skills".
3. Reallocate events.

Another group of people who were also familiar with this work then put this critical incident back together from the beginning. They create definitions of critical groupings and incidents, and must reassign each incident to the group they deem most appropriate.

4. Create an Event Scale.
Rank the behavior described by the event by how effective and efficient it is. Each behavior represents performance in its dimension.
5. Describe the end device.
Select about five to ten incidents as standard behaviors for that dimension.

MBO is an organized and systematic approach that allows management to focus on work goals and achieve the best results from available resources. According to Susanti et.al MBO (Management by Objectives) is management based on targets, which is a form of assessment where employees and supervisors (appraisers) jointly set targets for individual employee work implementation in the future [8]. MBO aims to improve organizational performance by formulating organizational goals and the work goals of the employees within it. Ideally, employees will benefit from significant input in determining work goals, schedules, targets, and expected results. MBO includes continuous monitoring and feedback on the achievement of work goals.

In order for it to be carried out well, there are several important steps and stages that must be carried out in MBO, namely [9], [10]:

1. Determine Organizational Goals and Objectives
Organizations must have clear goals and targets to make it easy to plan and evaluate work.
2. Focusing Targets on Employees and Departments
The next target can be focused on employees and related departments. In this case, targets must be adjusted to the capabilities of the department and its employees.
3. Monitor Employee Implementation and Performance
Organizational leaders are then active in maintaining the performance of their employees after being targeted and focused according to their field.
4. Job Evaluation
The level of productivity seen during monitoring is then used as material for evaluation so that company targets can be met.
5. Feedback Stage
Whether or not work results are good or not, feedback must be provided by company leaders or organizational leaders.
6. Giving rewards
When the target is met by employees or related divisions, rewards or awards are given so that the division can maintain its performance.

3. Result and Discussion

The first step of this research is spreading the questionnaire performance assessment which has been adjusted by performance contract in the logistics department. This questionnaire is for the logistics department which involves ICC division, purchasing, and warehouse. After all the questionnaires have been filled, the next step is calculating the average of each indicator. Details of average calculating can be seen below:

Table 1. Questionnaire Result

Factor	Rating	Indicator	Inventory staff	Purchasing staff	Warehouse staff	Researcher	Sum	average
Responsibility	3	Work according to the instructions given	5	4	4	5	4.5	4.2
	2	Complete work on time	5	4	3	4	4	
	1	Responsible for a specific job	4	4	4	4	4	
Teamwork	3	Coordinate and communicate with related fields	4	4	5	4	4.3	3.9

	2	Know other people's tasks related to their duties	4	4	4	4	4	
	1	Ability to drive productivity and team spirit	4	4	3	3	3.5	
Planning Skill	4	Making plan before working	4	4	4	5	4.3	4.1
	3	Monitoring to ensure the plan is running well	4	4	5	4	4.0	
	2	Ability to determine the best size/volume of tasks that can be completed	4	4	4	4	4	
	1	Ability to predict the results of work implementation	4	4	4	4	4	
Problem Solving	3	Ability to formulate relevant alternative solutions to solve problems	4	4	5	4	4.3	4
	2	Create solutions to problems that occur	4	4	5	4	4.3	
	1	The ability to make decisions without considering the reactions of subordinates	4	4	3	3	3.5	
Obedience	3	Comply with the rules set by the company	4	4	3	4	3.8	3.8
	2	Comply with existing work procedures	4	4	3	3	3.5	
	1	Comply with instructions given by superiors	4	4	4	4	4	
Honesty	3	Send monthly reports to head office at the specified time	4	4	3	3	3.5	4
	2	Report the results of his work to superiors	4	4	5	5	4.5	
	1	Occasionally does not report the results of his work to superiors based on actual conditions	4	4	4	4	4	
Analytical Thinking	3	Create complex analyzes or plans	4	4	4	4	4	4.3
	2	Ability to decipher problems	4	5	4	4	4.3	
	1	Ability to see basic relationships between problems	4	5	4	5	4.5	
Achievement Orientation	3	Meet the standards set by management	4	4	5	5	4.5	4.3
	2	Improve work performance	4	4	4	4	4	
	1	Works well and correctly	4	4	5	5	4.5	

From the data processing that has been carried out above regarding calculations and weighting using the Behaviorally Anchor Rating Scale (BARS) method and measuring whether it is effective or not using a Likert scale. The likert scale has been calculated interval as follow :

$$Interval = \frac{5-1}{5} = \frac{4}{5} = 0,8$$

By using interval 0,8, likert scale can be determined as bellow :

Table 2. Interval Result

Likert scale	Category
1 – 1,8	Very ineffective
1,8 – 2,6	Ineffective
2,6 – 3,4	Effective enough
3,4 – 4,2	Effective
4,2 - 5	Very effective

The following data processing results were obtained by using category that has been divided into five likert scale:

Table 3. Result BARS method in average

Factor	Average	Category
Responsibility	4,2	Efektif
Team Work	3,9	Efektif
Planning Skill	4,1	Efektif
Problem Solving	4	Efektif
Obedience	3,8	Efektif
Honesty	4	Efektif
Analytical Thinking	4,3	Sangat Efektif
Achievement Orientation	4,3	Sangat Efektif

According to the table above, the factor that has the largest average value is analytical thinking and achievement orientation of 4.3, which can be said to be very effective which is maintained by the company and the need for the smallest average value is the fulfillment of the value of 3.8 which can be said to be effective.

The second step of this research is continuing the BARS method into MBO. From the several stages in the Management by Objectives performance assessment that have been carried out, there are several company goals and specific targets for employees that must be achieved by employees. Below are the goals and objectives that must be achieved, namely:

1. Analysis of Company Goals

The aim of the company based on existing data is to become the leading and most trusted company in the sustainable energy business in Southeast Asia.

2. Analysis of Division Goals

Below are the targets of the logistics division, including the following:

Table 4. Logistics Targets

Factor	Rating	Indicator	Staff <i>Inventory</i>
Logistics Planning	Inventory Planning	0,2	100%
	Catalog	0,1	100%
	Procurement Planning	0,1	100%
Procurement	Implementation of the Procurement Process for Goods or Services	0,1	100%
	Implementation of the Umbrella Contract System	0,1	100%
	Provider Management	0,1	100%
Warehouse	Warehouse Management and Goods Storage	0,1	100%
	Management of Goods Transactions in the Warehouse	0,1	100%
	Stock Opname	0,1	100%
Total		1	

The data above was obtained from the performance contract awarded by the company in the MMR sector which handles performance appraisals in that company. So it can be seen that there are 9 (nine) targets that have been determined in the logistics division targets. Each goal is given a weight that identifies its level of importance. The highest weight is "inventory management" at 0.2, which indicates that inventory management is the target that has the greatest priority. Each target has a target of 100% achievement. This indicates that the desired goal or standard of achievement is 100% for each goal. Achievement above 100% is considered excellent, while achievement below 100% is considered unsatisfactory.

Therefore, we can see that inventory management, catalog management, procurement planning and other objectives have different weights in performance assessment. The highest focus on

the assessment is “Inventory Management,” which is given a weight of 0.2, and the achievement target is 100%. Other goals also have significant weight and are the same goal of achievement. Performance evaluation will be carried out based on the extent to which these goals are achieved.

3. Reciprocity Policy

- a. If an employee has excellence, the superior in each field will give a good assessment which will affect the annual bonus and can also take the form of a class promotion more quickly compared to colleagues who are considered lacking.
- b. If someone meets the employee's targets, they will be given a reward in the form of an annual bonus and other rewards.
- c. If employees whose targets and achievements are too far apart will be mentored by the supervisor concerned.

4. Conclusion

Based on the results of data processing using the Behavioral Anchor Rating Scale (BARS) method and a Likert scale using Microsoft Excel in the calculations, the following results were obtained, there are 2 (two) factors that are classified as very effective, namely the analytical thinking factor and orientation achievement which have an average value -average 4.3. Meanwhile, the remaining 6 (six) factors that are considered effective are responsibility, teamwork, planning skills, problem solving, fulfillment, and honesty with the average value of each factor as follows, the responsibility factor has an average of 4.2, factor teamwork has an average of 3.9, the skill planning factor has an average of 4.1, the problem solving factor has an average of 4, the compliance factor has an average of 3.8, and the honesty factor has an average of the average is 4.

Based on the analysis of performance assessment results using the Management by Objectives (MBO) method, there are several company goals and specific employee goals that must be achieved by each employee. This requires interconnected communication between senior and junior officials through discussions so that goals and objectives can be achieved as well as possible. Apart from that, it is also necessary to carry out regular checks to determine the performance level of each employee so that employees feel comfortable and motivated at work.

Based on the results of these two methods, the solution for improvement as managerial is to provide training and development for employees on factors that have not reached predetermined targets, carry out regular monitoring of employees to maintain effective performance levels, improve communication between superiors and staff, and carry out regular evaluations to maintain employee progress in achieving goals. Hopefully, those suggestions based on BARS and MBO methods are able to be implemented in the company and provide significant target improvement.

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