Evaluation of the effectiveness of employee`s performance system case study: Saderat Bank – East Azerbaijan branch

Soleyman Iranzadeh[1], Hossein Poursmaeil[2]

[1]Department of Management, Tabriz Branch, Islamic Azad University, Tabriz, Iran; [2]Department of Management, Karaj Branch, Islamic Azad University, Karaj, Iran

Abstract

The majority of theoreticians in the field of human resources management believe that organizations must evaluate their personnel before they make any decision about their promotion, salary increase, relocation, and appointment. They must also estimate their performance, talent, potential capabilities and effectiveness based on appropriate criteria. The purpose of this research is to study the effectiveness of employees' performance appraisal system in East Azerbaijan Saderat bank. The present research is analytic-descriptive and 300 employees of Saderat bank participated in it. Data were collected by a questionnaire consisting of 34 questions. The validity and reliability of the questionnaire were determined by Laurel and the collected data were analyzed by SPSS. T-test was used for studying the results and statistics. According to the result achieved, it was concluded that there was a strong positive correlation between employees' performance appraisal system and improvement of performance level, determination of training needs, increase of knowledge level, specification of payment system, establishing an effective communication system and identification of effective and non-effective employees in Saderat bank. To have a sound and logical appraisal, all the criteria determined by top managers must be sound and logic.

Keywords: performance appraisal, effectiveness, training, organization commitment

Introduction and previous research

What causes the improvement of individual performance and organizational efficiency is the execution of an evaluation program of effective performance of the personnel. Evaluation in managing the human resources are one of the important function by which the situation of man power is studied and its strong and weak points are determined (Mirsepasi, 2007). In every organization one requires his/her situation to progress and reach the vocational determined aims. Since it causes that the strong and weak points are determined and the necessary arrangements are used for efficiency of attempts. On the other hand the organizations need to cognition of their personnel such improved and the rate of production and service increase, and some positive changes are created in the process of movements (Bowin, Harvey, 2002).

Nowadays in most countries, whether developed industrial countries or in the developing countries, there are different impressions on evaluation which in most countries is regarded as a positive factor to improve the man power. In some countries, evaluation is considered as incomplete material in the hands of a subordinate person to measure an ambiguous thing. It is difficult to believe that there are disagreements on the performance evaluation which results from disbelief to the rule of measurement but contacts mostly refer to the evaluation factors and the situation of the as-

sessor (Abtahi, 2010). How to evaluate the personnel on the organizational efficiency is an important discussion. The personnel performance evaluation indicates that if the personnel perform their function or not. Through evaluation, the inefficiency and weak points of the personnel is determined and they are removed by instruction. Right evaluation of the personnel along with good intention based on the scientific methods not only makes the personnel consent but also causes that the supervisors and managers become familiar with their activity so that an appropriate work environment is created for the personnel (Aanderew, 1988). At the same time, evaluation is a tool which causes that «rules» are developed rather than relation in administrational affairs and understanding between the personnel and managers develops and right and fairly decision is made in the personnel output if used right.

On the one hand viewer the creation system it is distinguished that the evaluation lies inside it. Harmonious system of the creation indicates a systematic feedback loop evaluation system is raised as one of the essential elements of it, although man may be unable to explain it for his incomplete knowledge, but consistency of a system refers to the evaluation system (Tabarsa, 1998). On the other hand, the organization resources are categorized into three groups of technology, investment and man. Two initial prop are of the resources which are regarded by the managers but human resources are those that are used by the successes managers as the success key and the important lever of exploitation rising by studying the successful organizations. It is observed that these organizations apply all facilities and resources to reach the objectives and they do not consider using one or two category of the resources enough in this field. Hence considering the special capabilities of increasing the human resource exploitation   the progressive organizations regard the man power as the most important resources. In discussion of the human resources efficiency, one of the important factors effective on raising the resource efficiency is assessment of the personnel by which the employees are evaluated and encouraged or punished. These cases inform one of his/ her concordance or in concordance with the organizational aims (Ardabili, 1997).

Furthermore the company environment of today faces with some threats and the life of organization refers to the way of facing with the threats. The organizations life is guaranteed if it is identified by the managers and its reflection is represented. Eval-

uation of function is the measurement of activities and the result is measured by an exact criterion for from the distinguished judgments. Now we can view our governmental organizations situation without a performance evaluation and how the organizations are compared and their personnel efficiency to gain the long term and short term aims are compared (Alvani, 2012). So one of the main functions of the managers in different levels is exact performance evaluation should be conducted consistently so that its results are exploited to increase the exploitation. Some results of the personnel evaluation are increasing the decision:

Making quality of managers increasing, the dependence of personnel on the organization, familiar with problems of personnel, distinguishing between successful and unsuccessful, personnel training, salary increase wage relocation promotion, study in the field of human power and so on (Khalood, 1995) in addition, evaluation causes inform from progress in the performance improvement, so the necessary motivation for the quality enhancement is provided. Also evaluation stimulates the curiosity, challenge of performing the works and resource allocation, and it is guaranteed that the work value is high which is possible through the measurement systems (Ardabili, 2003). Therefore evaluation and measurement of performance makes the system intelligent and motivates the people for the suitable behavior (Fatehi, 2005).

Of the most important issues of the evaluation programs is to determine the criteria of efficiency and their measurement mechanism for this purpose, different criteria have been used on the characteristics of people ,process and result of the work. The applied criteria have some advantage and disadvantage and unfortunately they could not show an acceptable efficiency (Courtis, Etall, 2004). Considering the above materials, evaluation is the important basis to make decision for the individual and organization, if this process is defined suitably, the people will have more motivation for participation and exploitation so I intend to study the role of this issue in East Azerbaijan Saderat bank.

Research method

The purpose of this research is studying the efficiency of personnel performance appraisal system, determining the strong and weak points of this process as well as distinguishing the concordance of the methods object with practical methods. Also it is

intended that the following objects are realized for raising the process efficiency:

• Distinguishing the efficiency or inefficiency of the appraisal system on raising the performance of personnel.

• Determining the efficiency of the efficient people.

• Determining the rate of efficiency on instructional needs.

• Determining the rate of efficiency on payments.

• Distinguishing its success on the relational system effective on the organization.

• Distinguishing its efficiency on identifying the efficient and inefficient people.

Materials and methods research based on objective is applied research. Considering the data collection method, this study is a descriptive-scientific one. In this study the field and library method was used. To design the questionnaire, at first the variables (6 hypotheses) were identified and then 34 questions were designed. Response selection of options is as Likert spectrum (very less to very much). Statistical society of this study is 1234 people (971 formal and 263 informal). For sampling, 300 people were randomly selected as statistical sample from different groups of the personnel holding diploma to specialized doctorate (to calculate the volume of statistical sample, Kokran formula was used as follows) (Sokaran, 1380, 297-295).

$$n = \frac{Nt^2\ pq}{Nd^2 + t^2pq}$$

$$n = \frac{[1/96]^2 \times 0/5 \times 0/5 \times 1234}{1234 \times (0/5)^2 \times (1/96^2 \times 0/5 \times 0/5)} = 293$$

P=0.5, q=0.5, E= accuracy of estimation which is 0.5%, sampling accuracy depends on it (Azar, Momeni, 2011), N= sample number which is 1234 persons.

In this study, the validity is verified because of using the viewpoints of supervising and advising professors and the specialists. Also the validity has been confirmed for the questions using Lisrel software. Reliability of the questions included in the questionnaire has been obtained using technique of Cronbach α coefficient through separating the individual factors and variables. The rate of α coefficient is between zero-one, coefficient one indicates the reliability of questions and their internal stability.

Different analyses were used to analyze data. In first stage, normality of data was studied using Kolmogorov-Smirnov test. In the next stage, reliability of every variable and the related indices were studied using approval factorial analysis test. Consequently using the factorial equations model which in fact is a mixture of direction analysis diagram and the factorial analysis as well as person correlation coefficient, hypothesis test is discussed.

In this test, if the significance level obtained from the test is greater than the rate of error, that is α =0.05, hypothesis H1 will be confirmed otherwise H0 will be confirmed.

Normal test (Kolmogorov-Smirnov) for the study variable:

H0 : Data are not normal

H1 : Data are normal

Considering that the significance level for the variable is greater than 0.05, so hypothesis H1 is confirmed, therefore the data collected for the variable is normal.

Table 1. Kolmogorov test for performance appraisal system variable and its dimensions.

Variable	Sample No.	Significance bilateral
Performance appraisal system	300	0.754
Increasing performance level	300	0.059
Determining training need	300	0.051
Payment system	300	0.057
Effective relational system	300	0.247
Dismissing employee	300	0.053
Identification of personnel	300	0.054

In appraising the measurement of model, the relations between hidden and obvious Variables should be studied. Here the objective is to determine the reliability or validity of the measurements. In discussion of validity, this problem is raised that if the obvious indices or variables measure what is considered by the researcher or other thing, reliability deals with the accuracy of the issue (Toosi, 2009).

To analyze the internal factor of questionnaire and discovering the factors forming every hidden factor or variable, materials of factorial analysis are used. Also in this section using the factorial analysis the measures equations of every structure (hidden variable) are extracted (Azar, Momeni, 2011).
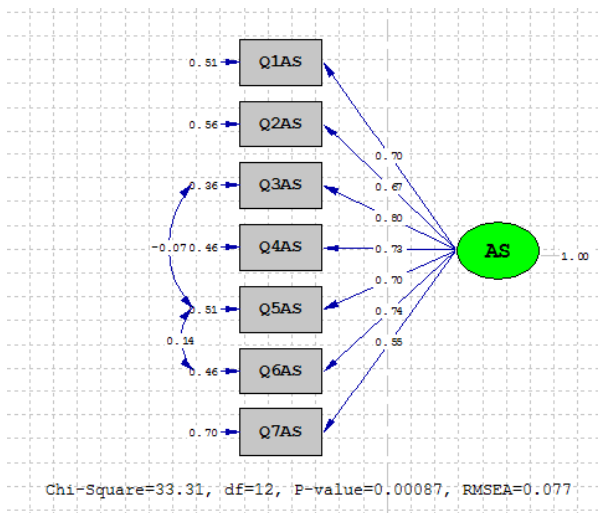
Figure 1. Lisrel model of performance level increase variable (standard estimation).

Figure 2. Lisrel model of performance level increase variable(coefficient SIG).

Factorial analysis of the structures is represented as following. Abbreviations used in the factorial analysis diagram are represented in table 2.

Table 2. Lisrel abbreviations.

Name of variable	Abbreviation
Increasing performance level of personnel	AS
Training needs of personnel	AM
Payment system of personnel	NP
Establishing an effective relational system in organization	NA
Determining dismissing employee	MK
Identification of effective an non-efective personnel for upgrade or dowgrade	KL

Factorial analysis of variable indices increasing the performance level

Results of the factorial analysis included in figures (1&2) indicate that all indices of increasing the performance level enjoy t-rates (more than 1.96) and Factorial load (more than 0.3), and they are considered as appropriate indices to measure the increase of performance level.

Factorial analysis of variable indices determining the training needs

Results of factorial analysis indicate that all indices of determining the training needs enjoy acceptable T-rates (more than 1.96) and factorial load (more than 0.3) and they are considered as appropriate indices to measure the training needs.

Factorial analysis of variable indices determining payment system of personnel

Results of factorial analysis indicate that all of the indices related to training needs enjoy accept-
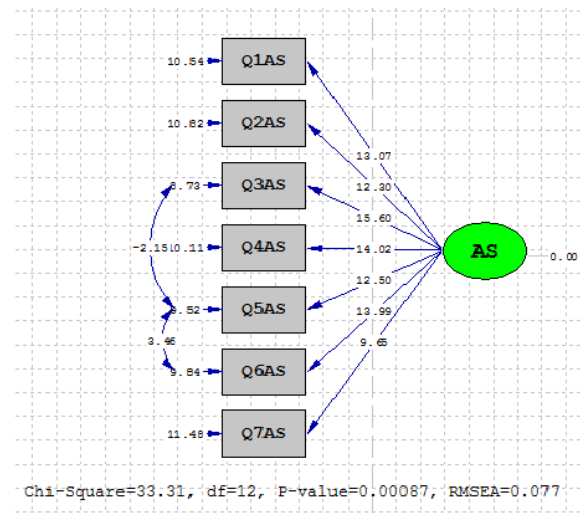
able T-rates (more than 1.96) and load factor (more than 0.3) and are regarded as appropriate indices to measure the payment system of personnel.

Lisrel of establishing an effective relational system in organization

Results of factorial analysis indicate that all of the indices related to establishing an effective relational system enjoy acceptable T-rates (more than 1.96) and factorial load (more than 0.3) and are regarded as appropriate indices to measure an effective relational system.

Lisrel of dismissed employee

Results of factorial analysis indicate that all of the indices related to dismissed personnel enjoy acceptable.

T-rates (more than 1.96) and factorial load (more than 0.3) and are considered appropriate indices to measure the dismissed personnel.

Lisrel of identifying effective and non-effective employee

Results of factorial analysis indicate that all of the indices to identify the effective and non-effective employee enjoy acceptable T-rates (more than 1.96) and factorial load (more than 0.3) and are regarded as appropriate indices to identify the effective and non-effective employee for upgrade or downgrade.

Using the Kolmogorov-Smirnov test it was resulted that all variables contain normal distribution, then parametric methods is com pared through number 3, since the average of a society is compared by number one, one-sample T-Test is used. In all of the tests, if the significance (SIG) is more than error level (0.05), H0 is resulted, and if SIG is less than 0.05, H1 is resulted.

Results

Main hypothesis

The performance appraisal system of Saderat Bank personnel is efficient. H0 : Average of points is less than 3 or equals 3: H0: M<3

H1: The average is more than 3: H1: M>3

Based on statistic of T (3.816) and degree of freedom (299), SIG is 0.000 since SIG is less than 5%, so H1 hypothesis is not rejected and the point's average more than 3 cannot be rejected.

Secondary Hypothesis Test using Pearson correlation coefficient

It should be mentioned that based on results obtained from the tests in which the relationship between two variables is studied if the correlation coefficient between two variables is less than 0.25, the relation between two variables will be weak, and if it is in the range of 0.6-0.25, the relation will be middle; but if this relation is a strong relationship between two variables, since the data are normal, Pearson correlation coefficient is used for secondary hypotheses.

Hypothesis 1: The performance appraisal system relates to raising the performance level of personnel.

There is no relation between performance appraisal and raising the performance level of personnel: H0 : p = 0

There is a relation between performance appraisal and raising the performance level of personnel: H1 : p ≠ 0

To data analysis, Pearson correlation coefficient was calculated between performance appraisals and raising the performance level, results of these calculations through SPSS accords table 3.

Table 3. Pearson correlation coefficient output for secondary hypothesis1.

Name of variable	Correlation coefficient	SIG	Hypothesis result
Increase of perform. level	0.909**	0.001	H0 is rejected
Perform. appraisal			

**p<0.01 * p<0.05

Decision: considering SPSS output, Pearson correlation coefficient for these two variables is 0.909 and the SIG is less than 0.01 (SIG < 0.01) which is less than standard significance (α =5%). So hypothesis of H0 in confidence level of 99% is rejected. That

is there significant relationship between these variables. Considering that the correlation coefficient between these variables has a positive mark and the relation intensity is strong, so it can be said that the changes are positive and lie in the same direction. That is the performance appraisal is along with more performance level increase and vice-versa.

Table 4. One sample T-test results to performance appraisal system.

Criterion	T statistic	Degree of freedom	SIG
Performance appraisal system	3.816	299	0.000

Hypothesis 2: The performance appraisal system has a relation with determining the personnel training needs.

There is no relationship between performance appraisal and determining training needs:

H0 : p = 0

There is relationship between performance appraisal and training needs: H1 : p ≠ 0

Decision: considering SPSS output, Pearson correlation coefficient for these two variables is 0.766 and the SIG is less than 0.01 (SIG < 0.01) which is less than standard significance (α=5%). So hypothesis of H0 in confidence level of 99% is rejected. That is there is significant relationship between there variables. Considering that the correlation coefficient between these variables has positive mark and the relation intensity is strong, so it can be said that the changes are positive and the same direction that is the performance appraisal is along with the training needs and vice-versa.

Hypothesis 3: The performance appraisal system has relationship with payment system of personnel.

There is no relationship between performance appraisal and personnel payment system:

H0 : p = 0

There is relationship between performance appraisal and payment of personnel:

H1 : p ≠ 0

Decision: considering SPSS out put, Pearson correlation coefficient for these two variables is 0.829, and the SIG is less than 0.01 (SIG < 0.01) which is less than standard significance (α=5%). So hypothesis of H0 in confidence level of 99% is rejected. That is there is significant relationship between these variables. Considering that the correlation coefficient between these variables has positive

mark and the relation intensity is strong, so it can be said that the changes are positive and lie in the same direction that is the performance appraisal is along with the payment system and vice-versa.

Hypothesis 4: The performance appraisal system has relation with the establishment of effective relational system in the organization.

There is no relationship between performance appraisal and effective relational system in the organization: $H0 : p = 0$

There is relationship between performance appraisal and effective relational system in the organization: $H1 : p \neq 0$

Decision: considering SPSS out put, Pearson correlation coefficient for these two variables is 0.920, and the SIG is less than 0.01 (SIG < 0.01) which is less than standard significance (α=5%). So hypothesis of H0 in confidence level of 99% is rejected. That is, there is significant relationship between these variables. Considering that the correlation coefficient between these variables has positive mark and the relation intensity is strong, so it can be said that the changes are positive and lie in the same direction. That is performance appraisal is along with the effective relational system in the organization and vice-versa.

Hypothesis 5: The performance appraisal system has a relation with dismissed employee.

There is no relationship between performance appraisal and dismissed employee:

 $H0 : p = 0$

There is relationship between performance appraisal and dismissed employee: $H1 : p \neq 0$

Decision: considering SPSS out put, Pearson correlation coefficient for these two variables is 0.891, and the SIG is less than 0.01 (SIG < 0.01), which is less than standard significance (α=5%). So hypothesis of H0 in confidence level of 99% is rejected. That is, there is significant relationship between these variables. Considering that the correlation coefficient between these variables has positive mark and the relation intensity is strong, so it can be said that the changes are positive and lie in the same direction. That is performance appraisal is along with the dismissed employee and. Vice-versa.

Hypothesis 6: There is relationship between performance appraisal and identifying the effective and non-effective employee for upgrading or downgrading.

There is no relationship between performance appraisal and identifying the effective and non-effective employee to upgrading or downgrading: $H0 : p = 0$

There is relationship between performance appraisal and non-effective employee to upgrade or downgrade: $H1 : p \neq 0$

Decision: considering SPSS out put, Pearson correlation coefficient for these two variables is 0.891, and the SIG is less than 0.01 (SIG < 0.01) which is less than standard significance (α=0.05). So hypothesis of H0 in confidence level of 99% is rejected. That is, there is significant relation between these variables. Considering that the correlation coefficient between these variables has positive mark and the relation intensity is strong, so it can be said that the changes are in one direction and are positive that is the performance appraisal is along with identifying the effective and non-effective employee to upgrade or downgrade.

First Question: Is there a relationship between the performance appraisal system and increasing the performance level of personnel?

Considering SPSS out put, Pearson correlation coefficient for these two variables is 0.909, and the SIG is less than 0.01 (SIG < 0.01) which is less than standard significance (α=5%). So Hypothesis of H0 in confidence level of 99% is rejected. That is, there is significant relation between these variables. Considering that the correlation coefficient between these variables has positive mark and the relation intensity is strong, so it can be said that the changes of these variables are positive and Lie in the same direction. Therefore first question is confirmed; i.e. performance appraisal is long with more enhancement of performance level vice versa. About the explanation, it is said that in the factors of this system, the effective factors among personnel of East Azerbaijan Saderat Bank have been considered, which are motivation, job satisfaction, individual, collective and organizational efficiency and finally more commitment between the personnel; it has been helped that this important factor in the organization is realized.

Second Question: Is there relationship between the performance appraisal system and the personnel training needs?

Considering the SPSS output, Pearson correlation coefficient for these two variables is 0.799 and the SIG is less than 0.01 (SIG < 0.01) which is less than standard significance (α=5%). So hypothesis of H0 in confidence level of 99% is rejected. That is, there is significant relationship between these variables. Considering that the correlation coefficient between these variables is positive and the relation intensity is strong, so it is aid that these changes are

positive and in the same direction. There for the second question is confirmed, the performance appraisal is along with training needs and vice versa. About the explanation it is said performance appraisal, the appraisal system is able to determine the training needs and is useful to create capacity for the purpose of man resource programming for the futures it has also performed suitably for training issues.

Third Question: Is there relationship between the performance appraisal and the personnel payment system?

Considering the SPSS output, Pearson correlation coefficient for these two variables is 0.829 and the SIG is less than 0.01 (SIG < 0.01) which is less than standard significance (α=5%). So hypothesis of H0 in confidence level of 99% is rejected. That is, there is significant relationship between these variables. Considering that the correlation coefficient between these variables is positive and the relation intensity is strong, so it is said that the change of these variables are positive and in the same direction.so the third question is confirmed, i.e. the performance appraisal is along with the personnel payment system and vice versa. About the explanation, it is said that in the performance appraisal system the payment and welfare facilities of personnel are suitably considered.

Fourth Question: Is there relationship between the performance appraisal system and effective relation system in the organization?

Considering the SPSS output, person correlation coefficient for these two variable is 0.920 and the SIG is less than 0.05 (sig < 0.05) which is less than standard significance (α=5%) so hypothesis of H0 in confidence level of 99% is rejected. That is, there is significant relationship between these variables.

Considering that the correlation coefficient between these variables is positive and the relation intensity is strong, so it is said that the change of variable is positive and in the same direction. So the fourth question is confirmed, i.e. the performance appraisal is along with establishment of an effective relational system in the organization and vice versa. About the explanation, it is said that the performance appraisal system has performed appropriately using the performance evaluation results to increase social awareness of personnel, establishing necessary background to state the expectations of managers and representing the feedback to them and creating the necessary conditions for self-evaluation of the personnel.

Fifth Question: Is there relationship between the performance appraisal system and the dismissed employee?

Considering the SPSS output, the Pearson correlation coefficient for these two variables is 0.892 and the SIG is less than 0.05 (sig < 0.05) which is less than standard significance (α=0.05). So hypothesis of H0 in confidence level of 99% is rejected. That is, there is significant relationship between these variables.

Considering that the correlation coefficient between these variables is positive and the relation intensity is strong, so it is said that the change are positive and in one direction. So the fifth question is confirmed, i.e. the performance appraisal is along with the dismissed employee and vice versa.

About the explanation it is said that the performance appraisal system has performed suitable using the results of performance appraisal, to distinguish the employee eligible for dismissing as well as helping to right decisions of the organization (general decisions) to dismiss different employee.

Sixth Question: Is there a relation between the performance appraisal system and identification of effective and non-effective employee for upgrade or downgrade?

Considering the SPSS output, Pearson correlation coefficient for these two variables is 0.921 and the SIG is less than 0.05 (sig<0.05) which is less than the standard significance (α=5%). So hypothesis of H0 in confidence level of 99% is rejected. That is, there is significant relationship between these variables. Considering that the correlation coefficient between these variables is positive and the intensity of relation is strong, so it is said that change of these variables is positive and in the same direction. So the sixth question is confirmed, i.e. the performance appraisal is along with identification of effective and non-effective personnel to upgrade or downgrade and vice versa.

About the explanation it is said that using the results of performance appraisal, the system can perform suitably in attracting the talented employee in the organization and employing them in appropriate position, identification of talented people in every position to upgrade them and also identification of inappropriate people and downgrade them.

In fact this performance appraisal system has considered the encouragement and punishment system and consequently the upgrade and downgrade of employee acceptably using the results abstained from the performance system.

Conclusions

For right evaluation, the criteria represented by the top managers of banks should be exact, and the evaluation should be based on rules and meritocracy not based on relations, since the careless criteria neither make the intended goals happen no man power performance is improved this causes that some employee protest it and do not execute it.

Considering the periodical evaluations should increase and their ability should be studied the performance appraisal of personnel should be conducted one or two times annually. If the distance between two evaluations is more, some effective cases may be forgotten. The best state for appraisal is that the informal evaluations are conducted successively and the results are recorded, on the other hand in hidden and formal evaluation, ideal result is obtained through informal evaluation. It seems that logical punishments and importantly effective encouragements can decrease the downgrading, causes of the employee. To increase the output and to improve the performance, the necessary training periods should be held based on the position of employee in the bank. Training periods can be as in-service or other methods based on personnel needs; for this purpose the manager of personnel affairs should hold training periods based on the appraisal results of bank personnel. The training needs of personnel has a special place, they should be identified in time and removed. It is better that modern training methods (electronic and virtual methods, seven computerized skills, using internal and worldwide nets and exploiting the informational systems) are used and the information is updated. Dispatching abroad for training, promotion and other advantages should be considered such that the employee know that how their past performance important.

Relations between banks are also important and in every organization, these relations, the kind and amount of them based on the organization (being organic or mechanic) should be considered. About the studied organization, it seems that the people should have clear relations, and political issues should not be considered (especially among top managers). In executing the style of the system and raising the executive guarantee of results obtained from evaluation, the behavior with dismissed employee should be according to regulations so that the place of encouragement or punishment is preserved.

Recommendations and guidelines

Suggestions for the managers and assistants

1. One of the most important cases that causes the appraisal system of personnel is improved is continuous documentation of the employee performance which is the most important step in improving the performance values. According to most supervisors, documentation of current performance is, time-consuming and useless but preserving a regular history for compete evaluation is important which is useful professional habit, especially in the current work environment where regulations is necessary. The managers are punished increasingly for less-documented and superficial evaluations. Document works of the employee should indicate the facts so that if a third person reads the history, the registered results are gained. For example one of the models for registering the documented works of employee is the resources collected by the employee, performed documents, studying the received facilities, manner of responding to the clients and so on.

2. Without support of senior managers of the evaluation, appraisals will not be effective even if the bank enjoys the most developed appraisal plans. So, considering the right execution of evaluation and measuring the real aptitudes of the personnel is necessary.

3. Paying reward for good performance plays a major role in creating the motivation. Studies performed in this field indicate that punishment for weak performance is not effective in long term. Furthermore, if the salary of strong and weak personnel is equal, the strong employees lose their motivation for work. So the effective employee should be paid reward for their right performance.

4. Managers and supervisors should consider the cycle of man power performance improvement and use the personnel evaluation as a factor in identifying the distance between real and ideal performance.

5. A documented and written evaluation should not supervise the employee. The supervisors should council with the employee on their defects. The best supervisors are aware of their subordinates of their defects which does not improve their mood. Negligence on the negative aspects of performance after representing the evaluation makes the employee nervous, because there is no improvement opportunity for them.

6. As long as there is no logical concordance between gob and employed person for personality, literacy, specialty etc. evaluation of the employee does

not influence on performance improvement.

7. The managers and supervisors should regard that the privacy of evaluation results is of the cases which plays role in improving the performance of man power. Since the employees compare them even though with pair results, this may reduce the work motivation.

8. The managers and supervisor should use the evaluation results to measure the needs of personnel and also necessary programs to increase the people specialty.

9. The evaluation result of personnel should be applied effectively, and the decisions of managers should be made through considering those results so that the employees do not get discouraged from evaluation.

10. Following the regulations and rules appropriates is of the issues which facilitates the process of affairs and reduces the administrational violations in the bank and causes that the administrational commands are followed in time.

Suggestions for the assessors

Although the assessors study the viewpoints of others from their own viewpoints, they commit mistake of simulation. For example, if the assessor is an ambitions person, he/she will give high point for ambitions persons otherwise their point will be low. Such mistake will cause UN right result.

1. It is better that the assessors use several indices for evaluation of the personnel since the successful performance requires that more works are conducted appropriately, so all of the works should be identified and evaluated. The more the job is complex more indices should be used to evaluate the performance. All of the works should not be evaluated, but rather just important proceedings should be assessed.

2. To prevent from error in evaluation and from negligence in the right of people, evaluations should not be conducted by just one person but the collective evaluation should be performed.

3. Apart from evaluation interviews, the agreements should be followed so that the employee become confident from the supports, the assessor should show his good intention because suggestion of training methods to help the employee to improve their performance is useless without good intention. Because suggestion of training methods to help the employees to improve their performance is useless without good intention.

4. The assessors should consider that the per-formance indices must enjoy the specification that increases the accuracy and efficiency of evaluation. These specifications are:

• Trustworthiness, i.e. the measurement in different times have more or less same results.

• The person in change should have power of influence.

• Be acceptable for who are evaluated.

• Result obtained from the personnel performance evaluation should be useful for prospecting the performance of those who are employed.

5. Following the appraisal instructions about the assessor and assesse is necessary such that everyone who is busy for 6 month in a sector is evaluated by someone who has been his/her supervisor for six month.

6. One of important issues in evaluation of the personnel is that the assessors enjoy the specialty to express their view on performance of people, for this purpose the assessors should enjoy the following specifications:

• Having necessary knowledge and information on the performance of assesse.

• Having the situation of supervision on the performance of assesse.

• Having enough motivation for valid evaluation, sine a right and exact evaluation is time-consuming and the assessor cannot judge on efficiency or non- efficiency of the employee within an opportunity of several minutes.

• Neutrality towards the assesse.

• Having necessary skill for evaluation.

It should be mentioned that for success of personnel performance evaluation in the bank considering that the managers and supervisors take the evaluation easy, just control of being serious in this field is not enough. So culture of evaluation should be established in the bank. As long as right culture of evaluation is not established and the employee are not familiar with its real advantages evaluation will not be serious. so to spread the culture of evaluation, the following cases are suggested:

• Holding periodical seminars for different job levels continuously

• Sating the advantages of evaluation through brochures, Posters, Communicational training etc.

• Holding informal explanatory sessions for more familiarization of personnel and supervisors, consequently through right evaluation, system should be attracted so that performance of man power is improved.

Suggestions for future studies

1. It is suggested that the role of manager's appraisal system in improving the performance of organizations and governmental companies is studied.

2. In this research, 6 variables on evaluation system of the personnel performance have been studied, so it is suggested that in future studies other variables are studied.

3. Studying the satisfaction rate of personnel from their performance by the managers.

4. Comparative study of successful countries experience in the field of evaluating the performance of personnel.

5. Studying the limitations of appraisal system of the personnel performance.

In the end is hoped that little experience of the researcher in this study can represent a part of the problems on efficiency of appraisal system of personnel performance of East Azerbaijan Saderat Bank scientifically.

According to the researcher, this study is a start for next studies, and I hope that I can represent my little experience in the next works and then represent it to the students, researchers and specialists of this subject to increase the level of studies.

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