DEVELOPING A NEW APPROACH FOR CIVIL SERVANT APPRAISAL IN UKRAINE

Ivanna Ibragimova

This paper seeks to describe current Ukrainian efforts and approaches aimed at developing a new approach for civil servant appraisal. It offers an overview of the processes and problems identified with the current approach, including inputs received from an extensive consultation process. The paper sets out the lessons learned and the key recommendations for a new appraisal procedure in Ukraine.

1. Developing a new performance appraisal procedure in Ukraine

Development of the new approach to performance appraisal was officially declared as one of the key priorities for the civil service and HR reform in Ukraine. The need for its improvement has been officially recognized in Ukraine through a set of (conceptual) normative documents, including but not limited to the “Strategy of Civil Service Reform” approved by Decree of the President of Ukraine on April 14, 2000 #599, The Concept of Adaptation of Civil Service in Ukraine to the Standards of European Union approved by Decree of the President of Ukraine on March 5, 2004 #278, and the Program of Civil Service Development for 2005-2010 approved by Regulation of the Cabinet of Ministers of Ukraine on June 8, 2004 # 746. It was also included among the recommendations of international experts in the area of civil service reform, for example, in the SIGMA Governance Assessment in Ukraine conducted in 2005-2006.

A new approach for civil servant assessment in Ukraine was developed within the Ukrainian Civil Service Human Resources Management Reform (UCS-HRM) Project in cooperation with MDCSU.

The development of the new procedure for performance appraisal consisted of several steps. In February 2009, the MDCSU created a policy analysis group tasked with formulating recommendations on improving the current approach to annual civil servant evaluation. This group consisted of MDCSU employees and representatives of other governmental institutions. They received training on policy analysis and, with the support of the author, developed a policy paper on the civil servant appraisal process in Ukraine.

Consultations with civil servants across the system took place during the development of the paper to assess the strengths and weaknesses of current practices, as well as expectations for improvement. For the first time in the Ukrainian civil service on June 24 and 25, 2009, four focus groups were conducted to seek input from civil servants prior to the actual development of a proposed new procedure/mechanism. There were 30 participants in the focus-groups representing 11 central executive bodies from across executive government, including a focus group with the heads of departments and divisions and their deputies; a focus group with the heads of units/sectors; a focus group with the heads of personnel units; and a focus group with specialists (general civil service cadre). A draft policy paper was also presented at a number of seminars and workshops for civil servants from central and local levels with the active engagement of the heads of human resources departments.

These consultations helped to clarify existing problems with the current procedure of appraisal, identify different perspectives with regard to possible improvements as well as challenges associated with future changes to the approach. These discussions demonstrated the importance of essential communication and training support to ensure the future effectiveness in implementation of a new performance appraisal procedure.

1 Ivanna Ibragimova is an expert of the Ukrainian Civil Service Human Resources Management Reform (UCS-HRM) Project, Kyiv, Ukraine.


3 Ivanna Ibragimova, Paul Migus, Larissa Bezo, and Sylvia Pollock are Project experts who have been engaged in the development of the proposed new procedure in collaboration with the MDCSU. For more information on the Project, please visit: http://www.ucs-hrm.org.ua

4 The following are the key MDCSU employees from the Personnel Department of state bodies and local self-government bodies engaged in the development of new procedure: Yuriy Pizhuk (Department Director), Lubov Shevchuk (Deputy Director of the Department - Head of the Unit of personnel management in local state administrations and service at local self-government bodies) and Oksana Omel’chenko (the Head of the Unit on the management of personnel in central executive government, bodies and other state bodies). Other MDCS employees as well as civil servants from other governmental institutions were also engaged in the discussion of the current procedure and provided their input on how to improve the approach to performance appraisal within the Ukrainian civil service.

5 A policy paper is not an official document, it is rather considered to be an output of training exercises of learning policy analyses group with the aim to help in development of the required normative acts. Since 2005MDCSU has organized several projects aimed at creating policy analysis groups within central government bodies and an associated network of said groups across the Government of Ukraine. These groups are exposed to training in the development of policy papers.
As an intermediate step at the end of the 2009 year, some changes were introduced to the current annual evaluation procedure. The new procedure was developed and went through interagency consultations. It is expected that following the approval of the new draft law on the civil service the new procedure will be submitted for the consideration of the Cabinet of Ministers of Ukraine.

2. Moving beyond the current approach to performance appraisal: challenges and needs

The key problem within the civil servant appraisal system in Ukraine is its very formal character (i.e., serving largely as an administrative rubber stamp). As a consequence, the performance appraisal process has to date exerted very limited influence on civil servant performance and the overall performance of government bodies. Appraisal is not used nor sufficiently seen as an effective HR instrument.

There are a number of different problems (reasons) that have impacted upon the ineffectiveness of the current appraisal procedure, including the following:

There is a lack of unified approach to civil servant performance evaluation due to the fact that there are two different parallel procedures which are in existence - annual evaluation (conducted between a manager and employee) and attestation (conducted by an Attestation commission, created within a government body and headed by a deputy head of it, once every three years). Across government, public authorities have applies these procedures inconsistently. This has resulted in a situation of inequality in treatment and caused much confusion within the system as to the intended approach.

Civil servants in Ukraine, who took part in the discussion of existed procedures, including focus-groups meetings, expressed different points of view with regard to performance appraisal - while some stand for the abolition of the annual evaluation, others – of the attestation process. The key concern is the impact of the procedure on a servant, who undergo appraisal. Several respondents stated that the procedure of annual evaluation was useful for them as they had good (motivating) discussion of their strengths and weaknesses with their bosses. However, this happens rather rarely. Very often those who conduct annual evaluation as well as those, who are being evaluated (within both procedures), consider the evaluation procedure to be a pure formality. Those, who prefer the attestation procedure refer to it as a more powerful mechanism, because it presupposes the engagement of senior officials from within government bodies and has the potential to lead to serious consequences (those who will be assessed as being in non-compliance within a given position risk being fired from their position – as such, attestation provides a real opportunity to rid organizations of ineffective employees). At the same time, the interview process in front of the attestation commission places intense pressure on employees to perform.

Although 90% of civil servants receive good and excellent appraisal rating levels, both existing procedures demotivate personnel. Moreover, they are largely considered a tool for punishment rather than as a strategic instrument available to

6 The list of criteria for evaluation and the requirement for an individual work plan were cancelled at the end of 2009 as part of the preliminary work in the development of a new approach for annual civil servant evaluation. For details, please refer to part 3.

7 According to the current legislation, “the goal of the annual evaluation is to ensure regular control over passing civil service and professional achievements of civil servants; facilitation of the improvement of staff selection and placing, development of imitativeness and creativity of civil servants, identification of their potential and learning and personal development needs and career planning; improvement of the processes of planning and organization of activities of civil servants and governmental bodies, identification of organizational problems and enabling immediate response to them, analysis of the work descriptions”. Typical order on conducting annual evaluation of the duties and tasks assigned to civil servants, approved by the MDCS Order dated October 31, 2003. For an electronic copy of the order, please see http://www.rada.gov.ua.

8 For example, according to the annual evaluation results 94% of civil servants of central executive power bodies received positive final grades, incl. 79,7% - “good”; 14,1% - “excellent” in 2006 and 78,2% - “good”; 15,6% - “excellent” in 2008. There is similar situation is at the local level, as 95-96% were evaluated positively (81-82%
managers and employees in the workplace. Employees expect to receive only positive grades, as negative grades are interpreted by civil servants as a personal threat to their employment livelihood. The majority of servants would simply prefer to avoid the appraisal procedure altogether.

Ukrainian legislation presupposes linkages between appraisal and promotion, training, payment of incentives/bonuses, etc., however, in practice these procedures have little effect. Evaluation results have influence on neither the employees, who are being evaluated, nor the managers, who are conducting these evaluations. At present, they are taken into consideration mainly in cases of extending the term of an individual’s tenure within the civil service (for those who have reached a pensionable age and are required to retire by law) and, in the opinion of consultation respondents – in the case of firing.

If to read existing normative act on annual evaluation one could notice a lot of typical provisions, which could be found in more experienced democratic countries. But mainly these provisions remain on paper and the character of the procedure and its impact are highly affected by the command and control’ administrative tradition and culture, which serves as a barrier and deterrent for civil service reform and performance appraisal, in particular. It should be noted that HR procedures are highly centralized in Ukraine. The present hierarchal and closed administrative culture within the civil service is one that is focused on control where individuals are “managed” with an emphasis on punitive measures. Limited attention is paid to civil servant growth and career development, or in cases of non-performance, upon corrective measures. Further, there is limited effort put forward in building a workplace culture of mutual trust, support and open dialogue. Present HRM processes and procedures fail to provide positive improvements and reinforcements in workplace culture at an operational level. This situation is further exacerbated by a weak system of redress for civil servants. Combined, the above-noted elements offer little in the way of incentive for individual civil servant career growth and perspective.

It should be acknowledged, that there is also a lack of attention to the substance of innovations, which undermine or make it more difficult to implement new procedures or to improve them or reform in general. Over the last decade many new concepts and principles have been introduced (i.e. transparency, accountability, good governance, leadership, performance, results-based management, etc.) into the public administration rhetoric in Ukraine. In some instances, newly introduced principles continue to exist at the abstract level – not having been translated into an operational reality within the civil service. In some instances, notions and practice became different because of the different context and different experience and lack of understanding of the essence true meaning and implications of principles and mechanisms. They have failed to be operationalized in the civil service due to a lack of support for implementation (i.e. training, mentoring, advisory support, etc). That is also a story of performance appraisal introduction.

Lack of understanding by managers and specialists of the needs of, and goals for, conducting performance appraisal in large part explains the current practice. Managers often do not understand their responsibility for HRM and associated main HR functions; conducting of annual evaluation is rarely used by managers as an opportunity for meaningful communication with subordinate employees to help a civil servant to improve his/her performance. Sometimes managers ask personnel units to prepare needed documents instead of them in order to have the procedure envisaged by the legislation to be in place. In general, there is a lack of information and methodological support for evaluation, including a lack of explanatory activities.

Currently the mechanisms of evaluation and attestation are not based on clear criteria. During attestation, standardized evaluation criteria are not employed – resulting in much variation (for instance, an interview with one employee can last 5 minutes, while a second interview can last up to 1.5 hours). Although the procedure refers to the job description of a civil servant, they are of little help, as usually they are written in a very generic/abstract way and presuppose implementation of “other duties, required by the superior”, which are in practice could include various not always relevant activities that often require essential proportion of their work time. Civil servants usually do not know what questions they will be asked «on examination». This reality creates unfair and unequal conditions for civil servants.

received the grade “good” in 2006 and 2008). As a result of attestation in 2007, 97.5% of civil servants at the central level and 96.14% of civil servants at the local level who went through attestation, were evaluated as those, who are in compliance within their position under condition of recommendation implementation were 3, 28% of civil servants at the central level and 3.74% at the local level; those who were assessed as being not in compliance within their position – 0, 007% at the central level and 0,12 – at the local level. MDCS Statistical Data, www.guds.gov.ua

9 Linkages with the provision of next rank, training, awards/bonus payments, etc, mentioned in the current regulation on evaluation, are not direct and they largely depend upon the implementation of other normative acts.

10 This opinion is quite strong as a low evaluation grade (score) often serves as a means for imposing sanctions and possible dismissal of a civil servant from their position. In 2007, 44% of those, who received a decision of the attestation commission indicating that they are not in compliance to their current positions (0,16 per cent (265) of civil servants, who went through attestation) were fired, others were appointed to another positions.

This situation is also open a window for political influences in case of the desire to get rid of undesirable employees. In case of annual evaluation, up until the end of 2009, managers were provided with recommendations on the use of 15 criteria. These criteria were vague and overlapping. Further, they were inconsistent and did not allow for easy identification of relevant ratings.

Although the «quality of work» was one of the recommended criteria, it was used quite subjectively without thorough analysis of achievements, shortcomings and means for improvement. Planning highly undermined evaluation / attestation due to the absence of an effective hierarchy of policy documents, the contradiction between conceptual acts, the lack of consistency in priorities and the cascading of tasks-orders from higher level institutions - all which result in the presence of many unexpected work tasks ultimately forming the dominant part of a civil servant’s work load. Lack of clarity between the hierarchy of goals between the government, agency and a civil servant’s associated role, numerous assignments make it almost impossible or at least unbelievable to fill in individual civil servants work plans at the beginning of the year. Civil servants individual work plans13 were formal as well, they primarily determined only certain activity directions and mostly were updated during the year. Often while performing duties and responsibilities a civil servant does not see the main goal/purpose of his/her work, his/her activity is not result-oriented14. According to the data of focus-groups, managers often filled out the evaluation forms/ tables (as an annex to Performance Evaluation Form) mechanically and defined the final score before the actual evaluation and did not take into account recommended criteria of evaluation.

The system of final evaluation scores used in annual evaluation were associated with the marking system used to employed within the educational institutions - thus only one (maximum two) rating (from four) were considered as positive15. There is a lack of understanding of the concept of performance which exceeds expectations. Generally speaking, there appeared to be an opinion that to a great extent evaluation outcomes depended upon the subjective attitude of a manager and the relationship between an individual civil service and his/her immediate supervisor/manager.

Respondents stated that the Performance Evaluation Form was imperfect and complicated; it took too much time to fill it in and after the procedure a lot of papers were collected in a personnel file which became cumbersome; as a rule this information was never referred to or made use of in the future human resources management processes and procedures.

The evaluation and attestation of managers, especially senior ones have not been consistently undertaken in Ukraine for a number of reasons. Due to the high turnover at the management level, many managers do not undergo evaluation / attestation. This also applies to many civil servants due to the fact that their managers have supervised them for less than one full work year. Such practices create unequal conditions for civil servants and undermine responsibility for HRM ultimately lessening opportunities for managers to conduct needs assessment of their staff. There is limited understanding of the need for considering generic competencies for managers. Overall responsibility for managing people is rather limited to the formal assigning tasks.

Oversight for the implementation of annual evaluation/ attestation is insufficient. There is very limited reporting/accountability for the performance evaluation/ attestation on the part of managers with no discussion of the evaluation practice at the level of institutions on how to improve the approach. Further, there is no reporting of the heads of executive power bodies to the higher superiors on HRM, including the conduct of attestation and annual evaluation; the results are not used to analyze “policy” at the general level. Reporting on, as well as analysis of, civil servants performance evaluation/ attestation outcomes are quite limited. Reporting data does not allow for the elaboration of linkages between evaluations and civil servant progression within the system (e.g. training, compensation, career development). The MDCSU has access to quantitative data, including data on the number of recommendations provided to place a civil servant on the cadre reserve list, to undergo an internship for a higher position, to confer a higher civil service rank, to add increments (envisaged by the law) or to change the amount of the increment, to raise the issue of the prolongation of civil service tenure, but there is no information about implementation of these recommendations as

---

12 For example, for such criteria as professional abilities and skills, planning of work, professional knowledge, responsibility, leadership capacity and discipline the description of performance at good and high levels were not clearly separated and often overlapping.

13 This plan was cancelled at the end of 2009.

14 To a great extent civil servants work plans as well as job descriptions depend upon level/degree of generality/abstraction (inaccuracy) of regulations of departments/units and organizations.

15 The final grade within annual evaluations include: below average, average, good, excellent. Attestation Commission conclusions could be the following: employee is in compliance to the position; is in compliance to the position “under the conditions” of implementation of recommendations (with regard to “upgrading of professional qualification” (training) in certain area, acquisition of computer skills, etc); is not in compliance to the position.

16 There were 5 criteria which were recommended for manager’s evaluation and they were not clear and comprehensive enough. They did not take into account responsibility for planning, HRM, leadership issues etc. These criteria were not connected with government priorities and do not allow to implement unified approaches to planning and evaluation of results and achievements. These criteria were cancelled at the end of 2009 as a result of the consultation process mentioned above.
well as information about providing of recommendations to those who were evaluated as not in compliance to the positions, etc.\(^\text{17}\). Such situation complicates possibilities of consultative and methodological support of annual evaluation and attestation entrusted to MDCS.

In summary, Ukrainian civil servants, who took part in focus-groups and other discussions, expressed the followings needs and expectations with regard to the improving the current and/or developing in a new performance appraisal procedure:

- To get rid of formalism and guarantee positive influence/real impact of the procedure (including bonuses at the end of the year, etc);
- To avoid subjectivity during evaluation;
- To weaken the psychological pressure on civil servants;
- To use evaluation as a motivational factor to improve performance and development of civil servants;
- To improve methodology of the use of criteria of performance effectiveness taking into account the real work load, ethics and professional skills;
- To conduct public awareness activities with regard to HRM, purpose and method of evaluation;
- To decrease paperwork, to avoid maintenance of unnecessary information etc.

There is a strong expectation for the procedure to be simplified.

### 3. A clear direction for a new approach to performance appraisal

Based upon an analysis of the challenges facing the current approach to performance appraisal, the following policy goals were formulated for consideration for the future direction of civil servant performance appraisal.

The **main policy goal** is to ensure the effectiveness of the performance appraisal process and increase its impact upon the performance results of civil servants and the governmental bodies in which they are working and also to strengthen the connection between evaluation and civil servant development within the system. It is necessary to overcome formality in the process of conducting annual performance appraisal in order to ensure a meaningful orientation and management towards expected performance results.

Evaluation should promote excellence in performance due to recognition and the annual rewarding of achievements (expected results of performance) which is linked to the strategic priorities of the governmental body and its units in accordance to the principles of the civil service, ethical behavior, etc.

It should not be the civil servants examination or evaluation of personalities but the evaluation of their performance, results and professional behaviors. It is important to interpret and use appraisal as a management tool of motivation, support and development, oriented toward current and future successes but not as old-fashion control and punishment.

The key aspects of the new system to be considered presented in the chart (annex 1).

These would require introduction of the changes in the following directions.

- First of all, it is important to provide **unified approach** to the civil servants appraisal and its consistent implementation to ensure consistency, transparency and fairness. This presupposes a cancellation of the current attestation procedure and improvement of annual evaluation procedure by incorporating the strengths of the both existing procedures while reducing unhealthy pressure on servants.
- The **improvement of planning** system creates the basis for the new performance appraisal. There is a need to align planning to the government priorities and develop a comprehensive performance management system which explicitly links the current approach to strategic planning with annual performance appraisal within the Ukrainian civil service.
- The improvement of the **mechanism** for conducting of annual appraisal would require establishment of clear evaluation criterions and final grades, clarification of steps, key responsibilities and peculiarities of performance evaluation of different civil servants groups (i.e. senior officials, managers and the general civil service cadre (specialists) at the central and local level, etc.).

**Performance results** should be the key criteria for civil servant appraisal, with expected performance outputs and evaluation indicators to be identified at the beginning of the reporting year and clearly communicated and discussed.

---

\(^{17}\) In 2007, 18% of those, who went through attestation received recommendations, incl. 58.6% of them - to be included in the cadre reserve list, 18.6% - to be the subject for prolongation of the civil service tenure; 9.8% - to receive a new civil servant rank, 5% - to obtain an increase in financial increment, envisaged by legislation, 8% - to proceed to an internship at a higher level.
between a manager and subordinate employee.

In the future, the appraisal process should include consideration of the needs of individual civil servants in the area of competency development, including leadership competencies, and the means for providing for this development.

During evaluation it is important to ensure effective dialogue between the manager and subordinate servant with regard to the discussion of the plans of an organization and servants, linkages between them, expected performance results at the beginning of the year and ways of performance improvement, rewarding achievements and input of an employee to the successful performance of the government body during the interim and final assessment. It is necessary to devote enough time for discussion and appropriate description of performance results and results of the discussion in the appraisal form (template).

The managers are to be personally responsible for effective performance appraisal of their subordinates, guiding and maintaining on-going dialogue with subordinates. The HR people have to play the strategic role in providing consultation and methodic support to the whole process of appraisal.

It is recommended to create an Evaluation Committee within each institution, comprising of the heads of the bodies (government secretaries in the future) and deputy heads – which would be responsible for provision of strategic oversight of the transparent, fair and objective civil servants performance evaluation and would facilitate achievement of the department's strategic objectives and performance improvement, employees’ development and promotion using the existing institutional capacity. The idea is that the Evaluation Commission will analyze individuals contributions to the organization relative to others operating at the same category and ranking level with the aim of ensuring a consistent approach to evaluation across the organization, support fairness in evaluation and the best use of human resources within an institution. The analyses could reveal common problems, subjective position of managers, needs to improve managers' activities, etc.\(^{18}\)

- It is extremely desirable to ensure effective analysis of the results of appraisal and their impact upon further civil service passing, which is impossible without improvement of reporting at the level of individual organisations and the civil service as a whole. The reporting is to be modified to allow its feasibility, analyses, comparability, sharing and learning from it. Not only format is to be changed but also the content and mechanisms of reporting at the level of an institution and the government in general (to strengthen policy oversight). Not only quantitative data but also qualitative data are to be available for analysis. This would allow to see the general picture, trends, success and shortcoming and learn the lessons from own performance to meet the government goals and public expectations.

There is a need not only to establish reporting requirements, but to develop information systems to support HR people in preparing reports and tools for managers to self-assess internal best practice and set the requirements and outline the contents for the annual report on overall performance appraisal within the civil service which is to be submitted to the highest administrative official (in a future - Governmental Secretary). It is important to identify the governmental body, which would be responsible at the strategic level to correlate the results of annual performance evaluations at a corporate government level/ within the civil service with the strategic planning of HR at the government level.

There is a need to strengthen the MDCS oversight role in the performance evaluation process as the MDCSU is leading the reform of civil service and it will develop new regulations, guides, tools / templates and will provide methodological support and training.

- It is vital to ensure wide understanding of the reasons for the performance appraisal and the effective ways of its implementation. This requires strengthening of information, methodological, consultation and training support, which should accompany introduction and implementation of the new procedure of performance appraisal. It is to be based on the developed comprehensive communication strategy and training strategy / plan.

These presuppose development of information products, including guidelines, frequently asked questions/ fact sheets, and organization of special events, etc; provision of consultations and organization of explanatory activities (with regard to the aim and methodology of evaluation, including system of final evaluation grades (scores), needs to discuss possibilities of a civil servant development and input into the achievement of organizational goals and ensuring effectiveness of the governmental body); development of the training package for civil service managers to build capacity in applying the new approach to performance appraisal. It is essential to help managers to realize their responsibility for human resource management and the potentials of the evaluation tools to maintain feedback, build trust and foster development.

- To serve as a tool for motivation, it is important for the appraisal procedure to envisage on-going dialogue, support and feedback on the results of the performance. Feedback includes the provision of relevant recommendations. Thus, it is important to provide linkage between evaluation results and passing the civil service (e.g. year-end bonuses on the basis of appraisal, decisions on rewards, promotion, in-service training, etc). It is necessary to

\(^{18}\)For more information about the new mechanism, please refer to the next part ‘Proposed new procedure’ and ‘Annex 2’. Draft Sample of the Annual Civil Servants’ Performance Appraisal Form.
establish linkages between performance evaluations and professional training and development (individual learning plans for civil servants is to be the one of the main elements of the system of planning and evaluation). There is a need to improve approaches to foster promotion of civil servants and provision of other forms of non-monetary recognition based on the results of performance evaluation.

Along with these recommendations, the following appraisal policy principles were emphasized during the discussion of the new approach to the civil servant’s performance appraisal:

- Consistent application at all levels, standardized approaches at the level of individual public institutions and government as a whole;
- Fairness of evaluation process; evaluation of both managers and employees based on the same principles;
- Strategic approach to appraisal (linkages with the strategic goals of the government and governmental bodies);
- Long-term perspective (taking into account future needs of organization and possibilities of the development and career growth for civil servants);
- Objectivity, political neutrality, avoidance of prejudices; the use of measurable performance indicators;
- Transparency/understanding of the evaluation process and criteria by all participants; on-going open dialogue;
- Consistent and regular appraisal (annually);
- Supportive process - civil service managers are responsible for providing their staff / subordinates with the necessary training and tools to support performance on an ongoing basis, including encouraging ongoing dialogue between the manager and subordinate employee with regard to plans and performance results; responsibility of managers for the provision of support to employees;
- Respect for the dignity of each civil servant; appraisal not for the sake of punishment but for the sake of helping to improve and develop civil servants;
- Protective – employees have the right to provide input in the performance appraisal process and to seek redress if they feel that decisions are unfair.

Overall, the goal of the reform is to increase the effectiveness of the performance appraisal approach and to introduce a focus on performance management within the civil service – both at the level of executive government as well as at the level of individual civil servants. Thus it is important to improve the actual mechanism for performance appraisal and to ensure consistency, transparency and fairness in the implementation of the performance appraisal policy and process.

4. Consultative input to the development process for a new appraisal process

The above-noted and other (more precise, technical) recommendations were discussed with the key members of policy groups and understanding was gained to follow the suggested course of the reform. It was a concordance that the new procedure has to be focused on performance results in comparison to plans and envisaged the bonuses at the end of the year depending on the results and ratings.

Several drafts of the new procedure on performance appraisal (draft of the Cabinet of Ministers of Ukraine Regulation on the order of appraisal of the results of the official activities of civil servants) were already developed; they are different in formulations but same in terms of essence. They include the new template for appraisal (see annex 2) for managers and specialists appointed before the July of reporting year; for managers and specialists appointed after July of reporting year\(^{19}\) and template for appraisal of deputy heads of executive bodies. The learning plan and the performance improvement plan (for those, who are not efficient enough) are the parts of the new appraisal template. The draft of methodic recommendations (guidance) is also developing to be finalized after the improvement of the regulation by the Cabinet of Ministers of Ukraine.

The issues which have attracted the most discussion and attention to date have included the following:

- The criteria of evaluation (how to evaluate them, what to do with competencies as by now there is not enough clarity in this regard; what to do with the overwhelming volume of unpredictable tasks, etc);
- The role of evaluation commission (how to ensure real dialogue between deputy heads without having relevant tradition and experience);
- Who should serve as the head of the commission, as HR decisions are highly centralized, Ministers are political figures, however they are responsible for all (including HR) decisions, but they have no time for such a commission; there are no state secretaries by now, etc); and

\(^{19}\) Civil servants appointed after the July of the reporting year will not undergo a final evaluation, solely the mid-year review. This may result in no linkages to bonus pay at year end as a result of the final year end evaluation in that particular year.
• Other procedural issues such as the stages of the procedure and how access should be restricted to performance evaluation results (the reasons for this, as there is no law on privacy data protection), etc.

There are several stages envisaged by the new draft procedure: 1) planning at the beginning of the year (identification of expected performance results and indicators, dialogue between the manager and employee); 2) interim assessment / review (informal dialogue to monitor the process, provide help, check and adjust plans; it is to be held in the middle of the year or for those who were appointed in the reporting period – 3 month before the final evaluation; for those, who were appointed after July interim evaluation will be the only one during the calendar year) and 3) final appraisal. Final appraisal includes self-assessment, dialog with the superior, evaluation by direct supervisor; higher level manager is to be informed about the results of evaluation and he/she could provide their additional comments; consideration of the appraisal process by Evaluation commission and approval of the results by the relevant Heads of institutions. The possibility of redress is envisaged by the procedure before the decision is made by a Head. Systematic nonperformance of the Program of performance improvement could be the reason for firing. Thus a servant will have a 6 month probation period to improve his/her performance.

Composition, functions and responsibilities of an Evaluation Commission are among important issues to discuss further on. It is planned by now that the Evaluation Commission will analyze information on evaluation in the organization from the point of consistency, fairness and strategic needs; will analyses the supervisors approaches to the evaluation process and questionable/controversial issues; will review high and low grades – those who are recommended to be evaluated as surpassed and not enough effective performance; will make decisions or final recommendations (depending on composition) with regard to final grades and rewarding, recognition of effective performance, providing new ranks, promotion, rotation, trainings, etc. The issue of improvement of not enough effective behavior is to be the subject of discussion of the Evaluation Commission as well.

The new draft procedure also introduces other procedural changes, for example establish four final grades (interpreted as level not marks); clarified approaches with regard to those who are the subjects for appraisal (civil servants of the patronage service; pregnant women could go through the procedure if they wish); it is suggested that appraisal of the deputy heads of central executive government bodies is conducted in a form of interviews with the department head, etc.

5. Conclusions: EU experience, challenges and lessons learned for Ukraine

The current situation and pending problems in the sphere of appraisal in Ukraine are quite common with those being faced by EU Member States in recent years. It is important that Ukraine consider the lessons learned from those reforms undertaken within EU as it addresses its present system challenges. The author expects that some of the challenges in Ukraine shall be greater as they have undoubtedly been affected by fundamental machinery of government reforms as well as cultural transformations within the civil service system – significantly influences by Ukraine’s highly centralized and hierarchical bureaucratic tradition.

As it evidenced in a recent survey, the instrument of performance appraisal is gaining importance in all EU Member States member and many countries in recent years as seen in the introduction of new changes in performance appraisal which have “gained a position at the core of human resource management”, became “on each managers daily agenda and naturally integrates in into the toolbox for leadership”. Performance appraisal has increasingly become decentralized and has been adapted to the respective targets, structures and values of individual organizations. “There has been a trend toward less formal, more dialogue based employee interviews and target agreements”, the simplification and reduction of bureaucracy; assessment forms became short and understandable. “Personal traits (punctuality, intelligence, social skills) as well as attributes achieved outside of the workplace (level of education, character) are losing importance; with more importance assigned to (a limited number of) target agreements, function appraisal and competence appraisal”. There is more clarity and transparency as well as flexibility in the procedure. Much more communication between the manager and employee are expected. “For decades, the relationship between superior and employee was hierarchical, and was based on commands and obedience. The use of the new instruments shows that not only the understanding of the superior/employee relationship has changed, but the public service (as such) is changing”. Changes in the procedure “lead to enhancement of professionalism in the system”, “procedure of a much higher standard, a much more professional, but also more complex and resource intensive”, leads to more

20 Christoph Demmke. 2007. Performance Assessment in the Public Services of the EU Member States. European Institute of Public Administration.
21 Ibid, p.2
22 Ibid, p.55
23 Ibid, p.27
24 Ibid, p.57
25 Ibid, p.27
26 Ibid, p.31
workload. Thus performance appraisal systems are not greeted with unanimous agreement by all employee groups. But there is an understanding that there is no other way to achieve objectivity and transparency.

According to a SIGMA assessment of the progress of seven countries, which accessed EU in 2004, changes of performance evaluation systems do not have great prospects, if they are implemented in isolation without significant human resources management reform in the civil service.

It is very important to improve:

- Approaches to activities planning, establishment of effective system of strategic planning at the government and individual ministry levels, determination of the expected performance results at the beginning of the year;
- Identification of key responsibilities in the job description;
- Description of competencies profiles (for relevant positions, as well as introduce leadership competency profiles);
- Rewarding system, ensuring efficient system of effective/excellent performance recognition
- Approaches to improve poor performance;
- Comprehensive system for providing information for human resources management; and
- In-house training system, etc.

“The greatest challenges lie in these four areas: the roles of the managers in the performance appraisal process; mastering the increased workload, complexity and bureaucracy; managing target agreements and improving the appraisal; connecting the performance appraisal with consequences (feedback, payment, promotion, training, sanction) as quickly as possible.”

The key challenges for Ukraine are the planning improvement and manager’s preparation, strengthening of HR responsibility of managers. This requires an essential cultural transformation. It is vital to overcome the prevailing image of evaluation/attestation procedure as a mean of hierarchical control and punishment, but rather to develop it and allow for the use of appraisal as a tool for communication, learning, development and the fostering of achievements on both individual and organizational levels. The tradition of ongoing and meaningful dialogue will not be build overnight. It will require political will and consistent sustainable efforts.

The complexity of the issue requires the phased-in implementation of a new policy, the conducting of extensive consultations with stakeholders, the provision of explanations and rationale and supporting training, along with the piloting of the new procedure.

European countries’ experience also shows that in the case of the underestimation of the role of consultation during the decision-making process, as well as information-explanatory work and training, especially trainings for managers, there is a great risk of failure in the introduction of innovations. It is possible that new policies and procedures may not be internalized and that they will simply remain on paper.

It is necessary to develop a policy implementation plan, as initiation of any changes may affect other elements of the system; so it is necessary to see the overall picture for effective change management, to take into account capacity of those who implement policy and to prepare civil servants for changes (they must understand the nature, impact, main stages and the results of the policy).

In case of not conducting information and training program step by step, there is also a risk, which is caused by the fact that the issue of subjectivity will always be present during the appraisal process, while training and explanations can help to minimize its impact. In addition, the procedure should not settle completely all evaluation aspects because it is important to leave certain flexibility to allow for managers to consider current institutional needs.

Lack of training of the managers, the subjectivity, the lack of expertise in setting and measuring objectives, the lack of time, the formal character of interview – are among those key issues, which able to undermine the proposed changes and thus they require serious attention. The role, commitment, effort invested and competencies / skills of managers are critical. The culture of on-going dialogue (feedback!) and building mutual trust are essential for the success of the new appraisal procedure.

6. Annexes

27 Ibid, p.49-51
29 Christoph Demmke. 2007. Performance Assessment in the Public Services of the EU Member States. European Institute of Public Administration, p.109
Annex 1. The key factors of the new appraisal procedure

Annex 2. Draft Sample of the Annual Civil Servants' Performance Appraisal Form
Annex 1. The key factors of the new appraisal procedure

- System of strategic planning in the government
- Identification of strategic priorities of the institution
- Identification of expected performance results of a civil servant
- Clear list of key duties in job description
- Competencies profiles
- Managers responsibility for HRM
- Training for managers

Achieving results

- Performance appraisal
- Rewarding meeting results (excellence) in performance
- Strategy for dealing with poor performers (support of managers)
- Training needs assessment (individual training plan)
- Promotion, new ranks, rotation, HR planning, etc
Annex 2. Draft Sample of the Annual Civil Servants’ Performance Appraisal Form

<table>
<thead>
<tr>
<th>SECTION I: GENERAL INFORMATION</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Surname/Family Name</strong></td>
</tr>
<tr>
<td><strong>Position Title</strong></td>
</tr>
<tr>
<td><strong>Title of the government body</strong></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>SECTION II: KEY GOALS/OBJECTIVES – EXPECTED PERFORMANCE RESULTS</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Evaluation criteria:</strong> performance work plan results (to be completed at the beginning of the year; immediate supervisor identifies 5-8 main expected results)</td>
</tr>
<tr>
<td>□ agree</td>
</tr>
<tr>
<td>□ agree</td>
</tr>
<tr>
<td>□ agree</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>SIGNATURES</th>
</tr>
</thead>
<tbody>
<tr>
<td>Immediate Supervisor’s signature</td>
</tr>
<tr>
<td>I have read the Plan and understood what goals have been set and according to what criteria my performance will be evaluated at the end of the year.</td>
</tr>
<tr>
<td>Employee’s signature</td>
</tr>
</tbody>
</table>

*Please return the original copy of the approved form to the Human Resources Department.*

<table>
<thead>
<tr>
<th>SECTION III: MID-YEAR DEVELOPMENT REVIEW AND CONTINUOUS FEEDBACK (June-July of the current year)</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Continue as Planned</strong></td>
</tr>
<tr>
<td>□ Yes</td>
</tr>
<tr>
<td><strong>Comments</strong> (to be prepared by immediate supervisor, any changes to the plan should be included as well as training or other support needed for employee)</td>
</tr>
<tr>
<td><strong>Adjustment of objectives/tasks (filled in if needed)</strong></td>
</tr>
<tr>
<td><strong>Evaluation criteria:</strong> performance work plan results (to be completed by immediate supervisor)</td>
</tr>
<tr>
<td>□ agree</td>
</tr>
</tbody>
</table>
**SIGNATURES**

<table>
<thead>
<tr>
<th>Immediate Supervisor’s signature</th>
<th>Date</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
</tr>
</tbody>
</table>

_I have read the Plan and understood what goals have been set and according to what criteria my performance will be evaluated at the end of the year._

<table>
<thead>
<tr>
<th>Employee’s signature</th>
<th>Date</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
</tr>
</tbody>
</table>

_Please return the original copy of the approved form to the Human Resources Department_

### SECTION IV: YEAR-END PERFORMANCE APPRAISAL

<table>
<thead>
<tr>
<th>Date of Meeting</th>
</tr>
</thead>
<tbody>
<tr>
<td>D</td>
</tr>
</tbody>
</table>

**Immediate Supervisor’s comments on employee’s performance results and behaviour**

_To be completed at the end of the year (results, examples, influence of other factors)_

**ANNUAL APPRAISAL RATING RECOMMENDED BY IMMEDIATE SUPERVISOR**

<table>
<thead>
<tr>
<th>Surpassed</th>
<th>Met All</th>
<th>Met Most</th>
<th>Did Not Sufficiently Meet</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

**INDIVIDUAL TRAINING AND DEVELOPMENT NEEDS**

_To show the progress of training and development during the current year (according to the Plan and actual progress; to be completed by employee_

Training and development needs for the next year

_(to be completed by immediate supervisor, supervisor notes competencies to be developed and activities/ways of training and development)_

**OTHER RECOMMENDATIONS**

_To be completed by immediate supervisor at the end of the year_

**WAYS OF PERFORMANCE IMPROVEMENT** *(to be completed in case of rate IV)*

<table>
<thead>
<tr>
<th>General comments:</th>
</tr>
</thead>
</table>

<table>
<thead>
<tr>
<th>Proposed actions</th>
<th>Timeframe</th>
<th>Comments on performance</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

**Employee's Comments**

<table>
<thead>
<tr>
<th>SIGNATURES</th>
</tr>
</thead>
<tbody>
<tr>
<td>------------</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Immediate Supervisor’s Signature</th>
<th>Date</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Employee’s Signature</th>
<th>Date</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
</tr>
</tbody>
</table>
**NEXT LEVEL MANAGER’S COMMENTS**

<table>
<thead>
<tr>
<th>Next Level Manager’s Signature</th>
<th>Date</th>
</tr>
</thead>
</table>

*Please return the original copy of the approved form to the Human Resources Department*

---

**REVIEW BY EVALUATION COMMISSION**

<table>
<thead>
<tr>
<th>Evaluation Commission Ratings</th>
</tr>
</thead>
<tbody>
<tr>
<td>☐ Approve rating recommended by immediate supervisor with no changes</td>
</tr>
<tr>
<td>☐ I Surpassed</td>
</tr>
</tbody>
</table>

**Evaluation Commission Comments** *(decision rationale, recommendations to employees, immediate supervisor of employee, HR unit; recommendations for the Heads of the government body)*

---

**SECTION VI: SIGNATURES**

<table>
<thead>
<tr>
<th>Head of the Evaluation Commission</th>
<th>Evaluation Commission Secretary</th>
</tr>
</thead>
<tbody>
<tr>
<td>Signature</td>
<td>Signature</td>
</tr>
<tr>
<td>Date</td>
<td>Date</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Employee’s Signatures</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>I am acquainted with the decision of the Commission:</td>
<td></td>
</tr>
<tr>
<td>Date</td>
<td>Employee</td>
</tr>
</tbody>
</table>

---

**SECTION V:**

<table>
<thead>
<tr>
<th>Approval by the Head of the government body of the results of civil servants’ performance appraisal</th>
<th>Signature of a civil servant</th>
</tr>
</thead>
<tbody>
<tr>
<td>Final rate</td>
<td>I am acquainted with the results of my performance appraisal:</td>
</tr>
<tr>
<td>Order dated</td>
<td>Employee</td>
</tr>
<tr>
<td>Number</td>
<td>Signature</td>
</tr>
</tbody>
</table>

*Please return the original copy of the approved form to the Human Resources Department*