Analysis of the Causes of Low Satisfaction Performance Appraisal, Study in PT Indonesia Power PLTU Adipala

Kukuh Pambudi[1], Ratno Purnomo[2], Ade Irma Anggraeni[3]

[1]Jenderal Soedirman University, kukuh.pambudi@indonesiapower.co.id
[2]Jenderal Soedirman University, ratno.purnomo@unsoed.ac.id
[3]Jenderal Soedirman University, ade.anggraeni.gardjito@gmail.com

ABSTRACT

Every year the organization conducts an Employee Satisfaction Index (ESI) and Employee Engagement Index (EEI) survey for all of its employees. The purpose of this survey is to determine their level of satisfaction in the work environment from time to time. Supporting indicators used in the ESI survey include: satisfaction of the employee placement / promotion process, satisfaction of education and training, satisfaction of the performance appraisal process: satisfaction of the placement / assignment process and satisfaction of leadership guidance / direction. Based on the survey results, it turns out that the performance appraisal as a supporting indicator for ESI gets the lowest satisfaction score compared to other supporting indicators. This type of research uses quantitative and qualitative approaches. The quantitative approach is in the form of an employee satisfaction survey, while the qualitative approach is used to understand an issue or problem: dig deeper into the main factors that cause dissatisfaction in the performance appraisal.

Key words : employee satisfaction, performance appraisal, key performance indicators, competency

1. Introduction

Every year PT Indonesia Power - PLTU Adipala conducts satisfiction and engagement surveys for all of its employees. This survey was conducted by an independent surveyor appointed by the company, while the respondents were all employees of PT Indonesia Power - PLTU Adipala. Supporting indicators used in the ESI survey include: satisfaction of the employee placement / promotion process, satisfaction of education and training, satisfaction of the performance appraisal process: satisfaction of the placement / assignment process and satisfaction of leadership guidance / direction. The online survey was carried out by ensuring the confidentiality of the respondent's data, however there was a classification of respondents based on the level of position and age of the respondent. This classification is needed as material for further analysis. The survey results in 2019 show that the level of satisfaction of supervisor-level employees is above that of labor-level employees.

Two items are assessed in the performance appraisal of each semester: KPI performance and competency performance. KPI performance uses a balance score card scheme (quantitative),

measuring the realization of the targets given to organizations and individuals. Meanwhile, competency performance is a measurement (qualitative) soft competency of an individual in his daily work according to his job desk. Employees are very concerned about the performance value obtained each semester, this is related to career and financial benefits (compensation and bonuses). So that if the results of the performance appraisal are not as expected, there will be dissatisfaction with the performance appraisal. Employees with poor performance appraisal scores will have negative perceptions of performance appraisal, it can be from fairness, imperfect systems, or policies that are perceived to be detrimental to employees

2. Literature Review

2.1 Employee Satisfaction

According to Wexley and Yukl (1977) theories about job satisfaction - (Equity Theory): A person will feel satisfied or dissatisfied depending on whether he feels justice or not for a situation. A person's feeling of equity or inequity for a situation is obtained by comparing himself to others in the same class, office, or in other places. Locke (1969) defines job satisfaction as a state of happy emotions or positive emotions that come from appraising one's job or work experience. Job satisfaction by Locke is also defined as the result of employees' perceptions of how well their job provides things that are considered important. Robbins and Judge (2015) explain that job satisfaction is a positive feeling about work, which results from an evaluation of its characteristics. Someone with a high level of job satisfaction has positive feelings about their job, while someone with a low level of job satisfaction has negative feelings.

2.1 Employee Satisfaction

According to Dessler (2015), performance appraisal is evaluating the current and / or past performance of employees relative to their performance standards. According to Sastrohadiwiryo (2002), performance appraisal is an activity carried out by appraisal management / supervisor to assess workforce performance by comparing performance on performance with job descriptions / descriptions in a certain period, usually at the end of each year. According to Mathis and Jacson (2006), performance appraisal is the process of evaluating how well employees are doing their job when compared to a set of standards, and then communicating that information to employees. According to Byras and Rue (2006), performance appraisal is the process of evaluating and communicating how employees do work and compiling development plans to the employees themselves.

The benefits of performance appraisal according to Werther & Davis (1996) include: improved performance, compensation adjustment, employee placement, training and development needs, career planning and development, detecting weaknesses in staffing processes, detecting inaccurate information, detecting job design errors, ensuring equal employment opportunities , detect external factors that affect performance, provide feedback for the HR department

2.3. Relationship between employee satisfaction and performance appraisal

Organizational researchers have gathered strong evidence showing that employees are very concerned about the fairness of an organization's human resource (HR) system, including compensation (e.g., Folger & Konovsky, 1989), performance management (e.g., Taylor, Tracy, Renard, Harrison, Carroll, 1995), and staffing (e.g., Gilliland, 1994). These jobs have generally found that the fairer or fairer employees perceive such a system, the more satisfied and accepting of them are, even when the outcome is less than desirable. 'The strength of these findings has led some researchers to propose that the provision of fair procedures is a stronger foundation for employee management than the pro-vision of reward being rewarded (Folger & Cropanzano, 1998; Tyler, 1990).

Levy and Williams (1998) found that knowledge of the PA system was a significant and positive influence on fairness perceptions. Levy and Williams (1998) examined the relationship between perceived system knowledge (PSK) and PA fairness in two separate studies conducted with bank employees. In both studies PSK referred to an understanding of the objectives and operation of the appraisal system as well as the overall goal of the PA process.

3. Research Methodology

3.1 Survey

The population in the study were all 98 employees of PT Indonesia Power PLTU Adipala. In this study, a survey was carried out on the entire population in the company. There are two survey themes: Employee Satisfaction Index (ESI) based on position level and Employee Satisfaction Index (ESI) based on supporting indicators.

3.2 Focus Group Discussion (FGD)

Searching for data in a study sometimes encounters problems when researchers need data with special characteristics, for example about perceptions, opinions, beliefs and assessments of a product, service, concept or idea. Likewise for research with a specific purpose, for example a needs assessment or evaluation of a program. For this reason, a data collection technique is needed in which participants are free to discuss with each other without fear or worry about the opinions they will issue. One of the suitable data collection techniques in this case is the Focus Group Discussion (FGD) technique. FGDs are one of the most widely used qualitative data collection techniques, especially by decision makers or researchers, because they are relatively quickly completed and cheaper. The FGD technique makes it easier for decision makers or researchers to understand the attitudes, beliefs, expressions and terms commonly used by participants regarding the topics being discussed, so it is very useful to understand the reasons that are not revealed behind the participants' responses (http: // www. Talkingquality.gov /docs/section5/5_3.htm#Fokus%20Group%20different). With FGD, new findings and explanations will be obtained quickly, which may not be detected if other techniques are used. However, because the number of FGD participants is not large, the results of the FGD cannot be generalized or used as general conclusions for the population or a wider group of FGD participants, even though they have characteristics or characteristics of FGD participants (http://www.talkingquality.gov /docs/section5/5_3.htm # Focus% 20Group% 20different).

The implementation of this Focus Group Discussion (FGD) is a follow-up to the results of the employee satisfaction index survey. Five people were chosen to represent the employee group with perceived low level of satisfaction. The theme of the FGD is to look for factors that cause low satisfaction in performance appraisals

4. Results

4.1 Survey

Table 1 ESI Base On Position Level

No	Position Level	Satisfaction Indeks
1	Labor	72.0
2	Supervisor	79,3
3	Senior Supervisor	80,6
4	Manager	80,6
5	General Manager	100

Table 2 ESI Based on Supporting Indicators.

No	Supporting Indicators	Satisfaction Indeks
1	Satisfaction of the employee placement / promotion process	70,6
2	Satisfaction of education and training	66.5
3	Satisfaction of the performance appraisal process	66,3
4	Satisfaction of the placement / assignment process	74,3
5	Satisfaction of leadership guidance / direction	75,7

In the ESI survey results based on supporting indicators, the satisfaction index on performance appraisals gets the lowest results. In this research, we will explore more about the causes of the low indicators through the implementation of FGD

4.2 Fokus Group Discussion (FGD)

Based on the ESI focus group discussion with indicators that support satisfaction with performance appraisals, there are 3 things that FGD participants often complain about:

1. There is a quota system for performance appraisal which refers to the concept of normal distribution
2. Equality in determining Key Performave Indicators (KPI) among sub-organizations
3. Leaders do not understand how to conduct performance appraisals

5. Discussion

Performance appraisal is carried out every semester using a computer application system. This performance appraisal consists of two items: KPI performance and competency performance. KPI performance uses a balance score card scheme, quantitative and measures the achievement of targets given to individuals. Meanwhile, competency performance is a qualitative measurement of an individual's soft competency in his daily attitude according to his job desk. Every semester the organization conducts performance appraisals for employees. Referring to the performance benefits conveyed by Werther & Davis (1996) above, there are many benefits from performance appraisal, but there are two main benefits that are felt directly or are a major concern for employees in the company: planning - career development and adjustment (acquisition) of compensation. In its function of performance appraisal as career planning and development, the results of the performance appraisal by the organization are used as the basis for increasing the level of position. So that someone who often gets good performance appraisals will have a fast increase in rank. In the compensation adjustment function (acquisition), the performance value will determine the acquisition of financial compensation for employees: performance benefits and bonuses received by employees. The higher the performance appraisal results obtained, the higher the "rupiah" that employees will receive.

Employees are very concerned about the results of the performance appraisal obtained each semester, this is related to career and financial benefits (compensation and bonuses). So that if the performance value obtained does not match expectations, there will be dissatisfaction with the performance appraisal. Employees with poor performance appraisal scores will have negative perceptions of performance appraisal, it can be from fairness, imperfect systems or policies that are perceived to be detrimental to employees. In the description below, three items will be listed as the main contributor to performance appraisal dissatisfaction

5.1 There is a Quota System For Performance Appraisal Which Refers To The Concept Of Normal Distribution

The normal distribution is basically a data distribution method that refers to the Bell curve concept. Referring to this normal distribution concept, essentially the distribution of employee performance value data should also refer to the same pattern. However, in reality, sometimes the distribution of employee performance appraisals does not follow the normal bell curve pattern. There are three factors why the distribution of values does not follow the bell curve pattern, which is actually universal. : leaders experience what is known as a Leniency Error or a kind of bias that encourages leaders to give too positive a rating to all members (because leaders are somewhat reluctant to give low ratings to members), the second contributing factor is setting performance target numbers that are too easy to achieve and factors third is that all employees in a particular division / department are all excellent; all of them are top performers.

The company issued a policy that performance appraisals must be in accordance with normal distribution principles. What usually happens in performance appraisals is that the number of employees with good performance appraisals is far more than the normal distribution concept, so the company re-evaluates it so that the performance value is in accordance with the concept of normal distribution. The consequence of this re-evaluation is that there are several employees whose performance scores are lowered from the previous value, this condition is called the quota system referring to the concept of normal distribution. Employees who have lowered their

performance appraisals will certainly be disappointed, on this basis why the concept of quotas - normal distribution always appears as an indicator of employee dissatisfaction.

5.2 Equality In Determining Key Performave Indicators (KPI) Among Sub-Organizations

Key Performance Indicators (KPI) are a type of performance appraisal used to measure how well a company / organization, project, work unit, department or individual achieves the goals and strategic objectives it has set. Company management generally uses Key Performance Indicators (KPI) to track and analyze factors that are considered important for the success of their organization. Organizational KPIs are *cascaded* into sub-organizational KPIs (manager level) and cascaded into individual KPIs, each employee has individual KPIs. Organizational KPIs to individual KPIs use the concept of a balance score card consisting of a customer perspective (4% value), a production perspective (54% value), a workforce perspective (8% value), finance and markets (29% value) and leadership (5% value)

The issue of dissatisfaction arose in the equality of determining the Key Performave Indicator (KPI) among sub organizations. This issue arose in the FGD because employees thought that KPIs in their sub-organizations were of greater value and were more difficult to achieve than KPIs in other sub-organizations. This perception arose from employees of the production sub-organization to the administrative sub-organizations. This assumption is reasonable because the organization is an electric energy company so that the KPIs related to the production of electrical energy are of greater value compared to other KPI indicators. Production employees have the perception that administrative KPIs are easier to achieve because KPI indicators are routine and have a low level of risk. Unfair perceptions will increasingly emerge when the realization of production KPIs is not achieved, where employees of the production sub-organization (the number are 80%) their individual KPIs are also not achieved,

5.3 Leaders Do Not Understand How To Conduct Performance Appraisals

As stated above, one of the elements of performance appraisal is employee competence (soft). Competency performance (soft) is a qualitative measurement of the leader on individual soft competency in daily work in accordance with the job desk. This assessment is in the form of multiple choices (3 choices) with a total of up to 30 questions. This assessment is used to measure the soft competence of employees based on the Company's competency directory (there is a special guidebook). There are also frequent complaints from superiors in conducting this competency assessment. complaint is usually the confusion about which soft competence is suitable for a member because the answer choices are confusing and similar to one another. Employees consider that the probability of error is very high for this competency performance assessment, so it has the potential to harm employees.

6. Conclusion

Based on the survey and Focus Group Discussion (FGD), it can be concluded that performance appraisal has a strong influence on employee satisfaction. By conducting FGD, 3 main factors that cause employee dissatisfaction with performance appraisals will be obtained: there is a quota system for performance appraisal which refers to the concept of normal distribution, equality in determining key performave indicators (KPI) among sub-organizations, , and leaders do not understand how to conduct performance appraisals. To ensure that the performance value results

follow a normal distribution pattern: ensure that the leader can objectively provide value to all members, ensure that the target number is optimal and refers to the principle of "challenging goals", and sometimes what is called "forced rank". Through this method, the assessors are asked to provide an assessment distribution that refers to the bell curve pattern. This means that there are some who have to get good grades, most of them get average grades, and there are also some who have to be in the under-rated (or below expectations) category.

Improving the accuracy of performance appraisals can be done through performance management training that guides raters in the evaluation process, determines the theory that best fits their organization, and trains evaluators to understand and apply performance management. In preparing the performance goal setting or target, it is recommended that there be communication between the rater and ratee. The existence of ratee participation in determining performance targets will have an impact on ratee satisfaction in achieving performance appraisals

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