

Innovative Performance Appraisal System of the Electricity Generating Authority of Thailand

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Received: May 15, 2022; Revised May 18, 2022;

Accepted: June 3, 2022; Published online: June 8, 2022

Abstract

This research of the Performance Portfolio System is a study of the innovative performance appraisal system for human resource management and evaluate the success in applying the performance appraisal system of the Electricity Generating Authority of Thailand. This research is a qualitative research. There were 10 key informants and information evaluated with a purposive selection method using interview methodology. The results of the study on innovation of performance appraisal system revealed that personnel management in the Performance Portfolio System was applied for organizational management. Based on the concept of the performance appraisal system, there are 5 main steps as follows: 1) Operational planning process: Goals are distributed to departments and to individual levels by planning the performance together through "Performance Portfolio System" 2) Performance monitoring procedure: The supervisors continuously and thoroughly monitor the performance of their subordinates and prepare "One Page Performance Report" 3) The performance development process: There is a "Personal Competency Assessment System" for the group of high potential employee allowing themselves through creating productive and useful works. 4) Performance evaluation process: Personnel will conduct a self-assessment through "Self-assessment system" 5) Rewarding process: This is used to link the performance of the personnel to the salary adjustment and promotion. Additionally, the results of this study evaluate the achievements that organizations could achieve as follows: 1) Personnel, it was found that the Performance Portfolio system resulted in a systematic data collection 2) Executives are focused on human resource development. It also promotes the monitoring and evaluation of human resource development performance in each activity and to use the information obtained from the monitoring as a guideline for the development or improve human resource development operations.

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Introduction

Electricity Generating Authority of Thailand (EGAT) was established from the demand for electricity and develop the production of electricity for Thailand with excellent infrastructure and systematic operation in order to supply the demand for electricity in daily life including the commercial and industrial sectors, stimulate the demand for electricity to increase about 10 percent every year, as the vision that “Electrical innovation for a better life”. Therefore, EGAT is an organization using technology and innovation to develop its main missions to keep up with the changing trends of the world. There is a tendency to use more electricity for various activities (Electrification) while delivering the advancement of digital technology (Digitalization) to support, as well as giving importance to the context and direction of economic, social and environmental development at the same time including promoting and using research and development in creativity continuous innovation. The key factor that makes EGAT successful is the importance of human resource. It is considered as an important resource in driving the organization to achieve the vision and mission. Human resource management therefore focuses on managing personnel to be good people, smart people, being happy and connected with the organization by providing guidelines for conducting themselves in the same direction throughout the organization in accordance with the values and organizational culture. In this regard, EGAT has improved the organizational structure, manpower and job competency to be able to adapt and support changes to respond to the vision, strategy and to be able to support both current and future missions with efficiency and effectiveness by bringing the performance appraisal Performance Portfolio System. This is an important part of the employee’s Performance Management System (PMS) which is a process to measure the performance of subordinates for the purpose of awarding, improvements to the system and the way for recruiting a successor as well as correcting the weaknesses of employees. The performance appraisal must consider the results of work and working behaviors as important factors. Performance evaluation systems (PMS) are quite complex and preparation

process is required before scoring an organizational assessment. Performance Management is the foundation of any organization’s business success or failure. It is the transfer of strategic goals from management to operational level by planning processes in order to set consensus on performance, expectations, setting goals, measurements and performance standards. The goals set at each level by using the management process to track performance through coaching and feedback to employees, improve and develop performance regularly including reviewing the performance for development, which will finally lead to a higher level of performance and the potential for work that can achieve the goals set.

Therefore, this article presents an approach to implementing the Performance Portfolio System in evaluating employee performance and achievements. The Electricity Generating Authority of Thailand has received an award from the Thailand HR Innovation Award 2019) from the work “Applying Performance Portfolio System to Sustainable Human Resource Management and Development” which is an upgrade and creation of innovation in management and human resource development by encouraging government agencies and the private sector for constantly innovating in personnel management. This will also be a guideline for creating a culture in all sectors of the organization.

Objectives

- 1) To study the innovation of the performance appraisal system for human resource management of the Electricity Generating Authority of Thailand
- 2) To evaluate the success in applying the performance appraisal system to the Electricity Generating Authority of Thailand

Literature Reviews

Concepts related to performance management

This study reviewed the concept of performance management which is a tool enabling organizational management more systematic and efficient. The academics discussed the performance management as follows:

Robert Bacal (1999) defined performance management as a continuous communication process between employees and their direct supervisors in setting clear expectations and understand the tasks that need to be done which is a system that requires many components. Hence, the system can create added value for the organization, managers, supervisors and all employees.

Brian J. Hall (2006) described performance management as one of the methods used to measure and improve the effectiveness of personnel in the organization. Performance management is one of the most important skills executives and managers utilized in their works.

Arporn Phuwitthayaphan (2010) explained the Performance Management System as a process of behavior and work outcomes from individual employee which providing employees with results in accordance with the goals and needs of agencies and organizations. The system will enhance the efficiency and performance of personnel which subsequently affects the work at the level of departments and organizations. The author further explained that performance management is not a performance appraisal, but a process that takes place throughout the year. It is a blending between formal and informal processes to communicate, create understanding and clarify information to employees. Therefore, it is different from the performance appraisal.

Principles of Performance Management System

The principles of a complete performance management system must consist of a key cycle in managing effective performance by using the same principle as the Deming cycle (Plan – Do- Check - Act). For government organizations in Thailand, the concept of performance management system has been applied according to the definition of the Office of the Civil Service Commission (OCSC). The principles of performance management that the OCSC has applied to link performance goals at the organizational level, departments, and individual levels together which is based on a 5-step continuous process.

1) Operational planning must be clear and in accordance with the strategic direction of the or-

ganization. It is an early stage in the assessment cycle where the supervisor or assessor will assign tasks to the subordinates and together set common plans for government operations as well as set goals for government performance in the form of indicators and target values related to the expected achievement of the work in that assessment cycle. This can be adjusted according to the goals and plans according to the agencies or government agencies as necessary.

2) Performance monitoring allows supervisors to supervise and give feedbacks to operators continuously. It is a step during the assessment cycle where the supervisor will follow up on the progress of the government service to supervise the work to meet the goals and troubleshoot issues that may occur during the operation. As a result, the work will be accomplished and successfully meet the goals set together.

3) Performance improvement encourages operators to improve their works. It is a step reflecting results from work monitoring and feedbacks to subordinates for improvement and development of works. It is also a step determining the guidelines for the development of workers to fit the working conditions as well.

4) Performance evaluation measures the success of the work by comparing with the goals set at the beginning. It is a step at the end of the assessment cycle to verify the success of the work as a result of the performance assessment that the work results of government service during the assessment cycle are in accordance with the achievements or goals set according to the Key Performance Indicators (KPIs) that have been set together at the beginning of the assessment cycle related to performance standards.

5) Taking the results of the assessment into consideration for rewarding the worker's merit. It is a process that considers the results of the assessment in the process of evaluating government service performance to consider rewards for individual dedicated to their works and

achieved good results. (Office of the Civil Service Commission, 2013)

However, the researcher has set a conceptual framework by adopting the concept of the Office of the Civil Service Commission to analyze the innovation of the performance evaluation system for human resource management of the Electricity Generating Authority of Thailand which consists of 5 main steps:

- 1) Operations planning process
- 2) Performance monitoring process
- 3) Performance development process
- 4) Performance evaluation process
- 5) Rewarding process

Research Method

This research uses qualitative research methodology, which are detailed as follows:

The researcher used a qualitative research method for answering the two research objectives in order to study the innovation of performance evaluation system for human resource management of the Electricity Generating Authority of Thailand and to evaluate the success in applying the performance appraisal system to the Electricity Generating Authority of Thailand. Key information providers include an Executive of the Electricity Generating Authority of Thailand or its representative (1 person), an Assistant Governor - Organizational Development (1 person), an Assistant Governor - Corporate Strategy (1 person), a representative from Human Resources and Organization Development Department (1 person), a representative from Personnel Development and Quality Department (1 person) and 5 representatives from the Electricity Generating Authority of Thailand (10 key information providers in total). The researcher used a purposive selection method by using the interview form as a tool for collecting data by checking the validity of the content analysis obtained from the interview which is classified and then used to categorize and draw conclusions. The results of the data analysis will deliver success in applying the performance evaluation system to the Electricity Generating Authority of Thailand.

Study result and explanation of results

Performance evaluation system for human resource management of the Electricity Generating Authority of Thailand

From the results of the study, it was found that Electricity Generating Authority of Thailand has applied the Personnel Management in the Performance Portfolio System for organizational management by allowing employees to record information about performance appraisals and indicators (KPIs) through an online computer system in which executives or supervisors can access the work and abilities of employees through an online computer program. In this regard, considering the Performance Portfolio System based on the concept of the performance appraisal system of 5 main steps, the details are as follows:

1) Operations planning process

Operation planning process of the Electricity Generating Authority of Thailand, goals are distributed from organizations to departments and from departments to individual levels respectively. The indicators are hierarchically distributed in each assessment cycle. Employees and supervisors initiate a performance plan together at the beginning of the assessment cycle in order to set consensus goals of work. The main indicators and target values are agreed upon in the work which can be carried out through "Performance Portfolio System". It is a system that allows employees to import information about their performance into an online computer system for the management to recognize the individual performance and perceive the specific abilities of each individual. The benefits that employees will receive is the ability to present their talents to the management at all times and the executives are able to visualize and group the abilities of employees for managing works and people accordingly leading to operational efficiency. This is consistent with Chirataya's research Sukphoka and Santichon Puripakdi (2020) which found that the joint planning and exchange between leaders and subordinates affects the performance of Generation X and

Generation Y employees in private organizations. Similarity as the Electricity Generating Authority of Thailand, If the results were planned together from the beginning, it will result in better performance.

2) Performance monitoring process

Performance monitoring process is implemented using the Performance Portfolio System to allow supervisors to continuously and comprehensively monitor the performance of their subordinates, supervise the work to meet the target, perceive and troubleshoot problems that may occur during the operation by developing "One Page Performance Report". It is a program for executives to access employees' works and abilities through an online computer program that employees have recorded in the Performance Portfolio System. When management observe the results and perceive the skill level of the employees, they are able to use the assessment results to support planning and development according to the selection, recruiting and succession processes including being able to develop an Individual Development Plan (IDP) with set indicators, development planning with period, and feedbacks for further development. This is consistent with the research results of Phawattananusorn (2017). It was found that the performance evaluation system of the Bank for Agriculture and Agricultural Cooperatives (BAAC) in Lamphun Province Organizational, leaders or supervisors have monitored the performance of their subordinates. Additionally, various operational issues were discussed for tracking performance and further development as well as the Electricity Generating Authority of Thailand.

3) Performance development process

It is a process by which the assessor or personnel must recognize their weaknesses and strengths for individual development. The Personal Competency Assessment System is developed for the group of high potential people allowing themselves through innovating and creating works that

are beneficial to Electricity Generating Authority of Thailand. This is an output that responds to the goals and challenges of the future for each line of work by cross functional collaboration and collecting data for analysis to improve performance. It is as well as to prioritize and manage the importance of which issues should be developed for personnel of the Electricity Generating Authority of Thailand in order to prepare for the succession planning of executives and support the replacement of the targeted position with a sufficient number. This is consistent with the research of Teeraphol Charoensuk (2021) studying the development of competency of the Excise Department personnel in Bangkok. It was found that in personnel development, competency assessment with systematic management and develop according to the goals set in accordance with the situation are required. This is consistent with the Competency Assessment System of the Electricity Generating Authority of Thailand. that responds to personnel development in cross function and succession planning.

4) Performance evaluation process

It is a process for evaluating government performance to measure the success of the work compared to the goals set at the beginning. It can be carried out through "Self-assessment system (Self-assessment)", which is a system for employees to assess their abilities according to the tools set by EGAT. EGAT has introduced an Application system for employees to download and conduct self-assessment from their mobile phones or computers and can be evaluated anywhere, anytime for ease of use . Benefits of Self-Assessment System effects HR department more convenient to follow up, check and evaluate personnel. Employees are also convenient for self-assessment in order to create indicators at the organizational level, and EGAT receives outputs that are quick, transparent and consistent with employees' reality. A good Performance Portfolio System must consist of (1) Resume is the presentation of out-

standing information to apply for a job while the portfolio system is the presentation of work potential through portfolio recording to promote opportunities for career growth. (2) Coaching is the development of personnel potential according to the 70:20:10 concept of Morgan McCall, Michael Lombardo and Robert Eichinger. Coaching by supervisors accounted for 20 percent of the development (3) Certify is a certificate of achievement of the work reinforcing the information more reliable (4) Fund Fact Sheet is a stock information report for using in investment decision making. It is applied in preparing the Executive summary report of employees to use for personal consideration. This is consistent with the research results of Noppadon Rompho (2017), which mentioned one factor affecting the success of the organization's performance appraisal system about the accuracy and reliability of the organization's performance appraisal system and the actual reflection of assessment on performance. For the Electricity Generating Authority of Thailand, a self-assessment system has been established to ensure accuracy, speed, reliability and clarity, which is another reason for effective performance management.

5) Rewarding process

The Rewarding process integrates the employee's performance in an organization with a salary adjustment. There has been a monitoring action plan according to the Office of the Civil Service Commission's guidelines on the salary adjustment of government officers. Each year, government agencies will receive a limited amount of budget. The benefits of personal evaluation are:

(1) To measure employee potential: This assessment is based primarily on the job description of each position to standardize if employees can perform according to the standard. Hence, it possible to evaluate the strengths of each employee including their weaknesses as well.

(2) To promote or changing position: If

employees are considered as high potentials, the HR department may promote the position to fit their abilities or challenge with a new position. They may even move to work at other departments that will consequently benefit the company as well.

(3) To adjust the salary base or consider bonuses: Salary issues are important to all employees and one of the career advancements is the consideration of salary increases. The results of performance appraisals will be used as a basis for reasonable salary increasing. It is also an important indicator in considering the annual bonus, stimulating the motivation to work, and increasing the productivity of work as well.

(4) To enhance work efficiency: Performance appraisals allow employees in the company to recognize their own potential and the company's performance. If there is no performance evaluation, the executives may not be able to perceive each person's capability. When the results are visualized, the high potential candidates will be stimulated for career growth.

(5) To correct weakness and develop strength: One benefit of performance appraisals is that they allow managers and employees to see the weaknesses in different areas starting from the issue of performance to the issue of interpersonal relationships in the organization which can finally lead corrections and improvements, such as organizing special training, skill enhancement courses or scholarship programs.

In summary, the Performance Portfolio System is a behavior assessment and performance evaluation through various indicators of employees. All employees must define individual indicators that are consistent with the organization's strategy and goals. The results of the assessment will be used as information to plan for the direction of professional development that is suitable for employees in both short- and long-term. It is also used for consideration of compensation adjustments and promotion in accordance with corporate performance. The online Performance Portfolio System

was successfully implemented to support human resource management and to drive EGAT's strategy towards its vision. "Innovative Power Solutions for a Better Life". Under the policy of excellence and development according to Dimension A: Administration Excellence is an organization with excellent administration with high efficiency. The objective is to create satisfaction of customers and stakeholders as well as to support the strategy of the Deputy Governor in the matter of organizational development and sustainability including support for the cultivation of corporate values and culture to create good behavior under good governance. The implementation of the action plan will be transmitted to supervisors and operators to create cooperation in the operation to achieve the goals of EGAT and to meet the policy of the executives in using technology to help develop personnel. On the one hand, the implementation of the Performance Portfolio system is the implementation of the 2-way system, which is the employee can record outstanding achievement, training, specialized skills, educational qualifications, and various experiences which is expressed in the form of a report. On the other hand, executives or supervisors can access that information by hierarchical authority. The top management level can retrieve all the information while the lower managements have the ability to access information in descending order for considering promotions or relocations within the organization.

Successful implementation of Performance Portfolio System

From the implementation of the Performance Portfolio System in the organization, it was found that in 2019, EGAT has reviewed and improved the process of behavioral assessment according to organizational values in the Performance Portfolio System. Recording of activities and results as behavioral indicators (Soft KPIs) according to management's policy, making it accessible to workers at all levels and positions at the central and regional locations which resulted in the following success

- 1) Personnel level: Performance Portfolio system causes systematic data collection. As a result, employees are able to assess and analyze

their career paths and recognize the skills they need to develop. The systematic collection of results encourages employees to be actively creative, allowing executives or HR departments to view information from the past to present, affecting career growth of employees, reduce the problem of unfair performance evaluation based on visible information in the framework of the Performance Portfolio, defining the recruitment of people with unique abilities and suitable for their responsibilities.

- 2) Management level: awareness and focus on human resource development, focus on the professional field of personnel with clear goals, develop models and strategies for human resource development, encourage monitoring and evaluation of human resource development actions in each activity in order to identify the level of success and use the information obtained from the follow-up assessment as a guideline for developing or improving the implementation of human resource development. The Performance Portfolio system is empirical data facilitating the decision of the executives, whether it is in the part of the supervisor, to consider promotion, salary adjustments, job rotations. The HR department can utilize the information in the planning of the HR management of the organization whether the manpower, succession planning, Human Resources Development, training plan, welfare for employees, etc., including in the part of the executives who can use information from the Performance Portfolio system as a guideline for formulating plans or policies in managing the organization as a whole.

In 2019, the EGAT has adjusted the physical classroom curriculum to be online e-Learning so that EGAT operators are able learn by themselves through the online teaching system especially courses in the overall picture of EGAT such as EGAT Core Competency Development course, EGAT Management Competency Development course, and basic technical courses such as power principle. In addition, EGAT also focuses on

learning from actual operations such as project based, coaching, job rotation, assignment and internship, which are important courses of Performance Portfolio System (Electricity Generating Authority of Thailand, 2020).

According to the report of the survey results of satisfaction in using the Performance Portfolio System of EGAT employees in the year 2020 (Electricity Generating Authority of Thailand, 2020), it was found that the employees agreed that the Portfolio report encourage the process of considering the promotion/appointment of employees within the line of work appropriately 69.48%, agreed that the development of results and records in the system gives employees a 74.25% chance of advancement in their career at EGAT, and agree that the portfolio system allows employees to be more clearly on promoting career growth in their own line of work 72.50%. In addition, the executives also recognize the benefits of Portfolio information on human resource management in the management level, ranked number 1, 63.89%, which illustrate the potential and performance of employees, followed by 58.33%, which was used as a tool for encouraging employees to develop their work more clearly and 55.56% is used to set obvious goals for the development of employees' capability and can access information more conveniently and quickly.

Conclusion

EGAT's Performance Portfolio system is a concrete example of applying performance management concepts and technology to create innovations that integrate the work of 1) Performance and Competency Base Management System Program 2) Performance Portfolio System 3) One Page Performance Report and 4) Self-Assessment System where employees can access into the online system by themselves. It is in accordance with the performance management concept that is based on the operations of personnel in the organization as a guideline to develop the performance management process that is currently used. Regarding the more efficient development of performance management, a clear and focused performance planning at the beginning of the assessment cycle is necessary. This will result in continuous and transparent monitoring of performance by supervisors. The next process, the performance development allows the assessor or personnel perceive their weaknesses and strengths for creating self-development program.

In addition, defining conditions for creating systems, information systems, and budgets by processes or operations is the steps related to the use of the Performance Portfolio system such as communicating within organization to understand the system purpose, entering information in the employee's system, work endorsement by the supervisors, and processing information of the system. As a result, the outputs are is the employee's performance data, and other information such as job expertise, vision for work development, overcoming obstacles in work and participation in solving organizational crises. The data from the Performance Portfolio system can be used as a candidate report for consideration and selection a group of talent & successor, which results in personnel development planning, consideration of appointment and promotion, including considering the suitability of job rotation etc. Feedback is an analysis of the results from the system, evaluation of system usability including surveying the use of the system from employees and executives in order to utilize the obtained information to improve the work system to be more efficient in accordance with the environment including values, organizational culture, best practices for operators & executives, personnel attitude and technological advancement. Considering the overall picture, it can be seen that the Performance Portfolio system is beneficial to both personnel and the organization. EGAT's Performance Portfolio system is an excellent example that other organizations or agencies may adopt to the context of their organizations.

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