



## PERFORMANCE MANAGEMENT SYSTEM AND STRATEGIC CONTROLS THROUGH STAKEHOLDERS' EYES

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### Abstract

Perception is considered as an important factor in the implementation of the performance management system. The process of translating efforts to results requires analysis of the current perceived realities that surround its implementation. Hence, an investigation has been conducted in the relationship of these two variables. A thematic analysis of the current perception is used using semi-structured interview. The results show differences in how they implement their strategic controls based on their perceived essence on the performance management system. Important implications are derived on how to strengthen the strategic controls by shifting how somebody perceives the essence of the performance management system. Variations in the perception have shown corresponding variations on how they implement their strategic controls. It is concluded that perception of school leaders have a direct impact on the kind of strategic controls they implement.

### Introduction

Performance Management System is a process or means that allows leaders of public or private sectors to improve performance productivity, performance and accountability as stated by Forrester (2011). This has been considered an important topic in the private sectors especially in businesses since high performance determines most of its success and growth. Considerable efforts have been made to apply the same means in the public sector in order to remedy perceived inadequacies.

In the Philippines, Results-Based Performance Management System (RPMS) in the Department of Education has been implemented through DepEd Order 3, s. 2015. The goal of the system is to align individual performance with the goals of the organization. This has led to certain shifts in the measurement of performance.

The current RPMS has also raised concerns among teachers and school heads. Although, it is important to note that these differences can be justified by saying that the freedom of choice of performance indicators are limited to the extent in which the goals are aligned to the overall goals of the school and the division office. The implication for this, is the need for better understanding of how each performance indicator works. In addition, Maskell (1999) has established the need to focus on indicators that are easy to measure and could provide fast feedback to the performers. By identifying indicators that help achieve the organizational goals, effort and resources can be focused in the right things that matter. This scenario requires an increase of control among school administrators on the idea of strategic control. This has been defined by Spekle, Elten & Widener (2017) as present in all humans instinctive reaction to the desired results. As calculative beings, people consider the impact of certain decisions on the possible results that might be received. However, foresight among humans can be short-sighted or limited because of certain factors such as emotions, lack of information and miscalculations as posited by Rajnoha, Stefko, Merkova & Dobrovic (2016). It is imperative that a closer look to the current perspectives of the school heads will provide insights on the possible repercussions to the level of strategic controls among school managers. This is important since DepEd Order 3, series of 2016 has established, that school heads are empowered to implement the performance management system in their respective schools. The school heads are tasked to approve the RPMS forms, conduct coaching and mentoring



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activities and provide feedback to the teachers as necessary. Thus, their perceptions and views will have a great impact on the kind of strategic control used.

Possible benefits of this approach includes the greater probability that school leaders will be able to successfully improve the quality of their work with due respect to expected results.

The level of efficiency and effectiveness of the management is determined in its ability to achieve the desired results. This in turn provides the school heads with a feedback mechanism that will allow them to choose the right performance indicators that will help them deliver. In this study, rate of efficiency and effectiveness is quantified using the formula derived from an inductive process of analysis of the implementation of the Result Based Performance Management System (RPMS).

### Objectives

The problem is anchored on the Theory of Optimum Performance Management. It is important to note that a major assumption of the theory is that the success or achievement of organizational goals is equated with the success of the strategic control employed.

Hence, the validation of the proposition seeks to answer the following problems:

- A. What are the school heads' perceptions of Performance Management System?
- B. How are these strategic controls affected by their perception?

### Methodology

The study employs a descriptive qualitative research design which is also described as a naturalistic inquiry of the topic by Polit & Beck (2004). According to Polit & Beck, descriptive research is a means to obtain information regarding a certain phenomena.

In this case, since the study is qualitative in nature, the primary sampling technique employed is purposive sampling. In this study, all teachers and school heads of the Junior High Schools of Cebu, Philippines, are the welcomed participants. However, in order to get a good representative sample, the first 10 schools with known good performance by the standards set by the division are identified. The last 10 schools based on the division ranking are also identified in order to get the best representative sampling.

The instrument for this research includes a semi structured interview designed to gather information. However, the general direction for the interview is on the perception of the school head on the implementation of the performance management system. Semi-structured interview is used in order to provide opportunities for further elaboration since the information needed involves perception and set of beliefs of the current performance management system.

Thematic analysis is also used for the results. For such purpose, atlas.ti diagrams and relationships between themes and codes are inductively derived based on the observations and interviews gathered. In order to establish validity and reliability of results, constant notes in the analytic process is documented using the memos in atlas.ti software.

### Results and Discussion

#### A. School Head's Perception on Performance Management System

The findings showed three major themes in terms of the perception of the school heads of the performance management system. The most common was (1) compromise through equality predisposition; (2) tool for power perception; and (3) behavior to results translation. The discussion at this point involves explicating how these three major themes are derived and demonstrated in the emergent nature of the themes.



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### Theme 1: Compromise through Equality

The theme compromise through equality is the emergent theme under the current perceptions of the school head of the current performance management system. The school leaders in this regard, see the whole process of performance management system as a big burden. As a result, the school head chooses the path of least resistance. They choose to rate them equally in order to please all of them and to compromise his/her lack of expertise in the field.

In the succeeding section, the codes under this theme are discussed. The codes are presented as sub headings and the statement that captures the essence of the code are also presented.

#### *Too much cognitive load*

School heads under this theme find implementing the performance management system too overwhelming. According to one of the school heads,

*“If I were to take this work seriously, it would be very hard especially the MOOE liquidation which is really a burden.”*

It is evident that the school head seems to find it hard to balance between liquidation and his/her instructional and administrative functions. It is clear under the National Competency of School Heads that 80% of the school heads’ job is instructional supervision. The Administrative function which is financial management is a sub-function which is only 20% of intended work of the school head. However in reality, most of the school heads find the MOOE liquidation too overwhelming. Non-liquidation has also dire consequences. Hence, school heads tend to focus in this area. Deeper investigation of this situation shows that each receipt under the MOOE includes around 8-10 attachments. Since the school head is the only non-teaching personnel in the school, the school head is sometimes left to deal with this problem. This results to poor instructional supervision. Setting aside, time management and other possible remediation are also important to note that the functions of the school head include a great deal of multi-tasking. The school head serves as the accounting officer, instructional supervisor, human resource manager and many more. By default, this seems to require a great number of cognitive loads. Research by Merriënboer & Sweller (2005) has shown that higher cognitive load greatly decreases focus and has great impact to performance.

#### *Unworthiness in rating their teachers*

The school heads under this theme felt that rating their teachers will give them injustice. They seem to think that the teachers know their job better. This creates a certain level of disconnect since the most important work of a school head is instructional supervision as stated by Marks & Printy (2003).

In addition, the school head is also bounded by certain rules and implications of which a school leader should take note in rating his/her teachers. For instance, a teacher with satisfactory rating would have to wait for another three years to be promoted since most of the qualification standards for promotion requires three years of consecutive very satisfactory rating. This is evident in the statement of one of the school heads below:

*“What are our options? As a school head, can you rate satisfactory rating? That means that the teacher has to wait for another three years since most of the qualification standards require very satisfactory rating for the last three years. If poor, the person may be dropped from the rolls. Therefore, a school head should only rate either very satisfactory or outstanding. I also feel that as teachers of their classroom, they know better. I should not be the one rating since they know better.”*

As stated in the DepEd Order 66 series 2007, the minimum requirement for a promotion in DepEd is very satisfactory rating for the last years. DepEd Manual of 2000 has also explicated that a teacher with unsatisfactory rating could be dropped from the rolls provided he/she is given due notice not later than the 4<sup>th</sup>



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month of the rating period. These dire consequences of mediocre performance and very low performance have great chances of discouraging leaders who are not willing to take the risk.

### ***Fear in the implementation of the real system***

One of the major common characteristics of school heads with this perception is the fact that they seem to fear implementing the system. They select the path of least resistance since they are afraid of the possible consequences of taking the performance management system seriously. For instance, one school head states that,

*“There might be too many complaints. That would be too cumbersome.”*

This fear of implementation and path of least resistance is oftentimes the easier way to handle the pressures against too much cognitive load. The implications are also hard to handle since implications may be harsh for the teacher themselves. However, it is important to note that a good number of benefits could be reaped with the proper implementation of the performance management system. For Kaplan (2001), properly implementing the system will greatly encourage high performance. It will also help those who are underperforming and delineate them with those who are underperforming as added by Bhattacharyya (2011). This has also great impact in the management of the school system and improving the outputs.

### **Theme 2: A Tool for Power**

The second perception sees the Performance Management System as a tool for control to subdue employees. This model involves establishing control to the extreme not with an intent to improve the teacher's performance but to establish authority and control. This could be illustrated in the verbatim statements of some of the school heads,

*“This is a way to see what they got.”*

During the interviews, the researchers noted of the following:

There was a slight tightening of the jaw when the words were said. As if, there was a recall of an event of angry outburst. When asked about what the statements means, there were mention of clamors about the disobedience and inadequacy of her teacher's performance.

*“They think they know everything when the truth is they are dumb. I am doing all of these for the benefit of the school and for the school's future. They should follow!”*

It is evident that the school leader has ideas on how to get things done. However, the teacher had clamors on how these possible results were to be achieved. They manifest these by disobedience as evident in the statements quoted.

It has been an observation that those school heads who tend to impose these, tend to have good knowledge of the current bureaucratic regulations. However, they have difficulty in the translation of these issuances in a context where the teachers could rationalize its importance.

This theme has the following codes discussed in the the following subsections.

### ***Disconnection with the teachers***

The school head feels the teacher knows the rules but lack the mental capacity to comprehend it. For instance, a statement from the school head says.

*“I find it confusing why my teachers could not understand the rules when these are just so easy to follow.”*

On the other hand, teachers under the school head also has statements that show a certain level of disconnect even that of disgust.



*“What is an intelligent school head for, if he/she doesn’t have good manners?”*

Due to the gap identified, a theoretical sampling among its teachers, alumni and stakeholders was conducted. The reactions involved the following:

*“It’s hard to understand our school head. He/She has his/her own world. I think we should try to understand because that’s just the way he/she is. However, it’s really annoying sometimes.”*

This situation could lead to a big disconnection between the administrator and the teacher and the stakeholders. The teachers may be following the school head because of fear for the sake of compliances. This atmosphere of hostility is not ideal for any form of collaboration or positive change.

### ***Difficulty in the Implementation***

In addition to the disconnection between the school head and the teachers, the school head also feels frustrated because there is an assumption that the imposed system was already well planned. The frustration comes since there is a great gap during the implementation itself. Take into consideration this statement of a school head in one of the schools.

*“It’s just easy to follow what is imposed and obey what the school head says. I know because I am a school head. I think of everything through but I can’t seem to get things done.”*

This difficulty of the implementation is connected with the previous code which greatly discourages any forms of collaboration in the part of the school head and the teachers.

### ***Frustration with the results***

Under this theme, the school head feels that there is a need to prove through the performance management system. This is important since contrary to the previous theme; this perception sees the implementation of the performance management system as an important tool to subdue the teachers. The meat of this code is explicated in the statement below:

*“I’m tired of all these; so, we’ll know who will win through paper.”*

Although importance is given to the use of performance management, the intention has a big disconnect between the intended goals of performance management system. In addition, ratings will be full of biases and not entirely based on the agreed indicators to be assessed.

### **Theme 3: Behavior to Results Translation Perception**

This kind of perception is common among those who have high performing teachers and those who have collaborative professional environment in their schools.

This model of perception involves looking at the performance management system as viable tool to get the results necessary for school improvement.

The school head in this model believes that he/she can deliver the desired output through performance management. This is evident in the following statement,

*“The main purpose of the of performance management system is to give recognition and corresponding incentive for performing individual.”*

Since the idea is to give recognition and incentive to a performing individual, the school head delineates through the performance management those who perform and underperform.



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Although they find this as an important tool, they tend to have some issues on the needed time to monitor and provide feedback among their teacher.

*"I find it bothersome sometimes, since I need to measure their performance every now and then. I also have a lot of things to do. I really wonder why School Monitoring and Evaluation is not aligned with the IPCRF of the school. Liquidation and other reports take up much of our time. It's hard to focus."*

It is important to note that this issue is similar with the previous perception. However, the reaction was not that of compromise but of recognition of its importance and necessity. The school leader believes that the Performance Management System is a necessary tool to get the expected results.

### ***A tool to get things done***

Performance Management System is a tool to get things done as defined by the school heads under study. As one school head quoted,

*"This is very important in getting things done and to get the desired results. It helps make achieve things in school and in return, the teachers are aware of the things that are expected from them."*

Since they find it essential for getting things done, they tend to be more predisposed to using it. The proper implementation of any program sprang from the belief of the school leader on its rationale and utility as speculated by Fixsen (2005).

### ***High concern on student welfare***

School heads under this theme exhibit utmost concern to the welfare of the students. For them, the benefits of the students are the top priority for any initiative.

*"The most important job of a school head is to ensure that things are done for the benefit of the students. The rest are just secondary. The main job is to ensure that you help the teachers so that their work will be easier. Through this, you are also helping the students."*

A study conducted by Sanzo, Sherman & Clayton (2011) has shown that the most common characteristic of successful middle school principals is the deep prioritization of student's welfare. Their care and love for the child has a great impact on how they run the school.

### **Fifty Percent Planning, Fifty Percent Execution**

Another important inclination under this model of perception is their propensity to get things done through proper execution. They value planning but they also value the execution of the plan.

*"School Improvement Plan (SIP) is important. However, it has no value if it will not be implemented. The school head is the key to all of these. If the leader won't take it seriously, it won't be taken seriously by others. Therefore, there should be monitoring and consistency. No one will take you seriously if they won't see that you're serious about it."*

A good number of studies have been conducted and most of the time, failure among school leader comes because they lack the discipline of execution as conceived by Gregory (2001).

### **B. Strategic Controls are affected by School Head's Perception**

Strategic Control System refers to the ability of the school heads to translate individual efforts of the teachers to the desired results. Since perception is affected by how we make decision, it is the proposition of this study that perception has a great impact on the kind of strategic controls performed in the field.



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It is emergent in the analysis of the information gathered that most of the school leaders would prefer not to fully implement the system due to huge workload of being a school leader. This is explicated when one of the schools' heads in the sample said:

*"In reality, it is the same as the old RPAST, I may be hitting on others but the main work of the school head is not really performed. This is because the attention is more on the liquidation. I could not delegate it to others. I only have enough teachers and no teachers would rather take on the responsibility because it not in his/her job description."*

Hence, the majority of the interviewees would not bother performing the necessary rudiments of the performance management. The school head is already overwhelmed enough to focus the attention to these things.

*"Why should I even bother when I only need to pass it? I'll just make all the grades fair to everyone so that there will be no conflict."*

Due to the absence of management itself and the submission of documents through mere compliance, the school head subjects his own self to mere chance of excelling through readily available opportunities. The absence of direct financial indicators makes the institution gets away from the worsening problem. Without management and strategic controls itself, all planning and initiatives all go down to mere paper for submission. However, the situation also has the possibility to worsen since the low performing teacher will not be delineated in this kind of perception. This can soon back fire since there will be no dire consequences for low performers and no tangible benefit for those who are high performing. This has been evident in the reaction of a teacher,

*"Sometimes I get confused. It's not really that clear why I have more or less the same performance rating with those who never did their best. Next time I would rather not do my best."*

The statement clearly shows how demotivated the interviewee was. This could have huge implications on the level of performance of the school. Due to the absence of immediate indicators, the school usually gets away of the non-implementation of any performance management. In addition, the school also does not manifest any immediate collapse of its operation.

*"It doesn't make much that of a difference. Some of the teachers are still working but there are others who are really lazy because it doesn't make a difference at all. We are even awardees since we are near to a company that helps the school a lot."*

Thus in this approach, the strategic control does not exist at all. In allegorical sense, the perception brings the school in a mere drifting mode. Opportunities and threats come without any sense of control in the part of the school head.

In addition teachers who are high performers usually get discouraged. The study of Rogers and Vegas (2009) has shown that lack of incentives to high performers greatly reduce teacher's motivation.

It is evident that across all perceptions, there is a specific effect on the kind of strategic control being employed. For instance, theme 1 which is compromised through equality would result to school heads' reduction of the implementation of the performance management system into mere submission of forms. This reduces the ability of the school heads to install the desired control in order to achieve the desired results. As evident by the data gathered in the field, the school head usually gets away from this situation because of lack of evident manifestations of collapse in the school operations. However, specific repercussions in the achievement of results may later on become evident as teachers may be free to work the way they please without due consideration to the target results.



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The perception a tool of power has also important implications in the way strategic controls are employed. It should be noted that an atmosphere of hostility is not an ideal environment for learning and improvement according to Senge et.al. (2012). Hence, in this kind of perception the strategic control is that of ending cycle of grudges. Improvement and collaboration is also hard to do because most of the teacher feel they are not properly rated. A major consideration is the level of bias by which the school may rate his/her teachers. Since extreme emotions are involved, the school head may not be able to rate the teachers as appropriately as they should be rated.

The last perception, behavior to results translation, shows specific benefits in setting a positive movement towards the desired results. The school heads who have this perception generally see the Performance Management Systems as an important tool for getting things done in the school. This has been observed during interviewees with school heads who are high performing and are known for their results.

If they see it as tool to get things done, then their natural tendency is to be more serious about using it. They are more open to the idea of spending certain cognitive load to implement the performance management system as stated by Leitwood, Steinbach & Jantzi (2008).

Considering the differences in how they perceived the PMS and how they implement their strategic controls, it is evident that a possible connection between their perception and the kind of strategic controls they employ exist. This relationship has important implications in how school leaders should view the implementation of the PMS. Trainings should then be catered to provide the school leaders with the necessary insights of the importance of properly implementing a performance management system. By doing this, school heads will readily invest the necessary cognitive load and consider how to further improve their management skills.

### Conclusion

The research has shown variations on how school leaders perceived the implementation of the Result Based Performance Management System. This variation has shown differences in how they implement their strategic controls. As one of the most important factors in the school systems, the perception of the school heads has a great impact on the kind of strategic control imposed in the schools. It is thus imperative to take into consideration the possible reasons for these perceptions since it could directly affect how the schools are managed. Their perception of the performance management system thus shapes how they employ their strategic controls.

The following are the suggestions based on the emergent themes and codes of the study. First, minimize cognitive load among school leaders and teachers in order for them to focus on their real job. Second, allocate items for bookkeepers or disbursing officers in each of the schools in order to minimize cognitive load. Lastly, inclusion of the steps of the RPMS should be included in the localized school calendar.

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