IMPLEMENTATION OF A PERFORMANCE APPRAISAL SYSTEM IN START-UP ZEAL INDONESIA

Evi Silvana Muchsinati[1], Syafira Nur Faatihah[2]
[1,2]Universitas Internasional Batam
Email of correspondence: evi@uib.ac.id, 1841306.syafira@uib.edu

Abstract

Zeal Indonesia is a start-up company that focuses on talent management which has been operating since 2018 with more than 60 employees. Currently, Zeal Indonesia actively offers careers opportunity and development through an internship program. The internship lasts for three to four months with remote working (work from home) system. The current number of interns is 29 people who occupy different positions. Even though they have dozens of employees, Zeal does not yet have an employee performance appraisal system to monitor the performance of its employees. Therefore, this project aims to assist Zeal Indonesia in implementing a performance appraisal system to monitor the interns' performance during the internship period. The author used interviews, observations, questionnaires, and company documents to gather empirical information regarding the needs of implementing an employee performance appraisal system. This performance appraisal system uses a graphic rating scale method with Google Forms and Google Spreadsheet to collect the data. With the implementation of this employee performance appraisal system, management can assess job behaviour, competencies, skills, and performance result of the interns. This performance appraisal will help the interns understand their values in the workplace. Thus, the improvement of their performance and development of their abilities and skills can be seen through time. Further research is expected to be able to implement a performance appraisal system in other types of start-up companies with other methods such as 360 Degree.

Keywords: *Zeal Indonesia, Start-up, Performance Appraisal, Graphic Rating Scale.*

Introduction

Start-ups are companies that have just been established or are still in the pioneering stage and are primarily engaged in technology and information in cyberspace (internet) (Cahyono, 2018). Zeal Indonesia is a start-up company that focuses on talent management and has been operating since 2018 with 60 employees. Zeal Indonesia has been actively offering development programs and career opportunities until now. One type of offer is to open an internship program. This internship program lasts three months with a remote working system (work from home). In August 2021, Zeal Indonesia opened the third batch of the internship

program with a total of 29 interns occupying various positions.The human resource management (HRM) function is always needed in any business because it can help develop its business strategy and handle employee-centered activities. In Zeal Indonesia, the role of HR exists when the company is recruiting employees or apprentices, managing employees' data profile, determining Key Performance Indications (KPI), writing a contract agreement, writing recommendation letter, determining job descriptions and job specifications, offering promotion opportunities, devising employee development and training programs, and other HR functions. One of the human resource management strategies that Zeal Indonesia needs to implement is using a performance appraisal system for employees. Performance appraisal is essential for organizations or companies because it will be the basis of various policies related to the management and maintenance of existing HR (Sinambela, 2021). Prasanna et al., (2020) stated that the objectives of a performance appraisal are to make decisions about salary increases, identify the strengths and weaknesses, devise training and development programs for the employees, provide feedback to employees about their performance, and pressure employees for better performance. Therefore, the author proposes implementing a performance appraisal system at the start-up Zeal Indonesia. The results of this performance assessment will be used as a benchmark for the interns to improve performance and achievements in the future.

Methods

Data collection on implementing the employee performance appraisal system were direct observation, interviews, questionnaires, and company documentation studies. By direct observation, the author participated in the third batch of the internship program, which was conducted from September 2021 to December 2021. The things observed in this project focused on how the employee performance appraisal system works and how management measures individual performance.

The author conducted interviews with previous interns who participated in the third batch of internship programs and the Chief Executive Officer (CEO). Interviews with interns were previously conducted to find out about how Zeal Indonesia has been implementing an employee performance appraisal system. The author also interviewed CEO of Zeal Indonesia to find out how the management evaluates the performance of its employees.Furthermore, Questionnaire was used with the help of the Google Forms application to distribute the assessment form to the assessors. Questionnaires that had been prepared and distributed will generate individual performance appraisal data. Other data sources obtained in this project were from company documents such as the plotting plan document, which contains the division of teams for the third internship period, and team plotting, which describes all interns' divisions and positions.This project was implemented from September 11, 2021, to December 31, 2021. All activities were carried out virtually using the Telegram and Google Meeting applications to communicate. The author also uses Google Forms and Google Spreadsheet applications as media for collecting and processing data to implement a performance appraisal system at Zeal Indonesia. Zeal Indonesia itself is located at Kompleks Golden Nusantara Blok B no 10, Ruang Kreasi, Teluk Tering, Batam Center. However, during the internship period of the third batch, all activities were carried out virtually due to COVID-19.

Before implementing the performance appraisal system, the author followed the recruitment process in the third batch internship program at Zeal Indonesia. After passing the recruitment and selection process, the authors began to observe and collect information related to the performance appraisal system in Zeal Indonesia. Next, the author tried designing a performance appraisal system using Google Forms media. The author used Google Spreadsheet for data analysis and management. The process began with the first phase of implementation, which was conducted to determine if the designed system has met the partner expectations. The first phase of the implementation ended by obtaining feedback from Zeal Indonesia's CEO. The feedback consisted of suggestions and inputs for the following performance appraisal implementation. After the author improved the first design, the authors begin to implement the second phase. The second phase implementation contained the actual performance appraisal process for the interns.

Result and Discussion

The main output of this project is the implementation of a performance appraisal system using the graphic rating scale method. According to Susanto & Darmasetiawan (2020), the graphic rating scale method is suitable for various types of work with minimal costs, simple labor, and short time. The following are some of the designs prepared and compiled by the author.

1) Google Forms Based Performance Assessment Form
2) Data Analyst and Management Using Google Sheets
3) Internship Individual Performance Assessment Report
4) Module of Performance Assessment Implementation Guide
5) Video Tutorial on How to Compile an Individual Internship Performance Assessment Report.

Figure 1 The Design of Performance Assessment Form Using Google Forms

Figure 2 Contents of Module of Performance Assessment Implementation Guide

After designing the output of the activity, the author began to carry out the implementation phases. The implementation process was carried out by implementing the first phase, improving the implementation of the first phase, and implementing the second phase.

First Phase Implementation

The author began the first phase of implementation in November 2021. The following is a flowchart of the first phase implementation.
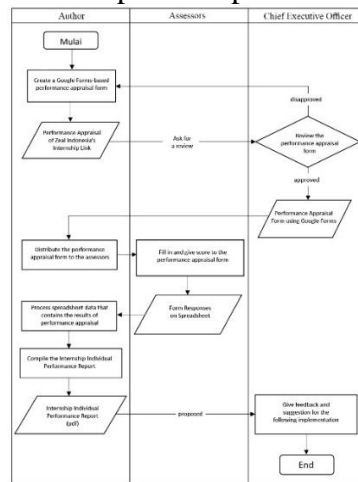
Figure 3 Flowchart of the First Implementation

1. Create a Google Forms-Based Performance Appraisal Form

In the first step, the author determined pieces of information that would be used to compile a performance appraisal form. The author began creating a performance appraisal using Google Forms. The performance appraisal method used a graphic rating scale with a Likert 5-point scale. The 5-point scales ranged from 5 = strongly satisfied to 1 = strongly dissatisfied. Assessors assessed employees by identifying the score that best describes their level of performance for each aspect. (Dessler & Varkkey, 2017). The author also determined the variables (aspects) for the employee appraisal. Those variables were attendance, teamwork, initiative and ideas, leadership, role responsibilities, meeting deadlines, quality of work, the quantity of the job results, and loyalty.

2. Performance Appraisal of Zeal Indonesia's Interns Link

The output produced after the author makes a performance appraisal form is a link containing a performance appraisal form. This link was then given to Kak Roro Mega Cahyaning as CEO (Chief Executive Officer*).*

3. Review the Performance Appraisal Form

After creating the employee performance appraisal form, the author would give the form to the CEO. The CEO would review the contents of the performance appraisal form to decide if the form was permitted to be continued and distributed to the assessors. Once the form was approved, the author could immediately distribute the form to the assessors. On the other hand, if the form was rejected, the author had to revise the form's contents until the form was accepted.

4. Performance Appraisal Form using Google Forms

The approved form would immediately be distributed to the assessors. The assessors would receive the form link and fill out the form for several interns.

5. Distribute the Performance Appraisal Form

The next stage was to distribute the form to each Product Managers or Product Marketing in each program. Product Managers and Product Marketing were the assessors for the first phase implementation.

6. Fill in and Give Score for the *Interns*

After receiving the form, the assessors must fill out the form to rate the interns' performance based on the past two months (September and October).

7. Form Responses on Spreadsheet

To view the performance appraisal result, the author used Google Spreadsheet (Google Sheets). The Google Spreadsheet was featured in the form's web page's responses section. The Spreadsheet would show off the data, which contained timestamps, names of interns, divisions, the result of nine assessment variables, and suggestions and improvements.

8. Process Spreadsheet Data

In this step, the author managed the data into a data set that is easy to access and manage. The data showed the result of the performance appraisal for several interns.

9. Compile the Internship Individual Performance Report

At this stage, the authors began to compile individual performance appraisal reports from the performance appraisal data that had been managed. The contents of this individual performance appraisal report consisted of the name of the employee, division or position, assessment period, Zeal Indonesia logo, the results of the performance appraisal in the form of nine aspects of the assessment, the total score, the final score (total score divided by the number of aspects), result explanation, conclusions and suggestions, score description, and assessors' signature.

10. Internship Individual Performance Report

The output of the performance appraisal form was individual performance appraisal reports in pdf format. This document was presented to the CEO of Zeal Indonesia to determine if the designed performance appraisal system could be implemented further.

11. Give *Feedback* and Suggestions

After the performance appraisal system got implemented, the author would ask for a meeting with the CEO of Zeal Indonesia. The meeting was executed using Google Meeting. The author discussed and presented the performance appraisal to the CEO. Next, the CEO would give suggestions for the following implementation.
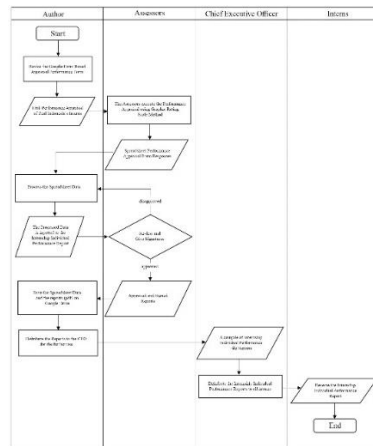
Improvement of the First Implementation

After receiving suggestions and input from the CEO of Zeal Indonesia, the author began to fix some errors or lackness in the first implementation phase. Some of the things that were changed and improved include:

1) Change the sentence "Internship Performance Evaluation Form" to "Internship Individual Performance Report."
2) The "Initiatives and Ideas" aspect was changed to job knowledge.
3) Adding the self-presentation aspect instead of the quantity aspect of the results.
4) Adding aspects of self-development and self-improvement.
5) Changing "Appraisal" to "Assessor."
6) The title "Conclusions and Suggestions" was changed to "Comments and Recommendations."
7) Adding a description under the appraisal aspects on the Google Form link.
8) Adding the translation of words from Indonesian into English in several aspects of performance assessment such as attendance, teamwork, job knowledge, leadership, role responsibility, meeting deadlines, quality of work, loyalty, self-presentation, and self-development and self-improvement.
9) The appraisal period for the next stage starts from September to December 2021 (four months).
10) Product Managers and Product Marketing as assessors were replaced with Chief Executive Officers and Product Designers.

Second Phase Implementation

The second phase was executed from December 21, 2021, to December 25, 2021. At this phase, the design of the revised performance appraisal system began to be implemented for 29 interns with 4 people as the assessors. The following is a flowchart for the implementation of the second phase.

Figure 4 *Flowchart* of the Second Implementation

1. Revise the Performance Appraisal Form

After getting suggestions and input from the CEO, the author improved the design of the performance appraisal form and the report on the performance appraisal results. Several things were changed, such as adding one variable to the assessment aspect, changing the assessment aspect of ideas and ideas into job knowledge, and others. The following is a preview of the revised performance appraisal form.

Figure 5 Header and Description Display on Google Forms Based Performance Appraisal Form

Figure 6 the Display of Appraisal Aspects

2. Link Performance Appraisal of Zeal Indonesia's Interns

The output of the revised performance appraisal form was a link to the Google Forms webpage. This link could be accessed by going to the site https://bit.ly/PA_Zeal.

3. Execute the Performance Appraisal

The revised performance appraisal form was given to assessors. The assessors consisted of 4 people, namely three Product Designers and the CEO of Zeal Indonesia. The assessment period was carried out from December 20, 2021, to December 24, 2021, with each Product Designers assessing their colleagues. Meanwhile, Product Designers were assessed by the CEO of Zeal Indonesia.

4. *Spreadsheet Performance Appraisal Form Response*

After the performance appraisal results were obtained, Form Responses 1 was the data output. This data will be changed from row to column data to simplify the individual performance appraisal data.

Figure 7 Spreadsheet View on Sheet Form Responses 1

5. Process Spreadsheet Data

The author begins to process the spreadsheet data that had been collected. The author changed the row data into column data using the transpose function. How to process this spreadsheet data can be seen in Module of Performance Assessment Implementation Guide.

Figure 8 the Display of the Employees' Performance Appraisal Score in Row Data

Figure 9 the Display After Using Transpose Function

6. Compile the Internship Individual Performance Report

After changing the row data into column data, the next step is to compile individual performance appraisal reports for interns. To compile this report, the author uses a report format that has been made in the first stage of implementation. This report format can be accessed by going to the site https://bit.ly/Zeal_PAReport.

Figure 10 the Display of Internship Individual Performance Appraisal Report

7. Review and Give Signatures

After the authors manage the data and compile reports, the authors provide the performance appraisal report to each assessor for re-checking. Assessors can also review whether the reports that have been made are in accordance with what they have previously filled out. Then, assessors were asked to sign each of these reports. The outputs of this process were the approved reports with all assessors' signature.

8. Save the Spreadsheet Data

The signed individual performance appraisal reports were then downloaded in pdf format. This data was stored in Google Drive.

Figure 11 Data Stored in Google Drive

9. Distribute the Internship Individual Performance Reports to the CEO

After the data is stored, the author provides a data set containing the individual performance appraisal report to Kak Roro as CEO of Zeal Indonesia.

10. File Internship Individual Performance Report

The output of providing performance appraisal report data was a signed individual performance appraisal report in pdf format.

11. Distribute the Internship Individual Performance Reports to the Interns

On the closing day of the internship program, the CEO of Zeal Indonesia distributed the performance appraisal reports to the interns. The results of this report can be used as material for self-evaluation to improve abilities and carry out self-development.

12. Receive the Internship Individual Performance Report

The following is an overview of the individual internship performance appraisal reports that will be received by interns.

Figure 12 the Display of Internship Individual Performance Report

After implementing the second phase of implementation, the project for implementing the performance appraisal system at the start-up Zeal Indonesia has been completed and successfully implemented on 29 interns who participated in the Zeal Indonesia internship program in the second batch. Furthermore, the author provides the results of the performance appraisal spreadsheet data, Module of Performance Assessment Implementation Guide, and a video tutorial link on how to compile an internship individual performance report to guide Zeal Indonesia in carrying out performance appraisals for its employees. The author also provides the author's contact and email at the end of the module slide to make it easier for partners to carry out performance assessments in the next period.

Conclusions

After designing a performance appraisal system and carrying out two implementation phases, the author succeeded in compiling individual performance appraisal reports to 29 interns who took part in the third batch of Zeal Indonesia internship programs. This project began by creating a performance appraisal form using Google Forms. The graphic rating scale method was used to minimalize costs, simple labour, and short time. As for the form results, the author used Google Spreadsheet to manage and analyse the data. Lastly, the author compiled the data as individual performance appraisal reports. The reports were downloaded in pdf format and, and later on, were distributed to interns. The reports that the interns had received would be used as material for self-evaluation during the internship period. Interns would know their strengths and weaknesses according to their performances. The assessment results can also be used as a benchmark for interns to make improvements and improve performance and achievements in the future. This employee performance appraisal will also help Zeal's management review the abilities and skills of their workers. As a result, the employees will feel appreciated and valued in the workplace. For further projects, the authors suggest using other performance appraisal methods such as the 360 Degree method in the form of a method that involves the views of various groups who socialize with the employees who will be assessed. Employee performance appraisals should also be carried out

periodically, once a month or three months. The performance evaluation report will display the self-evaluation results of his superiors or colleagues. In writing this community service activity (PkM) report, the author received much help from all parties involved. Therefore, the authors would like to thank all the management of Batam International University, the management and colleagues of Zeal Indonesia, Ibu Evi as the Advisor, the author's family, and all of the author's friends.

Daftar Pustaka

Cahyono, G. H. (2018). Fenomena Startup Fintech dan Implikasinya. *Swara Patra*, *8*(4), 44–55.

Dessler, G., & Varkkey, B. (2017). *Human resource management*. pearson.

Prasanna, K. S., Reddy, M. G. P., & Shankar, K. (2020). *Role of Performance Appraisal System on Employees Motivation*.

Sinambela, L. P. (2021). *Manajemen Sumber Daya Manusia: Membangun tim kerja yang solid untuk meningkatkan kinerja*. Bumi Aksara.

Susanto, S., & Darmasetiawan, N. K. (2020). DESIGNING A PERFORMANCE APPRAISAL SYSTEM FOR MANAGEMENT CONSULTANT OFFICE "D." *Dinasti International Journal of Digital Business Management*, *1*(3), 361–374.