

Diagnosing the effectiveness of the job performance evaluation system at Sonatrach Company – Algeria-

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Abstract: *This study intends to analyse the current situation of the use of the individuals' performance evaluation system as well as its impact on the job performance. For this purpose, a questionnaire was utilized as a useful data collection tool and was administered to 93 employees at Sonatrach company based at the city of Ouargla in Algeria. The results showed that despite the existence of a strong positive relationship between the performance evaluation system and job performance, this appraisal system failed to achieve its stated objectives at Sonatrach company. Moreover, The most important of which is the inability of employees to know the results of their performance evaluation process, the confusion of the evaluation criteria, and the non utilization of evaluation in job promotion, in training, and in work motivation. Therefore , the researchers made a number of recommendations including the necessity to abandon this evaluation system- due to its non conformity with the current changes, the need to make the workers fully aware of the key evaluation criteria, the importance of using the results of job performance appraisal and following updated procedures for better managing human resources such as personalization (training, job promotion, salaries and rewards,etc.), and the implementation of the 360-degree feedback method.*

Keywords: Performance; performance appraisal; performance appraisal system; Sonatrach company.

Jel Classification Codes : M12, M59.

Résumé :

Cette étude vise à analyser la situation actuelle de l'utilisation du système d'évaluation des performances des individus ainsi que son impact sur la performance au travail. À cette fin, un questionnaire a été utilisé comme outil utile de collecte de données et a été administré à 93 employés de la société Sonatrach basée dans la ville de Ouargla en Algérie. Les résultats ont montré que malgré l'existence d'une forte relation positive entre le système d'évaluation des performances et la performance au travail, ce système d'évaluation n'a pas réussi à atteindre ses objectifs affichés au sein de la société Sonatrach. En outre, le plus important d'entre eux est l'incapacité des employés à connaître les résultats de leur processus d'évaluation des performances, la confusion des critères d'évaluation et la non-utilisation de l'évaluation dans la promotion professionnelle, dans la formation et dans la motivation au travail. Ainsi, les chercheurs ont formulé un certain nombre de recommandations dont la nécessité d'abandonner ce système d'évaluation- en raison de sa non-conformité avec les changements actuels, la nécessité de sensibiliser les travailleurs aux critères clés d'évaluation, l'importance d'utiliser les résultats des travaux l'évaluation des performances et le suivi de procédures actualisées pour une meilleure gestion des ressources humaines telles que la personnalisation (formation, promotion professionnelle, salaires et récompenses, etc.) et la mise en œuvre de la méthode du feedback 360 degrés.

Mots-clés : Performance ; évaluation des performances; système d'évaluation des performances; Société Sonatrach.

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Introduction:

Organizations strive to improve the efficiency and effectiveness of their operations, and performance evaluation is an essential tool for measuring, improving, and achieving the organization's strategic goals. The human element is one of the most important factors influencing the effectiveness of any institution, and this is related to the efficiency and motivation of employees. Performance evaluation is a measure of individual performance and human resource management and development policies in the organization, and it helps to evaluate the success of recruitment and promotion policies, training, human resource development strategy, and salary and rewards policy. Interest has increased in the position of human resources in institutions, as it is considered the most important resource capable of activating various other resources. There has also been an increased focus on intangible assets that form the intellectual capital of the institution. Job performance is the result of behavior and results achieved together, while "behavior" refers to what individuals do, The increasing focus on human resources (HR) in organizations stems from their recognition as the most valuable and effective resource for activating other resources. This growing emphasis is further fueled by the recognition of intangible assets, such as knowledge and skills, as crucial components of an organization's intellectual capital. The Resource-Based View (RBV) theory, introduced by Wernerfelt in 1984, emphasizes that competitive advantages originate from within an organization, specifically from its internal resources. These resources are categorized into tangible and intangible assets. Intangible assets, often referred to as "invisible assets" or "knowledge assets," are considered the most important non-tangible resources, encompassing knowledge, skills, and expertise. Within the RBV framework, two prominent approaches have emerged: the competence-based approach and the knowledge-based approach. The competence-based approach highlights the importance of possessing rare, valuable, and inimitable resources, while the knowledge-based approach emphasizes the role of knowledge as a key competitive advantage. Organizations that possess rare, valuable, and inimitable (difficult to replicate or imitate) resources are better positioned to achieve long-term success and establish unique advantages in controlling various activities. From this perspective, HR is recognized as a strategic resource that drives performance excellence and provides a competitive edge for organizations. The HR function plays a critical role in activating and embodying an organization's strategy. It aims to align and harmonize individuals, organizations, and the work environment with performance aspirations, fostering the development of the organization and its stakeholders. (David Autissier, 2009, p. 50). Job performance is a crucial aspect of organizational success, reflecting the ability of individuals to accomplish assigned tasks effectively. It is influenced by knowledge, skills, motivation, work environment, and individual capabilities. An effective performance appraisal system is essential for evaluating employee contributions, identifying areas for improvement, and promoting overall organizational effectiveness. By thoroughly evaluating the design, implementation, impact, employee perceptions, and alignment with strategic goals of the performance appraisal system in Sonatrach – the regional directorate of production in the Berkine Basin-Borqla, a comprehensive understanding of its effectiveness can be achieved, leading to refinements that enhance employee performance and organizational success.

I. Research Objectives and Methodology

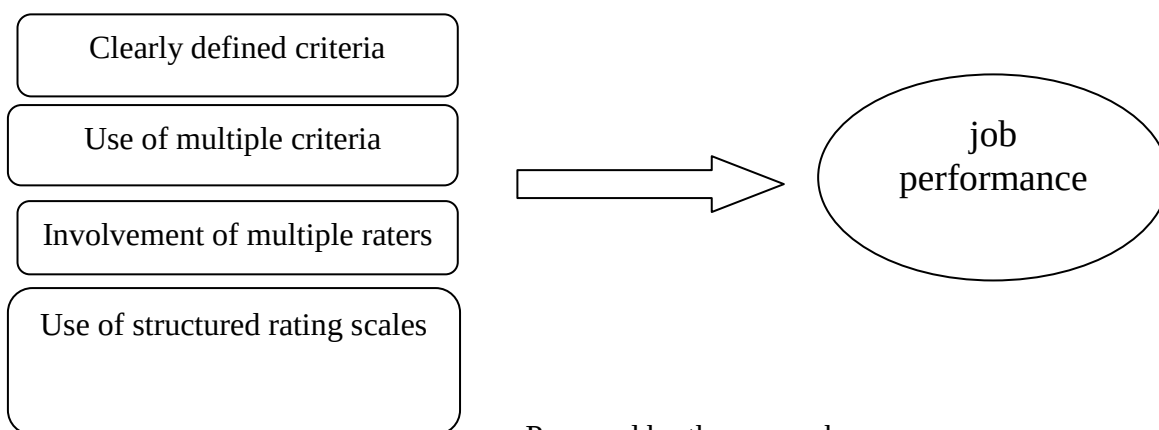
1. Research Objectives: The primary objectives of this research are to:

- **Diagnose the current state of the performance appraisal system in Sonatrach – the regional directorate of production in the Berkine Basin-Borqla:** This involves examining the system's objectives, methods, and utilization of outputs.
- **Analyze the strengths and weaknesses of the individual performance appraisal system in the organization:** This entails identifying areas where the system excels and areas that require improvement.

2. Research Methodology: The study will employ a descriptive research methodology, utilizing a combination of data collection tools to gain a comprehensive understanding of the existing performance appraisal system.

- **Interviews:** Interviews will be conducted with key personnel, including the HR manager and HR management staff, to gather insights into the system's design, implementation, and perceived effectiveness.
- **Questionnaire:** A structured questionnaire will be administered to a representative sample of employees to gather their perspectives on the system's strengths, weaknesses, and overall effectiveness. The combination of interviews and questionnaires will provide a multifaceted perspective on the performance appraisal system, enabling a thorough analysis of its current state and identifying areas for potential improvement.

Figure 1: Conceptual Framework of the Study



Source :Prepared by the researchers

II. Human Resource Performance: Definition, Measurement, and Evaluation

- 1. Human resource (HR) performance** is a critical aspect of organizational success, reflecting the ability of employees to effectively fulfill their assigned tasks and contribute to achieving organizational goals. The concept of HR performance encompasses various factors, including individual capabilities, motivation, work environment, and leadership.

Understanding and enhancing HR performance is essential for organizations to thrive in a competitive environment. (R & Spitzer, 2019)

2. Defining HR Performance:

- HR performance can be defined as the overall effectiveness of individuals in carrying out their responsibilities and contributing to the organization's objectives. It encompasses a range of dimensions, including:. (Amna Zian, 2021)
- **Task Accomplishment:** The ability to complete assigned tasks efficiently and accurately.
- **Quality of Work:** The level of excellence and attention to detail demonstrated in work output.
- **Problem-Solving and Decision-Making:** The ability to identify and resolve problems effectively, make sound decisions, and exercise judgment.
- **Communication and Interpersonal Skills:** The ability to communicate clearly, collaborate effectively, and build positive relationships with colleagues.
- **Adaptability and Flexibility:** The ability to adjust to changing circumstances, embrace new ideas, and learn new skills.
- **Innovation and Creativity:** The ability to generate new ideas, develop innovative solutions, and contribute to organizational improvement.
- **Factors Influencing HR Performance:**
 - Several factors influence HR performance, including:
 - **Individual Capabilities:** The knowledge, skills, experience, and abilities of employees play a significant role in their performance.
- **Motivation:** The level of enthusiasm, drive, and commitment that employees bring to their work significantly impacts their performance
- **Work Environment:** The physical, psychological, and social aspects of the workplace can influence employee performance.
- **Leadership:** The quality of leadership provided by managers and supervisors can significantly impact employee motivation, engagement, and performance.

3. Organizational Culture: The shared values, beliefs, and norms of an organization can influence employee behavior and performance. Measuring HR Performance:

- Measuring HR performance is crucial for organizations to track progress, identify areas for improvement, and make informed decisions about resource allocation and employee development. Various methods can be used to measure HR performance, including: . (M, Al-Saleh Boutoutan, K, Zedira. 2014)
- **Performance Appraisal:** Formal evaluations conducted by managers to assess employee performance against predetermined criteria.
- **Performance Tracking:** Monitoring key performance indicators (KPIs) related to specific tasks or roles.
- **Employee Feedback:** Gathering feedback from employees through surveys, interviews, or focus groups.

- **360-Degree Feedback:** Collecting feedback from employees, managers, peers, and customers to provide a comprehensive view of individual performance.

4. Evaluating HR Performance:

Evaluating HR performance involves analyzing the collected data to identify strengths, weaknesses, and areas for improvement. This evaluation should be used to: **(Al-Salam Abu Qahf,2020)**

- **Provide Feedback to Employees:** Offer constructive feedback to employees to help them improve their performance and develop their skills.
- **Inform Training and Development Programs:** Identify areas where training and development programs are needed to enhance employee capabilities.
- **Recognize and Reward High Performers:** Acknowledge and reward employees who consistently demonstrate high performance.
- **Make Adjustments to Organizational Practices:** Identify and address any organizational factors that may be hindering employee performance. **(Schuler, 2011, p. 306)**

5. Uses of Performance Appraisal Outputs: *Performance appraisal is an essential component of human resource management (HRM), serving as the foundation for various HR functions and decisions. The outcomes of performance evaluation are utilized in several crucial areas:(Redjem K, 2018)*

- **Motivation and Rewards:** Performance appraisal results are employed to determine rewards and incentives, encouraging employees to exert greater effort and enhance their performance. Recognizing and rewarding high performers fosters a culture of motivation and continuous improvement.
- **Promotions and Career Development:** Performance evaluation outcomes are relied upon to assess an employee's readiness for assuming higher-level responsibilities and promotions. Identifying individuals who consistently demonstrate exceptional performance and possess the necessary skills and competencies is crucial for succession planning and organizational growth.
- **Transfers and Placement:** Performance appraisal results play a significant role in transfer and placement decisions. By evaluating an employee's strengths, skills, and interests, organizations can effectively match individuals to positions that align with their capabilities and contribute to their professional development. **(Birger WERNERFELT, 2009)**
- **Training and Development:** Performance appraisal serves as a cornerstone for designing and implementing training and development programs. Identifying areas of strength and weakness enables organizations to tailor training initiatives to address specific needs and enhance employee skills, fostering continuous learning and growth.

- **Recruitment and Staffing:** Performance appraisal outcomes can inform recruitment and staffing strategies. By understanding the competencies and performance levels required for various roles, organizations can effectively identify and attract qualified candidates, ensuring a strong talent pool.

Additional Uses of Performance Appraisal Results: (Emery, 2009, p. 14)

- **Discipline and Performance Improvement:** Performance appraisal can be used to address performance concerns and initiate corrective actions. For employees with consistently low performance, performance appraisal may lead to warnings, disciplinary measures, or even termination of employment.
- **Communication and Goal Alignment:** Performance appraisal facilitates communication and goal alignment between managers and employees. By reviewing performance feedback, managers can gain insights into employee strengths, challenges, and aspirations, enabling them to provide targeted guidance and support, ensuring alignment with individual and organizational goals.
- **HR Management Information:** Performance appraisal data provides valuable information for overall HR management. By analyzing performance trends across different departments and demographics, organizations can identify areas for improvement, allocate resources effectively, and make informed decisions regarding HR policies and practices.

In conclusion, performance appraisal serves as a multifaceted tool for HRM, empowering organizations to enhance employee performance, achieve strategic objectives, and foster a culture of continuous improvement. By effectively utilizing performance appraisal results, organizations can optimize their talent management strategies, drive employee engagement, and ultimately contribute to organizational success. (Birger WERNERFELT, 2009).

III. Study Sample and Tools

1. Study Sample:

The study will focus on Sonatrach - Borqla, specifically the regional directorate of Berkine Basin, a crucial production unit within Sonatrach. Established in 1967, the unit transformed from an oil field under Hassi Messaoud to an independent production unit. The study sample comprises 93 employees working in the organization.

2. Data Collection Tools: Interview and Questionnaire

The study employed two primary data collection tools to gather comprehensive insights into the performance appraisal system in Sonatrach :

- Interviews:

Purpose:

- To gain in-depth understanding of the performance appraisal system's design, implementation, and perceived effectiveness from various perspectives.
- To identify challenges and obstacles that hinder the system's effectiveness.
- To gather information that cannot be obtained through the questionnaire.

Respondents:

- A representative sample of employees from different departments and levels of seniority.
- HR manager and HR management staff.

Interview Structure:

- Semi-structured interviews with open-ended questions to allow for in-depth exploration of participants' experiences and perceptions.
- Questions tailored to each respondent's role and involvement with the performance appraisal system.

Questionnaire:

Purpose:

- To gather quantitative data on a broader scale, complementing the qualitative insights from interviews.
- To assess employee perceptions of the performance appraisal system's strengths, weaknesses, and overall effectiveness.
- To identify areas for improvement and potential modifications to the system.

Questionnaire Design:

- Two-part structure:
 - Part 1: Demographic information (gender, age, education level, position, years of experience, department)
 - Part 2: 36 statements divided into two sections:
 - Section 1: Performance appraisal system (25 statements) - 4 dimensions
 - Section 2: Employee performance (11 statements)
- Likert scale response options (1-5) for each statement
- Additional space for suggestions for improvement

Questionnaire Administration: Distributed to a random sample of 150 employees in the directorate. 93 questionnaires were returned and deemed usable for analysis.

IV. Analysis of the Performance Appraisal System

- 1. Scope of Application of the Appraisal System** The performance appraisal system in Sonatrach - Borqla is comprehensive, encompassing all employees across various categories and levels. It serves as a crucial tool for HR management, providing objective and accurate information to support decision-making in various aspects, including:
 - **Reviewing and updating HR policies:** Performance appraisal data informs the evaluation and refinement of HR policies related to recruitment, training, compensation, and performance management.
 - **Identifying training and development needs:** The system's insights into employee strengths and weaknesses guide the design of targeted training and development programs to enhance individual and organizational capabilities.
 - **Making promotion and career development decisions:** Performance evaluation outcomes play a significant role in identifying high-performing employees and determining their readiness for promotions and career advancement opportunities.
 - **Addressing performance concerns and improving employee motivation:** The system facilitates the identification of performance gaps and the implementation of

corrective actions to address them. It also contributes to motivating employees by recognizing and rewarding their achievements.

2. Objectives of the Appraisal System

The performance appraisal system in Sonatrach - Borqla serves multiple objectives that align with the overall HR strategy and organizational goals:

- A. **Enhancing Employee Performance:** The system aims to improve employee performance by:
 - **Establishing clear performance expectations:** Defining and communicating clear performance expectations for each role provides a framework for employees to understand their responsibilities and strive for continuous improvement.
 - **Providing regular feedback:** Regular performance feedback helps employees identify areas for improvement and track their progress towards achieving goals.
 - **Encouraging goal-setting and self-evaluation:** The system encourages employees to set personal goals, self-evaluate their performance, and actively participate in their professional development.
 - B. **Promoting a Culture of Performance:** The system fosters a culture of performance by:
 - **Emphasizing the importance of performance:** By integrating performance appraisal into various HR processes, the organization reinforces the message that performance is a key priority.
 - **Recognizing and rewarding high performers:** Acknowledging and rewarding exceptional performance motivates employees and encourages others to strive for excellence.
 - **Encouraging open communication about performance:** The system promotes open and constructive dialogue between managers and employees regarding performance expectations, feedback, and development opportunities.
 - C. **Aligning Performance with Organizational Goals:** The system ensures that individual performance contributes to achieving organizational objectives by:
 - **Linking performance evaluation to organizational goals:** Performance criteria are aligned with the organization's strategic goals, ensuring that individual efforts contribute to overall success.
 - **Identifying and addressing performance gaps:** The system helps identify areas where individual or team performance is not aligned with organizational goals, allowing for timely interventions and corrective actions.
 - **Promoting a shared understanding of success:** By linking performance appraisal to organizational goals, the system fosters a shared understanding of what constitutes success and how individual contributions impact the organization's achievements.
3. **Specific Objectives of the System** The performance appraisal system in Sonatrach - Borqla is designed to achieve specific objectives that contribute to the overall goals of HR management and organizational success:
- A. **Improve Professional Practices of Employees:**
 - **Enhance skills and knowledge:** Encourage employees to continuously upgrade their skills and knowledge to meet evolving job requirements and contribute to organizational innovation.
 - **Promote ethical behavior and professional conduct:** Emphasize adherence to ethical standards and professional norms, fostering a positive and productive work environment.

- **Strengthen commitment to organizational values:** Encourage employees to embody the organization's values in their daily work and interactions with colleagues and stakeholders.
- B. **Develop a Performance Culture:**
 - **Shift performance mindset:** Encourage employees to adopt a growth mindset, embracing challenges, seeking feedback, and continuously striving for improvement.
 - **Promote self-awareness and self-reflection:** Encourage employees to reflect on their strengths, weaknesses, and areas for development, taking ownership of their professional growth.
 - **Foster a culture of continuous learning:** Encourage employees to actively participate in training, development opportunities, and knowledge-sharing initiatives.
- C. **Enhance Results in Various Activity Areas:**
 - **Increase productivity and efficiency:** Encourage employees to optimize their work processes, eliminate waste, and deliver results effectively.
 - **Improve quality of work:** Promote a focus on quality standards, attention to detail, and adherence to best practices in all aspects of work.
 - **Enhance innovation and problem-solving:** Encourage creativity, critical thinking, and the ability to identify and resolve problems effectively.
- D. **Promote Fairness and Equity:**
 - **Ensure consistent and objective evaluation:** Apply fair and consistent evaluation criteria across all employees, minimizing bias and ensuring equitable treatment.
 - **Recognize and reward individual contributions:** Acknowledge and reward employees based on their individual merits and contributions to the organization's success

4. Added Value and Benefits of the Performance Appraisal System

The performance appraisal system in Sonatrach - Borqla offers significant value and benefits to both employees and the organization:

Value for Employees:

1. **Career Development:**
 - **Track Professional Growth:** Employees can monitor their professional progress and identify areas for improvement.
 - **Individualized Salary Adjustments:** Salary increases are based on individual contributions, recognizing their value.
 - **Variable Rewards:** Performance-based bonuses incentivize high achievement and align rewards with organizational goals.
2. **Clarity and Expectations:**
 - **Role and Contribution Understanding:** Employees clearly understand their roles and expected contributions.
 - **Improvement Areas Identification:** Employees receive feedback on areas requiring improvement.
 - **Goal Setting and Performance Discussions:** Collaborative goal setting and performance discussions enhance alignment and motivation.

Value for Managers:

1. Employee Performance Enhancement:

- **Encourage Professional Practices Improvement:** Managers can guide employees towards better professional practices.
- **Set Individual Contribution Improvement Goals:** Managers can establish clear goals for individual contribution improvement.
- **Base Salary Increases on Performance:** Managers can recommend merit-based salary increases.

2. Goal Alignment and Motivation:

- **Set Individual Results-Based Goals:** Managers can set specific, measurable, achievable, relevant, and time-bound (SMART) goals for individuals.
- **Propose Variable Rewards:** Managers can recommend performance-based bonuses.
- **Establish "Win-Win" Agreements:** Managers can collaborate with employees to establish mutually beneficial agreements.
- **Employee Career Path Involvement:** Managers can actively participate in shaping employees' career paths.

Overall Benefits:

1. Fairness and Equity:

- **Consistent and Objective Evaluation:** Consistent criteria and evaluation methods ensure fairness and equity.
- **Recognition of Individual Contributions:** Employees are recognized and rewarded based on their merits.

2. Alignment with Organizational Goals:

- **Individual Performance Linked to Organizational Success:** Individual efforts contribute to achieving organizational objectives.
- **Shared Understanding of Success:** A shared understanding of success criteria fosters collective achievement.

3. Motivation and Engagement:

- **Recognition and Rewards Drive Performance:** Recognition and rewards incentivize high performance.
- **Feedback and Development Opportunities Enhance Engagement:** Feedback and development opportunities foster employee engagement and growth.

Performance Appraisal System: Objective-Based and Contribution-Based Approaches

The performance appraisal system in Sonatrach - Borqla employs two distinct approaches to evaluate employee performance: objective-based and contribution-based.

Objective-Based Performance Appraisal

Objective-Based Performance Appraisal (OBPA) focuses on assessing employees' achievement of predetermined, measurable goals. It aligns individual contributions with organizational objectives, promoting a sense of purpose and shared success.

Key Characteristics of OBPA:

- **Goal Setting:** Clear and specific goals are established at the beginning of the performance cycle.
- **Regular Performance Reviews:** Regular feedback and discussions ensure employees are on track to achieve their goals.
- **Performance Measurement:** Objective metrics are used to quantify goal achievement.
- **Rewarding Success:** Employees are recognized and rewarded for achieving or exceeding their goals.

Objective-Based Performance Appraisal Form:

The OBPA form consists of two parts:

Part 1:

- **Goal Information:** Details each goal, including the expected outcome, goal type, measurement unit, target value, minimum threshold, goal achievement evaluation, quantitative outcome, and annual achievement rate.
- **Employee and Supervisor Comments:** Provides sections for employee and supervisor comments on the set goals and their achievement.

Part 2:

- **Employee Information:** Includes employee details, supervisor information, and a summary of the performance evaluation.
- **Goal Achievement Summary:** Summarizes the achievement levels for the collective, semi-collective, and individual goals.
- **Overall Evaluation and Salary Increase:** Provides the overall evaluation, salary increase rate, and comments from both the employee and supervisor.

4. Contribution-Based Performance Appraisal

Contribution-Based Performance Appraisal (CBPA) focuses on evaluating employees' overall contribution to the team and the organization. It emphasizes behavioral competencies and skills that align with organizational values and success factors.

5. Key Characteristics of CBPA:

- **Standardized Job Roles:** Standard job roles are defined based on task type, skills, and accessibility factors.
- **Competency Framework:** A competency framework outlines the expected behaviors and skills for each job role.
- **Performance Assessment:** Employees are assessed on their demonstration of competencies and skills against the framework.

- **Variable Rewards:** Employees are rewarded based on their overall contribution and performance level.

6. Contribution-Based Performance Appraisal Form:

The CBPA form consists of two parts:

Part 1:

- **Employee Role and Contribution Level:** Specifies the employee's role and contribution level.
- **Performance and Participation Axes:** Details the contribution level in each axis, target score, areas for improvement, guidance, possible actions, goal achievement evaluation, and expected score.

Part 2:

- **Employee and Supervisor Information:** Includes employee details, supervisor information, and a summary of the performance evaluation.
- **Individual Increase Evaluation:** Provides an evaluation for determining the individual increase and comments from both the employee and supervisor.
- **Suggestions for Contribution Level Change or Training:** Includes suggestions for modifying the contribution level or recommending training and professional development opportunities.

7. Employee Evaluation and Appraisal Forms

The performance appraisal system in Sonatrach - Borqla employs standardized evaluation forms for all employees, divided into four sections:

Section 1: Employee Identification

This section includes the employee's basic information:

- Name and surname
- Job title
- Professional grade
- Date of employment
- Department affiliation

Section 2: Instructions

This section provides instructions for using the appraisal form, including:

- Explanation of the rating scale

- Guidelines for completing each section of the form

Section 3: Evaluation Criteria

This section outlines the specific criteria used to evaluate employee performance. The criteria may vary depending on the employee's job role and level, but they typically encompass areas such as:

- **Job Performance:** Effectiveness in fulfilling job duties and responsibilities
- **Communication and Interpersonal Skills:** Ability to communicate effectively, collaborate with colleagues, and build positive relationships
- **Problem-Solving and Decision-Making:** Ability to identify, analyze, and solve problems effectively
- **Leadership and Teamwork:** Ability to lead, motivate, and work effectively as part of a team
- **Initiative and Creativity:** Ability to take initiative, generate new ideas, and contribute to innovation

Section 4: Overall Evaluation

This section provides space for the evaluator to summarize the employee's overall performance and provide a final rating. The rating scale may vary depending on the specific evaluation system used, but it typically includes three to five levels, such as:

- **Outstanding:** Exceeds expectations in all areas
- **Exceeds Expectations:** Consistently exceeds expectations in most areas
- **Meets Expectations:** Meets expectations in all key areas
- **Needs Improvement:** Shows some areas that require improvement
- **Unsatisfactory:** Falls below expectations in most areas

Additional Considerations:

- The appraisal forms may include additional sections for specific purposes, such as:
 - **Goal Setting:** Setting goals for the next performance cycle
 - **Development Plan:** Identifying areas for development and creating a plan for improvement
 - **Comments and Feedback:** Providing specific feedback and comments to the employee
- The appraisal forms should be tailored to the specific needs and context of the organization.
- Regular training should be provided to evaluators to ensure consistency and fairness in the evaluation process.

8. Employee Categories:

The performance appraisal system categorizes employees into three groups:

1. **Managers:** Managers are evaluated using a comprehensive set of criteria that assess their leadership, strategic thinking, decision-making, and overall effectiveness in managing their teams.
2. **Executives and Senior Management:** Executives and senior management are evaluated using a more complex set of criteria that focuses on their strategic vision, ability to drive organizational change, and impact on the overall success of the organization.
3. **Control and Execution Officers:** Control and execution officers are evaluated using criteria that emphasize their technical expertise, ability to follow procedures, and contribution to operational efficiency.

By using standardized evaluation forms and tailoring the criteria to specific employee categories, Sonatrach - Borqla ensures a consistent and fair evaluation process that aligns with the organization's goals and expectations.

9. Employee Performance Evaluation and Promotion Eligibility

Impact of Low Performance Scores:

If an employee receives a score lower than the minimum threshold specified in the table above, they become ineligible for promotion or bonuses.

Part 3: Performance and Behavior Evaluation

This section is divided into two subsections: Performance and Behavior. Each subsection contains criteria that vary according to the three employee categories. Each criterion is evaluated using the rating scale of 1 to 5, accompanied by comments. The scores are then summed to arrive at a total, which is used to determine the employee's eligibility for promotion or bonuses, as defined by their direct supervisor.

Part 4: Common Sections

This section consists of three subsections that are common to all evaluation forms.

V. Analysis of Survey Results:

1. Study Results Stability:

Table (05): Performance Stability Coefficients by Factor (Cronbach's Alpha)

Cronbach's Alpha	Number of Statements
0.934	33

Source: Prepared by the researchers based on the outputs of the SPSS program.

The overall Cronbach's alpha coefficient for the dimensions of the questionnaire as a whole is 0.934, which is statistically acceptable. This indicates that the items in the questionnaire are highly correlated and measure the same underlying construct.

2. Sample Analysis:

Table No. (06): Results of the first dimension: Objectives of the performance evaluation system applied in the institution.

Questions	Mean	Standard Deviation	Answer direction
1. The institution has a system for evaluating the performance of its employees.	2.39	0.834	gh
2. The institution is interested in implementing and following up on the evaluation system.	2.1	0.81	edium
3. The performance evaluation system is applied to all employees without discrimination.	1.92	0.85	edium
4. I am aware of the goals of the performance evaluation system applied in the institution.	2.1	0.822	edium
5. The performance evaluation system helps the employee's direct supervisor to understand work problems and difficulties.	1.92	0.752	edium
6. The applied performance evaluation system helps to improve my performance level.	2.04	0.806	edium
First Dimension: Goals of the Performance Evaluation System Applied in the Institution	2.07	0.808	edium

Source: Prepared by the researchers based on the outputs of the SPSS program.

From the table above, it is noticeable that all statements in this dimension were moderate. The statement "The institution has a performance evaluation system for its employees" ranked first with an average of (2.39), which is higher than the overall average of the sample responses, which was (2.07), with a standard deviation of (0.808). As for the two statements that ranked lowest, they are "The performance evaluation system is applied to all employees without discrimination, and it helps the direct supervisor understand work problems and difficulties," with an average of (1.92). In our estimation, this is attributed to the existence of a performance evaluation system, but it is not transparently implemented, indicating the neutrality of the responses.

Table No. (07): Results of the second dimension: Methods and criteria of the performance evaluation system applied in the institution.

Questions	Rank	Mean	Standard Deviation	Direction
7. The idea of evaluation is explained and its criteria are clarified before its application.	1	2.09	0.822	Medium
8. The criteria used in evaluating my performance are fair and objective.	6	1.85	0.758	Medium
9. My performance is evaluated on the basis of results.	2	2.32	0.878	High
10. My performance is evaluated on the basis of my work behavior.	3	2.1	0.82	Medium
11. My performance is evaluated on the basis of my personal qualities.	4	1.9	0.762	Medium
12. I am evaluated periodically and regularly.	5	2.12	0.828	Medium
		2.04	0.806	Medium

Source: Prepared by the researchers based on the outputs of the SPSS program.

The table above indicates that the overall average for this dimension, which was (1.90), is neutral. This is because the methods and criteria of evaluation adopted in the institution lack fairness, objectivity, and clarity.

Table No. (08): Results of the third dimension: Announcement of evaluation results.

Statements	Rank	Weighted Mean	Standard Deviation	Direction
13. I am informed of the results of my performance evaluation.	5	2.04	0.808	Medium
14. I am given the opportunity to discuss the results of my performance evaluation with my direct supervisor.	1	2.36	0.872	High
15. The results of my performance evaluation are used to develop my skills and abilities.	3	2.1	0.82	Medium
16. The results of my performance evaluation are used to determine my promotion and salary increases.	2	2.09	0.816	Medium
17. The results of my performance evaluation are used to improve the working environment in the institution.	4	1.88	0.754	Medium
Third Dimension: Use of Performance Evaluation Results		2.04	0.806	Medium

Source: Prepared by the researchers based on the outputs of the SPSS program.

It is evident from the above table that the majority of the sample members agree on the dimension of announcing evaluation results, with a general average of (1.81) and a standard deviation of (0.789), indicating a neutral trend as well. The responses in this dimension indicate that an employee is evaluated based on their relationship with their direct supervisor, and their results are not discussed or shared.

Table No. (09): Results of the fourth dimension: Use of evaluation results

Statements	Rank	Mean	Standard Deviation	Direction
13. I am informed of the results of my performance evaluation.	5	2.04	0.808	Medium
14. I am given the opportunity to discuss the results of my performance evaluation with my direct supervisor.	1	2.36	0.872	High
15. The results of my performance evaluation are used to develop my skills and abilities.	3	2.1	0.82	Medium
16. The results of my performance evaluation are used to determine my promotion and salary increases.	2	2.09	0.816	Medium
17. The results of my performance evaluation are used to improve the working environment in the institution.	4	1.88	0.754	Medium
Fourth Dimension: Use of Performance Evaluation Results		2.04	0.806	Medium

Source: Prepared by the researchers based on the outputs of the SPSS program

The table above shows that the overall average for the dimension of using evaluation results was (2) with a standard deviation of (1.05), indicating a neutral trend. It is notable that statement number (22), which stated "The evaluation process helps in communicating with employees and identifying the problems they face," received the highest average score of (2.28) with a standard deviation of (2.295), and a neutral trend. On the other hand, statement number (21) received the lowest agreement rate with an average of (1.78), which is lower than the overall average and standard deviation. Based on the overall average of the first axis, we can say that there is a performance evaluation system in the institution, but it lacks effectiveness and transparency, and most employees are not sufficiently aware of it.

Table No. (10): Results of the second dimension: Employee Performance.

Statements	Rank	Mean	Standard Deviation	Direction
18. I believe that the performance evaluation system applied in the institution is fair and objective.	1	2.42	0.884	gh
19. I am confident that the performance evaluation system applied in the institution will help me improve my performance.	2	2.4	0.874	gh
20. I am satisfied with the way my performance is evaluated in the institution.	3	2.37	0.86	gh
21. I feel that the performance evaluation system has a positive impact on my motivation and job satisfaction.	4	2.34	0.852	gh
22. I would recommend the performance evaluation system applied in the institution to my colleagues.	5	2.33	0.848	gh
Fourth Dimension: General Satisfaction with the Performance Evaluation System		2.04	0.806	gh

Source: Prepared by the researchers based on the outputs of the SPSS program.

The table above illustrates that the average scores for the dimension of employee performance were somewhat moderate. The statement "My job in the institution is important to me" ranked highest with an average score of (2.80), which is higher than the overall average (2.27), with a standard deviation of (0.757). The statement that received the lowest ranking was "The institution's management provides bonuses to employees to improve performance" with an average score of (1.80) and a standard deviation of (0.854). Based on this, we can say that the employee performance in the institution is moderate, as indicated by the overall average for the dimension, which was (2.27) with a standard deviation of (0.757). It is evident that if the system is not clear, employees are dissatisfied with their performance.

Analyzing the correlation coefficient between the employee performance evaluation system and employee performance.

Table (11): Correlation coefficient between the employee performance evaluation system and employee performance.

	The First Axis: Employee Performance Evaluation System	The Second Axis: Employee Performance
The First Axis: Employee Performance Evaluation System	1,000	,724**
		,000
The Second Axis: Employee Performance	24**	000
	00	
**. Correlation is significant at the 0.01 level (2-tailed).		

Source: Prepared by the researchers based on the outputs of the SPSS program.

Based on the table, there is a statistically significant effect of the employee performance evaluation system on employee performance at Sonatrach. The correlation coefficient (r) was 0.724, indicating a positive linear relationship of 72.4%. This means that there is a strong positive relationship between the employee performance evaluation system and employee performance. In other words, the more effective the employee performance evaluation system is, the better the employee performance. This suggests that 72.4% of employee performance is influenced by the evaluation system, while the remaining 27.6% is attributed to other factors.

Conclusion:

Through this research paper, we attempted to assess the performance evaluation system in Sonatrach (Regional Directorate of Production, Berkouai and Ouargla), by clarifying the performance evaluation criteria as well as the cycles and uses of evaluation. We supported our study by distributing a questionnaire to employees to measure their satisfaction with the system used, in order to ultimately reach the following results:

- The performance evaluation system for employees in Sonatrach - Berkouai basin did not achieve the desired effectiveness, which can be attributed to not achieving the set goals.
- The management of the institution did not show sufficient interest in performance evaluation interviews with employees to correct performance levels, in addition to neglecting the outputs of evaluation results in other areas such as recruitment, incentives, training, penalties, and exclusions.
- Failure to accurately determine the appropriate frequency of evaluation cycles, and limiting it to annual evaluations.

- Failure to involve employees in discussing goals and considering their opinions and suggestions.
- Lack of continuous communication of evaluation results to employees, without giving them the right to appeal if they do not receive a suitable evaluation.
- Adoption of a quota system for promotions, which poses a real problem.
- Ambiguity in the evaluation system used and lack of clarity for employees.
- The performance evaluation of employees in Sonatrach did not reach the desired effectiveness, as reflected in the continuous and ongoing disputes between the management represented by the evaluation supervisory body on one hand, and the evaluated employees on the other hand, due to the unsatisfactory judgments and assessments that determine the level and degree of employee performance.

Based on the findings, several suggestions can be made to improve the performance evaluation system in Sonatrach. Some of the most important recommendations include:

- The necessity of abandoning the quota system for promotions as it is considered one of the worst and oldest systems, while focusing on implementing a new rewards system.
- Simplifying the evaluation system to make it easy and understandable for employees.
- Adopting a regular evaluation cycle (monthly, quarterly).
- Establishing a neutral committee responsible for attending sessions and discussing evaluations between supervisors and subordinates.
- Granting employees the right to access and discuss their results continuously, with the possibility of appeal if they disagree.
- Utilizing evaluation outputs in designing training programs, promotions, and incentives.
- Adopting clear, sound, and defined criteria in the evaluation process.
- Implementing modern methods in job performance evaluation such as the 360-degree feedback method and assessment centers.

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