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The benefits of project-based learning for employee evaluation

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Employee evaluation is a complex practice that can take a variety of methods and approaches. Balancing the measurement of results with the ability to produce them is a task that is as delicate as it is important, and one that can enrich corporate competencies. Assessing learning on projects may be the most suitable method for this purpose.

The different methods of personnel evaluation

Every company's goal is to have motivated and high-performing employees. To achieve this goal, management and HR managers can use different methods of employee evaluation. Each of these methods has advantages and disadvantages that depend on the business environment, employee roles, and specific goals. A first method is employee self-assessment, to which more advanced and reliable systems can be added as the set of stakeholders is expanded, from the direct supervisor to outside consultants:

- **The 90-degree performance appraisal**: direct supervisor evaluates the employee's performance.
- **One-to-One meetings**: Evaluation through individual meetings between the employee and supervisor to discuss performance and goals.
- **The 180-degree employee performance appraisal**: This appraisal involves colleagues, who get to observe and interact with the employee's performance.
- **The 270-degree employee evaluation model**: this method integrates feedback that the employee can give with respect to the performance of his or her superiors anonymously.
- **The 360-degree employee appraisal system**: this system involves the judgments of all actors on each one in the appraisal, from colleagues to managers to supervisors, offering a holistic view of performance.
- **The assesment center:** the task of evaluating the employee is performed by external consultants.

Assessment methods can focus on different qualities, attributes and actions of the employee, from skills to goals:

- **Employee satisfaction assessment**: this approach focuses on employee satisfaction and engagement in their work environment.
- **The competency-based employee evaluation**: this system focuses on the knowledge and skills an employee possesses or has been able to acquire over time.
- **The goal-based individual performance appraisal system**: this method evaluates the achievement of goals distinguished by scope, difficulty or deadline.
- **The critical incident technique**: this method evaluates how out-of-the-ordinary events involving the employee can contribute to significantly higher or lower performance
- **Cost-based performance evaluation**: this method focuses on the costs and benefits of an employee's work.

Advantages and disadvantages of different methods

Each of these methods has specific advantages and disadvantages, which is why it is **important to be clear about the purpose of the appraisal as well as the types of employee tasks and industries in which the company operates.**

It is different to evaluate a customer care worker at a spa from a customer care worker at a computer service center. Both interface with a customer, but the information exchanged, the different motives that drive customers, and the different types of customers imply a different weight on interpersonal qualities and competencies of the products and services offered: while in the spa it is of primary importance to make the customer feel welcome, an IT technician must understand and solve the problem

that has affected the malfunctioning device.

Thus, with regard to the methods listed above, employee **self-assessment, for example, gives the employee the autonomy to evaluate his or her own performance, but can also be influenced by a personal bias** that could return a judgment that is very different from reality, either over or under. Or, the **90-degree performance appraisal system**, which involves only the employee's immediate supervisor and **offers one-way feedback, may not capture all aspects of the employee's performance**, especially those that do not involve the supervision of the employee's supervisor.

The **180-degree employee performance appraisal system also involves coworkers in the appraisal process, but may be affected by the employee's interpersonal relationships**, while the **270-degree employee appraisal model that extends to anonymous feedback to superiors may discount the dynamics involving career competition** or issues related to the integration of teams organized under different procedures following a merger or acquisition. The **360-degree personnel appraisal system may be overly complex or chronovore**. Finally, the **assesment center offers the advantage of objective assessment of employee competencies, carried out by external, competent and impartial observers, but can be costly to implement**.

In terms of areas of observation, **the goal-based individual performance appraisal system offers clear and measurable objectives, but it may not take into account other aspects of performance**, such as external causes or random events that may favor or frustrate the employee's effort. For example, a sales manager's annual performance could change dramatically as a result of events that are as extraordinary as they are unforeseen: the outbreak of the pandemic or the conflict in Ukraine may be clear examples.

The performance appraisal system based on **employee satisfaction provides an indication of the level of employee satisfaction, but may not be an accurate indicator of performance**, while the critical incident model of performance appraisal focuses on critical events but may not be a comprehensive method of appraisal in normal organizational routine. **Cost-based performance appraisal measures employee performance in relation to costs, but may not take other factors into account**; furthermore, this approach may prove to be myopic in the long run and fail to capture those benefits that arise from spillover effects. That is, assessing in detail the costs and benefits of each individual employee as if he or she were a fungible factor of production could cause one to lose sight of the benefits of influences and interdependencies among staff: assessing that an employee's performance has not increased sufficiently after he or she has taken eLearning refresher courses could overlook the example he or she may have shown to colleagues.

Evaluating staff with a focus on skills alone has at least three qualities:

- Purging performance from factors outside the appraisee's control
- Giving greater weight to staff growth prospects and potential
- Building a **corporate competency library from a learning organization perspective**

Competency-based personnel assessment evaluates the specific skills required for the job, but require that these have been carefully evaluated and are linked in a logical structure, although not necessarily defined in detail: **meaning that it must be clear to those in charge of the Continuous Integration of Learning and Strategy (CILS) program what skills are preparatory to the acquisition of others and, once acquired, what the next ones may be**. In essence, it must be possible to glimpse-though not necessarily in a formalized and detailed manner-a road map, showing possible paths for the development of the employee, the team and the company as a function of the markets and the strategies adopted to compete in them.

Of course, skills alone are not enough to have the pulse of a company's team management. At the end of each period, the results achieved matter, whatever their concauses may have been if **Napoleon himself, who knew a thing or two about strategy and team management, claimed that he preferred lucky generals to good ones.**

Evaluating on projects: the right middle ground between competencies and outputs

Assuming that evaluating inputs (the commitments made by the employee), outputs (the results achieved) and competencies (how these transform inputs into outputs) may be the most balanced approach, the scope remains to be decided.

An annual evaluation fits well with accounting and management control logic: having closed the budget and assessed the variances between forecast and actual, it makes sense to link the economic and production figures to those coming to HR. This, however, may not be the appropriate timeframe for assessing the quality of an employee or team: some tasks have a strongly cyclical or multi-cyclical pattern: the wave of hiring and firing in Silicon Valley over the past three years is not necessarily motivated by a drastic drop in employee performance as much as by a reversal of market and financial logic.

A better area of measurement, then, is the evaluation of learning through projects. This is for several reasons.

First, the project in its entirety can be considered to assess whether and how the employee's approach toward his or her tasks has changed. **The project leader or the team member in charge of the project will be pushed to put in place a range of skills along all phases from the project, from its acquisition, to planning, to evaluating cost and schedule**. This approach is as suitable for evaluating the experienced employee, for whom the outcome will count more than any marginal skills acquired; as it is for junior profiles or those coming from other business areas, for whom the experiences gained may have stimulated the acquisition of new knowledge and skills.

Second, **the selected project should directly or indirectly involve others**, from colleagues to superiors to suppliers and customers, as well as any external consultants**. This provides an opportunity to extend the information gathered at multiple levels, on the outcome of the project as well as on the behavior and contributions of the judged personnel**. Another advantage is to be able to easily assess a beginning and an end to the scope of observation.

Finally, learning evaluation on projects can also be associated with in-house training.

eLearning and project-based learning assessment

This last point is relevant to an approach that sees the enterprise as a Learning Organization, an organization that perceives itself as a set of individuals who continue to learn and adapt collective behavior-not just that of individuals-to the needs of the environment.

With this in mind, it may make sense to introduce project-based assessment already in internal training courses. More specifically, those courses delivered in eLearning mode can be associated with a final elaboration on what has been learned. This assignment, which could replace or flank the final assessment tests, needs to be calibrated according to the complexity of the notions acquired and their practical spin-offs, reasoning that, the first training courses could require virtual projects, such as single or group simulations.

Seen from a dynamic perspective, as the courses continue and the skills acquired accumulate, they could be followed by projects that are gradually more complex or that require the involvement of larger teams. When fully implemented, this would result in an organizational practice that could also be applied outside the training environment.