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## Problematics of application of human resource evaluation models and methods to improve public sector performance

### Abstract

The problematics of efficiency of human resources evaluation in public sector organizations of Lithuania as a post-Soviet country is analyzed in the article. The idea is postulated that the developing of new public management concept, as one of the opportunities, provides new impulses to reconsider and model human resource evaluation process and procedures. The authors discuss human resource evaluation modeling tendencies, while evaluating the advantages and disadvantages of human resource evaluation methodology. The disadvantages can be used to improve the public sector system of Lithuania as an example of a state experiencing post-Soviet transformation.

**Keywords:** evaluation methods, evaluation models, post-soviet transformations of public sector.

**JEL Classification:** M12, M14.

### Introduction

Various methods and models facilitating the evaluation process are used for human resource evaluation. Information gathered during the evaluation is discussed with employees and the quality of carried out works is reviewed. Moreover, future work plans and career possibilities are considered, and this allows a manager to make a comprehensive opinion on employee's future and organization performance perspectives. However, this is possible only in ideal conditions, i.e. if this speculation logic is substantiated by democratic tradition and managerial organizational culture. In spite of publicly named performance problems of public sector organizations, the national public sector, its performance and employee evaluation is regulated with legal acts. The latter provide employee evaluation procedures. One of the constituents of this problem is the public life tradition, which confronts the international entrepreneurship culture substantiating the new public culture management idea. The remaining problem of structures experiencing social and system transformations is that the letter of the law does not presuppose the adequate comprehension of the spirit of the law.

Although new public sector management models are promoted, Vanagas and Tumėnas (2008) indicated that the legal framework of Lithuania is substantiated by traditional public administration model and administrative law traditions, which could be very hard to change. Business organization philosophy changes are also taken hard in Lithuania, as in most post-soviet states having a weak experience in democracy, public life and participation in solving state problems. This also complicates the new model implementation practice

based on the service to community, which is frequently subconsciously resisted by culture.

**Relevance of the research.** The developing of new public management concept, as one of the opportunities, provides new impulses to reconsider and model human resource evaluation process and procedures. However, the traditional public administration culture is still entrenched in public sector, and that determines human resource evaluation quality, does not safeguard from evaluators' partiality, and thus does not guarantee the performance efficiency.

**Problem of the research.** Public sector reform taking place in Lithuania in the latter decade does not ensure the ultimately impartial human resource evaluation system; therefore, the question is formulated, how internationally recognized evaluation models could be implicated in the national system.

**Problem exploration level.** Human resource evaluation models and methods were analyzed by Pichault and Schoenaers (2003), Den Hartog, Boselie and Paauwe (2004), Ozerov (2008), Yee and Chen (2009), Ahmed et al. (2011), Ravichandran (2011), Gizatulin and Novikova (2012), etc.

**Object of the research.** The object of this paper is human resource evaluation models and methods.

**The aim of the research.** The aim is to analyze the implementation of human resource evaluation models and methods in order to improve the performance of Lithuanian public sector.

The following **research tasks** were formulated in order to achieve the aim:

1. To discuss human resource evaluation modelling tendencies;
2. To evaluate advantages and disadvantages of human resource evaluation methodologies.

**Methods of the research.** Review and analysis of human resource evaluation models was carried out and Lithuanian legal framework regulating evaluation and its academic assessments were studied during the research.

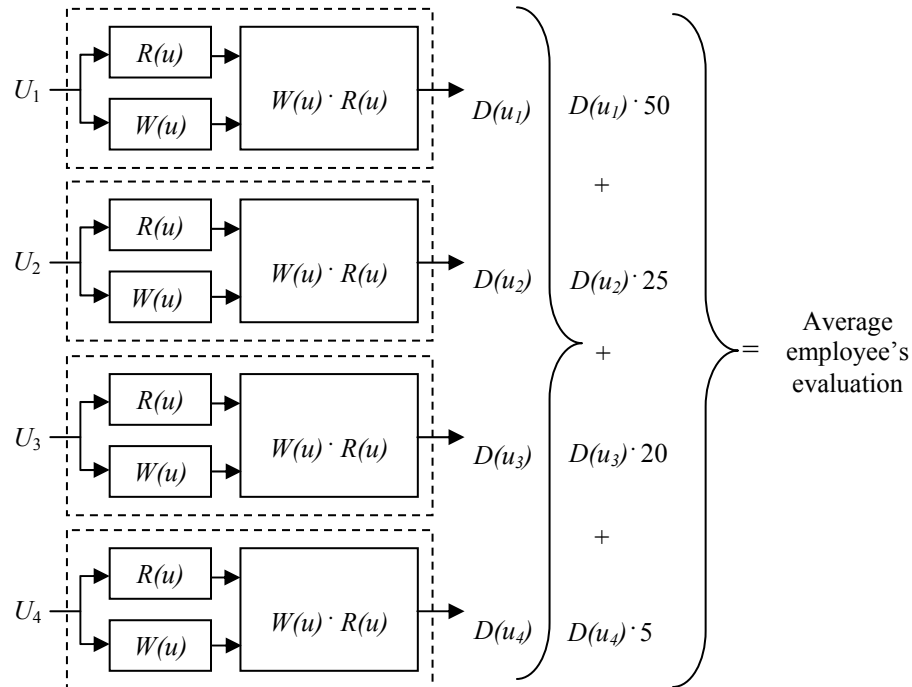
**1. Review and analysis of evaluation models**

Human resource management theory and practice have not formulated an optimum unchanging model neither in private nor in public sector. However, practical and theoretical insights and creativity can be helpful in the pursuit of performance optimization of the specific organization. It also has to be considered that freedom of action is limited in public sector organizations, but the reserved space for interpretation provides rather broad possibilities for modern leaders comprehending that the evaluation is not only formal, “enforced” procedure.

Yee and Chen (2009) indicate that personnel evaluation is an important part of human resource management in an organization. Public sector organizations must react to changes in the knowledge-bases economy, as well as maintain talented human resources of knowledge society. However, an employee’s evaluation by the management as “excellent”, “poor” and “average” may be an easy solution. Moreover, management is also inclined to make decisions with regard to work

carried out by the personnel in an unofficial and high-handed manner, without using an evaluation system. With this objective in view, Yee and Chen (2009) suggest a performance appraisal system (using multifactorial analysis in dealing with appraisal grades model), which is often expressed rather vaguely in linguistic terms. It is suggested to evaluate personnel according to the model based on specific performance appraisal criteria.

There are four aspects to the multifactorial personnel appraisal model (please refer to Figure 1). When evaluating personnel performance quality, each aspect is indexed in accordance with its criteria: (a) working output ( $U_1$ ): this aspect evaluates the quantity, quality and effectiveness, as well as staff’s punctuality; (b) knowledge and skills ( $U_2$ ): this aspect evaluates the staff’s knowledge and skills in the working field as well as their effectiveness in communication and realization of rules; (c) personal quality ( $U_3$ ): this aspect evaluates the personal quality such as discipline, initiative, innovation, cooperativeness and independence; (d) informal event(s) and contribution(s) ( $U_4$ ): employees’ contribution to the organization, community, state, country and international environment.  $R(u)$  is the evaluation vector,  $W(u)$  is the weightage, and  $D(u)$  is the result.



Source: Yee and Chen (2009, p. 233).

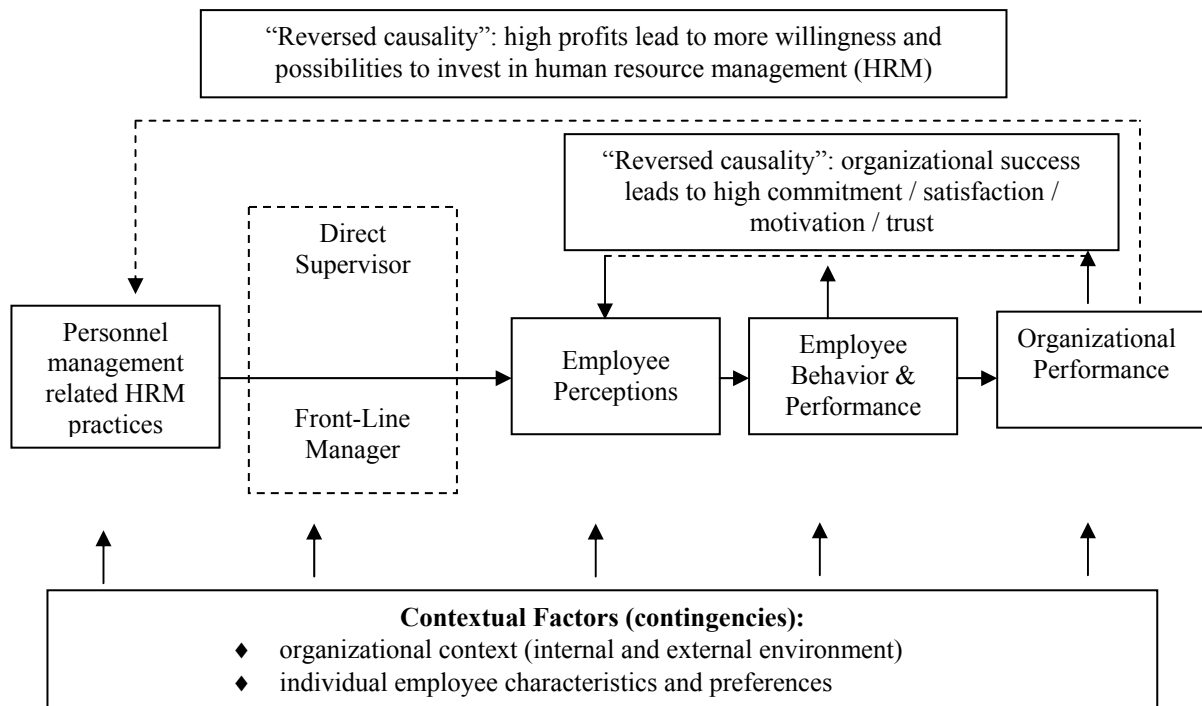
**Fig. 1. Multifactorial personnel evaluation model**

However, multifactorial personnel evaluation model does not evaluate employees who develop their knowledge not only in their field but also in other, i.e.

related fields. This knowledge may be specifically needed in a change-oriented organization when working conditions change, etc.

In the performance evaluation model of Den Hartog, Boselie and Paauwe (2004) (please refer to Figure 2) it is argued that unanimous set of HRM practices used for performance management affects employees' perceptions and attitudes, and it is stated as well that front-line managers play a very important mediating role when implementing these practices. Employee perceptions and attitudes affect employee performance, which in turn affects organizational performance. The reversed causality and some of the contingencies are also addressed by the model. Overall strategy, business strategy and even HRM strategy is not included in the

model for two reasons. First of all, there is still little empirical evidence for a link between (a) business strategy and HRM strategy, and (b) HRM strategy and HR practices or bundles of HR practices. Second, the model is intended to be as clear and parsimonious as possible. For the same reason, the organizational performance box was not further refined. Obviously, distinctions are possible between more proximal outcomes such as productivity, turnover and more distal financial performance measures. However, for the set purposes, organizational level outcome measures are placed together.



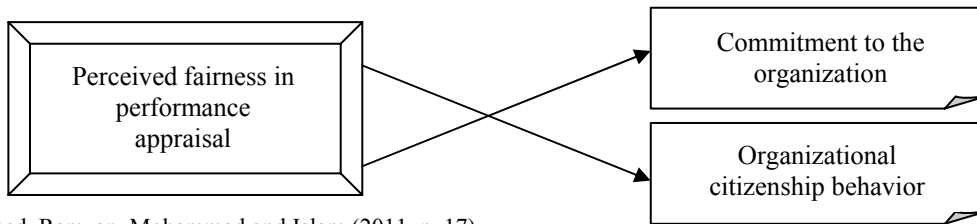
Source: Den Hartog, Boselie and Paauwe (2004, p. 562).

**Fig. 2. Model of the HRM and performance relationship from a PM perspective**

In comparison to other models, employee perceptions become clearer. Reversed causality becomes apparent between employees and managers. The role of direct supervisors becomes more pronounced.

Ahmed, Ramzan, Mohammad and Islam (2011) have created and tested the structural model (please refer to Figure 3), according to which commitment to an organization takes an intermediary place between the perceived fairness of performance appraisal and organizational citizenship behavior. Several important conclusions were made during the research: first, perceived fairness in performance appraisal is positively and significantly related to commitment to an organization and organizational citizenship behavior. Second, commitment to an

organization determines the organizational citizenship behavior of public sector employees. Third, commitment to an organization plays a mediating role between the perceived fairness in performance appraisal and organizational citizenship behavior. Finally, during this research the link between the perceived fairness in performance appraisal and its impact on the organization was analyzed. Empirical and theoretical review of the research shows that employees' perception of fairness and their reaction usually creates the chain reaction that can affect profit of the organization. Thus, the thorough analysis of organization fairness in performance appraisal can become an efficient performance evaluation mean both for organization and employees helping to achieve their goals.



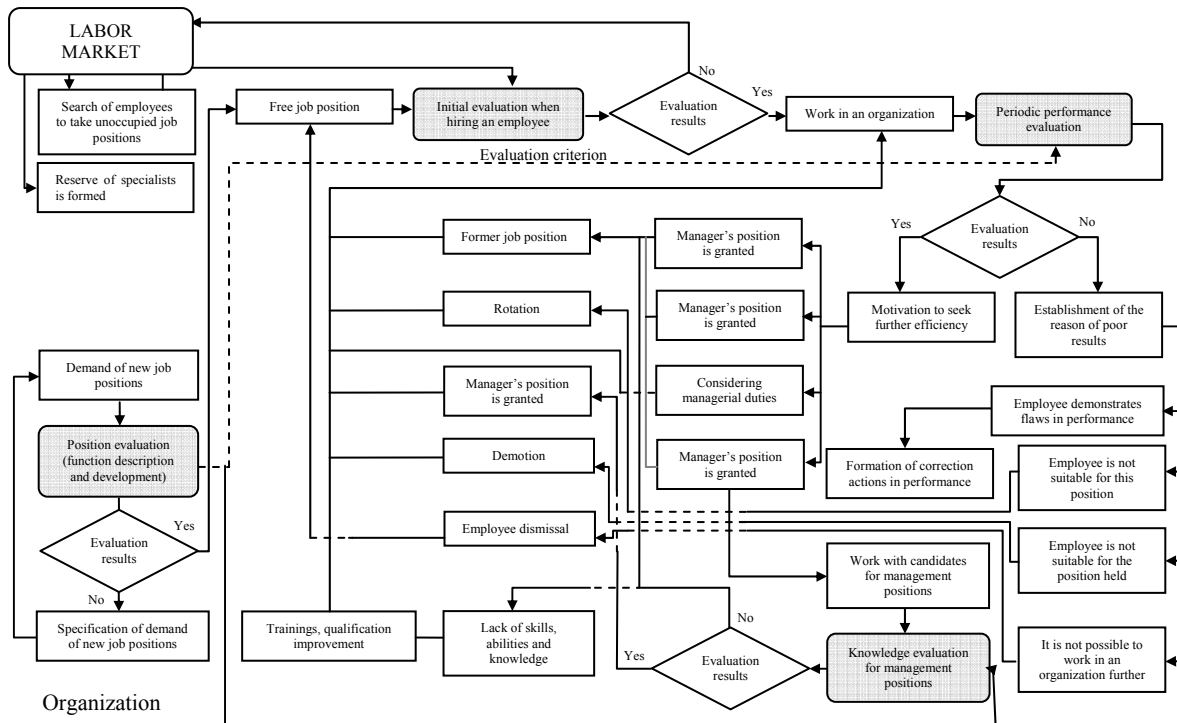
Source: Ahmed, Ramzan, Mohammad and Islam (2011, p. 17).

**Fig. 3. Mediating role of organizational commitment**

Thus, model of mediating role of organizational commitment comprises a narrow aspect of employee evaluation. In this model only the *fair* employee evaluation is emphasized, and other parameters are disregarded.

Ozerov (2008) presents a comprehensive human resource evaluation model in consideration of organizational performance. The model created by the author is integrated in the overall organization management control. It is indicated that the steps of human resource evaluation depend on one another (please refer to Figure 4). Complex personnel evaluation is achieved by the implementation of algorithms (a program) involving the following stages: position evaluation; evaluation of personnel hire; periodic personnel evaluation; evaluation of the held position; “suggestion” of personnel management

formalized recommendations based on evaluation results. It should be noted that the evaluation of the position is not a personnel evaluation. Evaluation of the position plays the role of the environment where personnel carries out their performance and it is the basis of evaluation criteria. The position evaluation consists of two stages: description of functions and preparation of evaluation criteria used in other evaluation procedures. This way position evaluation results become the index of personnel hire and the basis of periodic personnel evaluation and holding a managing position. Thus, evaluation according to the position comprises a narrow spectrum of criteria, and this could only be one small part of the evaluation process. Personnel evaluation according to the position is informally linked to position stereotypes.



Source: Ozerov (2008, p. 51).

**Fig. 4. Evaluation system model integrated to human resource management**

Personal qualities and professional experience of an employee is not reflected in this model at all. Public sector theoreticians and practitioners indicate that public sector organizations encounter

the need to improve and modernize the management of organizations. Modernization of public sector organizations is generally based on activity organization, coordination, result

analysis, human resource management and organizational structure (Pichault and Schoenaers, 2003). According to Baird and Meshoulam (1988), Begin (1993), Duberley and Burns (1993)

theoretical works, human resource management models of five types corresponding to various organizational structures are distinguished (refer to Table 1).

Table 1. Typology of human resource management models and organizational structure

HRM elements	Arbitrary model	Codifying model	Agreement model	Value model	Individualizing model
Hiring	Unplanned	Quantitative planning Emphasis on the recruiting process	Collegial employee validation	Selection process based on socialization mission	Skills planning Emphasis on the selection process High turnover
Dismissal	Dismissed at will	Early retirement	Voluntary; pressure of peers	Exception due to lack of accordance	General actions (unsuitable for position, etc.)
Training	At the work place, informal, oriented	Highly institutionalized	Professionals only	Institutionalized but very significant	Highly institutionalized Long-term training
Appraisal	Informal Intervention through private life	Based on job description, with standardized criteria	Based on criteria described and calculated by co-workers	By personal arrangement	Based on criteria permanently (re)negotiated in accordance with individual skills
Promotion	Informal or absent	Based on seniority or examinations	Based on selection between peers. Time-limited commitment	Based on values Illegitimate	Based on individual merit, personalized career plans
Compensation and benefits	Incidental time-based salary not based on differences	Salary grids, linked to seniority or job classification	Subtle balance between fixed wage, premium for special merits and additional income	Illegitimate	Merit-related and variable pay, many incentives
Working time	Compensated by additional work according to unofficial order	Uniform: clear differentiation between work and extra-work	Total organizational control	No difference between internal and professional field	Negotiated (flexible working time)
Industrial relations	No participation	Delegation principle	Professional associations	No participation	Direct expression principle

Source: Pichault and Schoenaers (2003, p. 124).

The absence of any codifying criteria is characteristic to the arbitrary model (Hornsby and Kuratko, 1990) presented by the authors, therefore, personnel management, evaluation, promotion, etc. is the will of well educated managers. The other aspect is the interference in the employees' personal life and the absence of clear limits between work time and free time. In some cases it is convenient for managers to have a perfect employee, who would work more for the same salary. However, this model is absolutely not suitable in the century of information society, since this attitude towards employees decreases the loyalty to an organization and encourages work search.

Codifying model (Delery and Doty, 1996; Youndt, Snell, Dean and Lepak, 1996) is understood as an attempt to systemize various aspects in human resource management policy. The model is related to impersonal criteria, especially of labor agreements, which are used equally for all members of an organization. This determines the planned personnel management, promotion, seniority and salaries, where salary scales, strict work schedule, regulations, etc. are established automatically. Employees who use all knowledge potential available to them are required for the successful development of an organization. In this case, the codifying model does not prevent

improvement and achievement of better results than it was defined in advance, but does not provide individual promotion for better results as well, and this may decrease the employee motivation gradually.

According to its author, the value model (Jeavons, 1992) raises such issues as salary, promotion, working hours, etc. Human resource management operates in the same mode, substantially relying on the concept of "dedication"; values and good will are constantly reminded. An employee must become a part of an organization, the promotion is related to loyalty, and employees must adjust to the mission and other requirements. One of the characteristics of this model is that in comparison to other models it is not related to a certain activity. This model is very variable, and upon the change in the environment of organizational activity it becomes unreliable and can present perverse results, and this can impair the planning of long-term development of an organization.

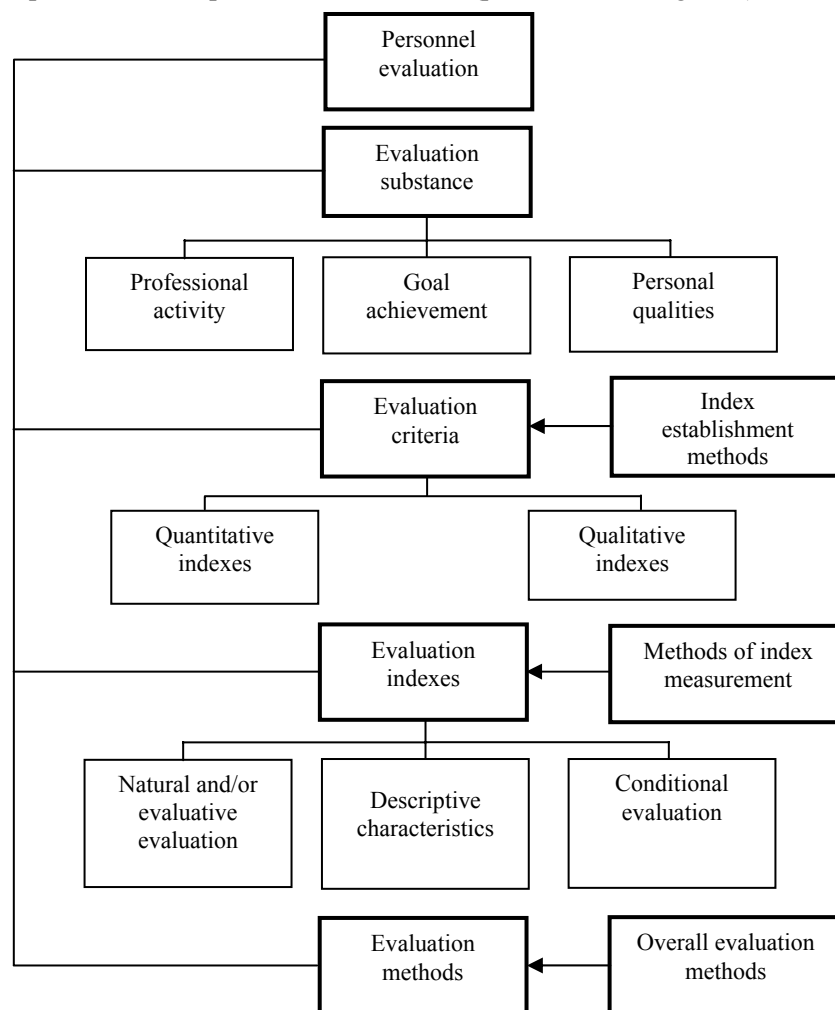
Agreement model (Moore, 1970) is defined by the fact that organization members agree with regard to generally defined context, criteria are used in consideration of discussions during the voting and election (tenure) when establishing the regulation, employment confirmation is performed on a collegial

basis, and promotion criteria are established collectively; position responsibility is imposed for a limited period after the election. After the discussions, salary policy establishes a subtle balance between an efficient salary scale, “premium for special merits”, etc. Since human resources are the crucial factor of economic and social growth in an organization, individual employee motivation is not encouraged according to this model. Therefore, this model reminds a bureaucratic culture in an organization, when the promotion is provided without the definition of merits.

Individualizing model (Delery and Doty, 1996; Bolwijn and Kumpe, 1996) is based on social relations personalization criteria, the negotiations are held by interpersonal agreement between a hierarchic line and personnel, each employee is given consideration, various conditions are adjusted to easily, career plans are based on achieved personal goals and specific skills, variable salary is based on policy (merits), working hours are flexible, etc. In market economy it is necessary to take individual employee’s abilities into consideration, since the point of view prevails that

human resources increase efficiency and productive performance in an organization, and this creates mutual benefit and value.

Gizatulin and Novikova (2012) present the complex human resource evaluation model. The following is evaluated in this model: *professional activity* – complexity, efficiency, work quality; *achievement of goal indexes* – quantitative and qualitative result, individual contribution and contribution to overall results of the department and organization, proximate and collateral results; *personal qualities* – professional and personal qualities of employees: knowledge, skills, character traits, level of their expression, assimilation of one or another functions. Evaluation criteria: quantitative indexes (work performance); qualitative indexes (personal traits). Evaluation indexes – measurement units, presentation: natural and/or evaluative; conditional: points, ranks, dimensionless values; descriptive characteristics. All essential labor resource evaluation systems are reduced to a unanimous conceptual model (please refer to Figure 5).



Source: Gizatulin and Novikova (2012, p. 3).

Fig. 5. Complex model of human resource evaluation

Organization has to motivate employees purposefully, increase their job satisfaction, and this is not provided in this model. It is presumable that job satisfaction will determine the competitive advantage of an organization and will have impact on the growth of economy and work performance. It is not substantial to define clear goals in order for employees to understand their roles and means to carry out their tasks, but it is very important for them to understand the essence of evaluation.

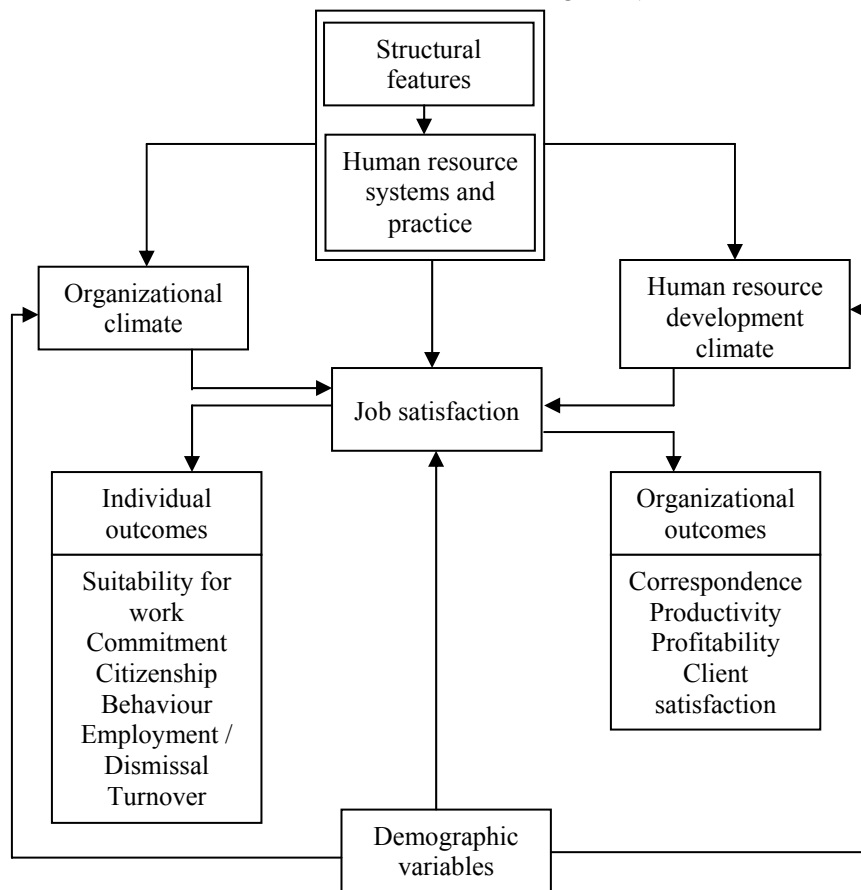
Podinovskii (2000) presented multi-criteria problem solution model, which is expressed with a mathematical notation, for the assessment of human resource evaluation complex model:

$$(S, K_1, \dots, K_m, R). \quad (1)$$

Here  $S$  is the evaluation of many things;  $K_m$  is the evaluation criteria;  $R$  is priority to the one helping to model the priority to the person making the decision.

Performance indexes are evaluated further using the significance of quality-quantity theory. This model does not evaluate the course of performance consistency, e.g., contribution of each employee to the final result. This model diminishes job satisfaction, disrupts the climate of an organization and individual motivation. This can be explained by the fact that the efficient performance of every employee is very hard to evaluate when establishing work productivity as employees are involved in problem solving. It is possible to make an assumption that this model is suitable only in non-complicated performance conditions, which are impossible nowadays.

Ravichandran (2011) created the conceptual model of organizational structure and human resource system and practice outcomes (please refer to Figure 6).



Source: Ravichandran (2011, p. 632).

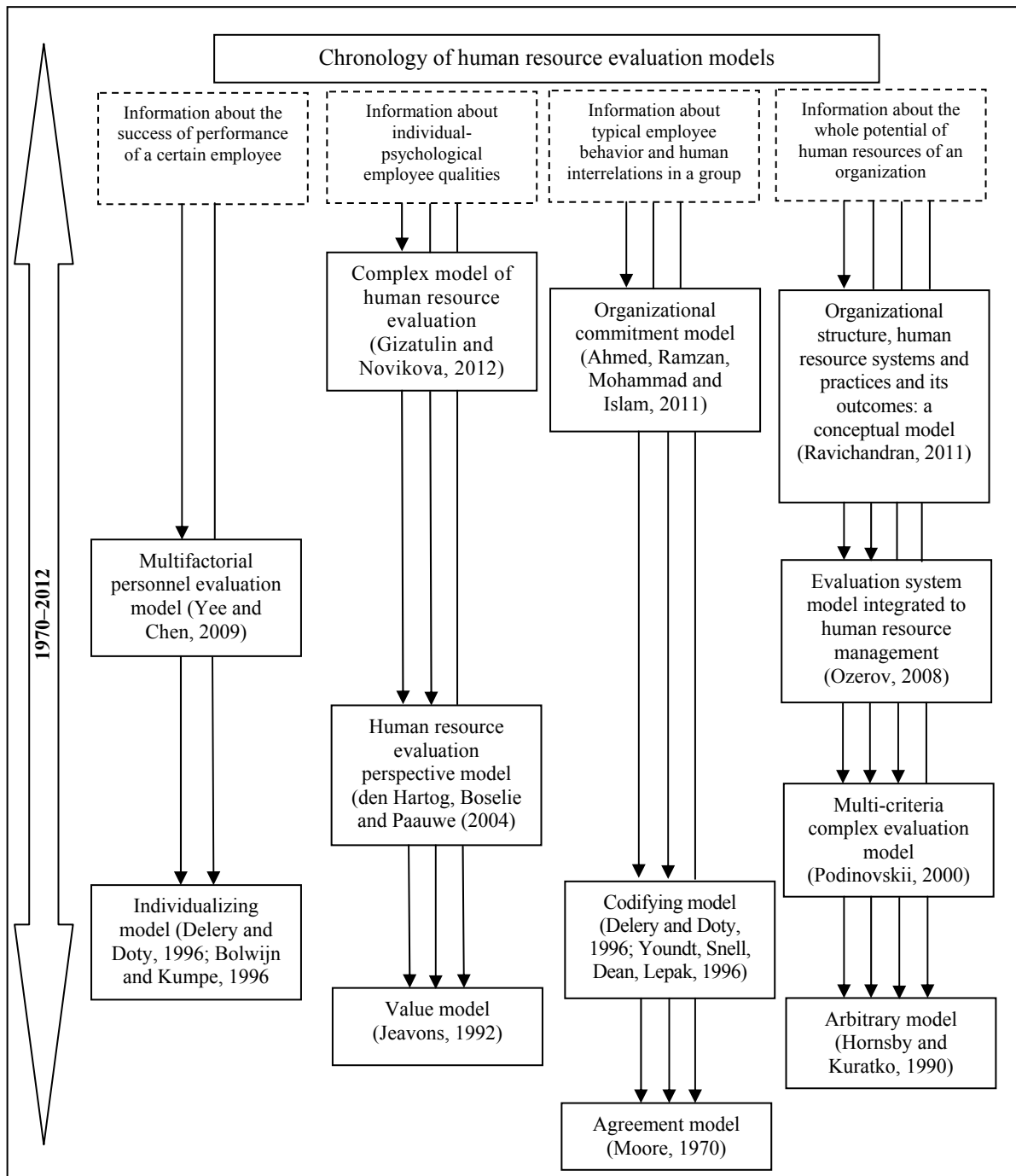
**Fig. 6. Organizational structure, human resource systems and practices and its outcomes: a conceptual model**

It was established during the research that structural features of an organization and human resource system and practices could make significant impact on the organizational climate, conditions of human resource development climate and job satisfaction. Also it was established that a strong connection exists between climate perception and job satisfaction, which in turn

affects the results of both employees and organization. The conceptual model suggested by Ravichandran (2011) is created based on (Venkat, 2005, is cited) theoretical statements of structural and behavior model. According to the evidence obtained by academic research, the model suggested by Ravichandran (2011) combines structural features and climate of an organization,

personnel management systems and employee attitude towards results both on the individual and organizational level.

Human resource modelling chronology exhibiting the development of the concept is presented below (Figure 7).



Source: Comprised by the authors.

**Fig. 7. Chronology of human resource evaluation models**

Successful development of an organization depends on the available human resources and information about people of the organization and their possibilities. In order to achieve goals set by the organization, the qualified staff is required that determines the speed of social development. The improvement of organizational image, engaging of talented employees and the existence of a long-term vision determining fast economic and social growth is

not provided in this model. If it becomes apparent that strategic goals of the organization and employees do not correspond, it is possible to foresee that employee motivation and job satisfaction is changing.

**2. Advantages and disadvantages of human resource evaluation methodology**

What information is required to evaluate human resources? Authors of various countries (Tihonov,



Pishculin and Kovalevskii, 1993; Lipatov, 2001; Shekshnja, 2002; Kirpatrick, 2006; Arthur, 2008; etc.) indicate that for now there are no adequate employee job descriptions and organizational performance models of various levels. Four types of significant information described as follows are distinguished: *information about the success of performance of a certain employee*. The obtaining of such information is based on the business method of personnel evaluation used by most of the scientists; *information about individual-psychological employee qualities*, which allows judging about the potential possibilities of an employee. The obtaining of such information is based on psychodiagnostic procedures, which methods are widely presented in academic literature; *information about typical employee behavior and people interrelations in a group when mutual tasks are solved*. The obtaining of such information is based on the use of experimental evaluation procedures, and there is no unanimous opinion on their content and implementation technologies; *information about the whole potential of human resources of an organization*, which is obtained by comparing information of first, second and third types to organizational goals, features and development perspectives. Authors indicate that the necessity to collect the information of all named types is determined by the digression from understanding the personnel evaluation content as a fragmental use of traditional methods, and it is required that those methods be included in the unanimous complex social-psychological technology in the diagnostics of human resource potential.

Many authors analyzed the system of human resource evaluation in public sector developing in Lithuania during recent decades (Gustas, 2003; Pivoras and Dapkutė, 2004; Lobanova and Chlivickas, 2009; Daujotaitė, 2009; Guogis, Gudelis, 2009; Kaselis and Pivoras, 2012; etc.), and they indicated the necessity to modernize the traditional administration culture by replacing it with new methods.

Lobanova and Chlivickas (2009) indicated that the system of evaluation of professional performance of public service employees made its first steps only in the middle of 2002 in Lithuania. The main legal acts validating job descriptions and evaluation methodology of public service employees, as well as public service employee evaluation criteria were approved at that time, etc. In 2004, the strategy of public administration development until 2010 was approved providing the main tasks set for the public sector. However, Pivoras and Dapkutė (2004) noticed that the professional performance evaluation model was imperfect and had to be corrected, criteria, methodology and procedure constituted preconditions for high evaluation subjectivity, and evaluation links to

career were not fully provided. In 2010 new resolution of the Government of the Republic of Lithuania on the rules of conferment of qualification classes to public service employees and evaluation of professional performance of public service employees, as well as public service employee professional performance evaluation criteria was adopted. Siugzdinienė (2008) has established that the correspondence between the theoretical model of strategic human resource development system in the context of public management reform and current human resource development system in Lithuanian government institutions is limited, human resource development system is not strategically mature, and most of indicators confirming the existence of characteristics providing possibilities to the system are not obvious.

In 2012, the new Public Management Improvement Programme of 2012-2020 was approved. It was acknowledged that until there are no established minimal service quality standards and clear arrangements between service users and service suppliers, and legitimate service quality expectations are not developed for the society, the bureaucratic culture will still present, and employee performance will be directed towards the process, not the result achievement. When organizing the public management, the orientation is towards quality management methods. Moreover, it is planned to improve some public service employee selection and evaluation procedures. In the recommendations prepared by the Civil Service Department evaluation terms, procedures and process course is provided. The routine evaluation is planned once, at the end of a calendar year. However, the methodology does not protect from the assessor's subjectivity, partiality, opportunity to apply unequal standards and give significance to inessential results. The conclusion formulated earlier by Vanagas and Tumėnas (2008) that the evaluation is carried out according to criteria that are more characteristic to new public management than traditional public administration, and the nature of performance is traditional public administration is still relevant. As Kaselis and Pivoras (2012) state, public service employees themselves are also not in a hurry to assess positively the new evaluation order according to the results; some system implementation elements are considered sceptically or even with mistrust. Insufficient involvement and insubstantial participation of subordinates as equal partners when forming performance tasks is perceived. This may become an obstacle to successful future operation of the mechanism of reward according to the results.

When analyzing the problematics of public sector, the problem of competence also becomes apparent, especially when public service employees are evaluated by managers appointed by the manner of

political trust, who come from various fields, having obtained various education, and frequently encounter the system of evaluation in public sector for the first time. Considerable amount of time may be needed to comprehend the evaluation model and process.

It is expedient to evaluate human resources according to many criteria, including individual abilities, experience and employee characteristics affecting the organizational performance quality. Many evaluation methods can be applied to evaluate employees in an organization (Tagliaferri, 1978; Wilson, 1997; Stankeviciene and Lobanova, 2006; Bakanauskiene, Staniuliene and Maziliauskaite, 2008; Dessler, 2012; etc.), etc. Nowadays the so-called *assessment center (AC) method* is used very frequently in order to evaluate employees; its positive characteristic is that this is not only an evaluation but personnel training mean as well. AC is a systematic, thoroughly planned, multiday personnel selection and evaluation method. Horton (2006) presents a 360-degree evaluation method, where multidimensional approach involves experts, subordinates, external

“clients” and management. This system is used to evaluate employee performance comprehensively. This way it is possible to avoid subjectivity and open the path to a more balanced evaluation of all fields of activity. This method is used very frequently in public sector. Universal evaluation does not discern employees by their positions and is suitable for both employee and manager evaluation.

Dmitrenko et al. (2002) indicate that the reliability of chosen evaluation methods is established according to several reliability degrees of one or another method. Those are as follows: accounting accuracy using the method of criteria and factor evaluation, the possibility to account all factors, degree of objectivity of evaluation results using the method, and the opportunity to obtain quantitative evaluation indexes. The degree of reliability of evaluation methods is established using coefficients and expressing the proportion between the advantages of factual quantitative methods and their possible maximum number, when the fluctuation is from 0.2 to 0.7. The highest qualitative results are characteristic to the evaluative coefficient method. Its high labor intensity can be eliminated by formalizing and automating evaluation procedures.

Table 2. Advantages and disadvantages of personnel evaluation methods

Evaluation method	Criteria defining evaluation advantages*										Method reliability	
	1	2	3	4	5	6	7	8	9	10		
Biographical	x	x										0.2
Method of free verbal or written characteristics	x	x										0.2
Method of critical events	x	x										0.2
Implementation evaluation	x	x										0.2
Group discussions	x	x	x									0.3
Standard method	x	x	x									0.3
Matrix method	x		x	x					x	x		0.5
According to the prepared form	x		x	x			x					0.4
Method of estimates	x		x	x	x		x	x		x		0.7
Method of established employee grouping	x		x	x	x		x	x		x		0.7
Testing method	x		x	x	x	x	x	x				0.7
Ranging method	x	x	x	x	x	x				x		0.7
Pair comparison method				x	x	x		x		x		0.5
Method of established points	x	x	x		x	x	x	x		x		0.8
Method of free points			x	x	x		x	x		x		0.6
Method of graphic profile	x		x	x	x		x		x	x		0.7
Method of coefficients	x									x		0.9

Notes: 1 – simplicity, 2 – low labor intensity, 3 – clarity of system criteria, 4 – possibility to account all criteria, 5 – obtaining of quantitative results, 6 – result objectivity, 7 – complex solution of all evaluation tasks, 8 – settlement formalization, 9 – evaluation automation possibility, 10 – correspondence to business evaluation principles

Source: Dmitrenko, Sharapatova and Maksimenko (2002, p. 119).

Organization managers frequently carry out a superficial employee evaluation basing it on the information provided by unofficial sources, without using any evaluation methods or giving regard to the importance of evaluation, limiting themselves only to “good” or “bad”. Manager’s time and funds assigned for the evaluation procedures are saved this way.

### Conclusions and discussion

Upon analyzing academic literature, the optimum model, which would be oriented to the development of post-Soviet states’ public sector employee commitment to an organization combined with the culture of service to society and community interaction was not found.

In a model aiming at optimality, the fairness of evaluation of public sector intentions cannot dissociate with commitment to an organization and citizenship. Since commitment to an organization takes an intermediary place between the perceived fairness of performance appraisal and organizational citizenship behavior, this must be reflected in the evaluation methodology as well. In business, this is one of the factors determining profit, and in public sector, this determines quality of service and job satisfaction.

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Traditional administrative culture prevailing in Lithuanian public sector also limits the opportunities of human resource development and their more efficient use when providing public services. Public sector reform taking place in Lithuania in the latter decade and attempts to improve it, seek higher performance efficiency and interaction with the society did not change the traditional attitude towards public sector management. There are still gaps in the evaluation system allowing subjectivity, partiality, personal and political motives of assessors to manifest themselves and confront public interest.

Assessment center method and other methodologies adapted upon evaluation of disadvantages and applied in the private sector, as well as involvement of additional competent assessors in the currently existing model could be used in order to reduce subjectivity.

Although authors analyzing the problematics of public sector recommend applying the new public management concept, its practical realization is still problematic, since it is necessary to improve the legal framework of the state in order to implement changes.

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