The Effectiveness of Position Analysis Questionnaires (PAQ) in Performance Appraisal Systems

By: Talatu Muhammad Barwa
Table of Contents

Introduction ......................................................................................................................... 2
Research Question ............................................................................................................. 2
Aims and Objectives ........................................................................................................ 2
Purpose of the study ......................................................................................................... 3

Literature Review ............................................................................................................. 4
Position Analysis Questionnaire (PAQ) ................................................................. 4
The Evolution of Position Analysis Questionnaires ............................................. 5
Strengths and Limitations ......................................................................................... 5
Performance Appraisals ............................................................................................. 6
Need for Performance Appraisals ........................................................................... 7
Performance Appraisal Methods ............................................................................. 8

Methodology .................................................................................................................. 9
Research Design .......................................................................................................... 9
Sampling ....................................................................................................................... 10
Questionnaire .............................................................................................................. 11
Limitations of Research Methodology ............................................................. 14
Ethical Considerations ............................................................................................ 15
Validity and Reliability ............................................................................................ 15

Findings .......................................................................................................................... 17
Questionnaire Results ................................................................................................. 17
Position ......................................................................................................................... 17
Job Analysis Methods ................................................................................................. 18
PAQ Relevancy ............................................................................................................ 18
PAQ Uses ...................................................................................................................... 18
Performance Appraisal Time-scale ........................................................................ 19
Performance Appraisal Methods ............................................................................ 19
PAQ Elements ............................................................................................................. 20
Cross-Referencing PAQ with Performance Benchmarks .................................... 20
PAQ for Compensation Management ................................................................. 20
PAQ and Training Programs .................................................................................... 21
PAQ Invalidity ............................................................................................................ 21

Exploratory Findings .................................................................................................. 21

Discussion ........................................................................................................................ 23
Questionnaire Evaluation ......................................................................................... 23
Summary ..................................................................................................................... 26

Conclusion ...................................................................................................................... 27

References ...................................................................................................................... 29


Introduction

This research paper examines the effectiveness of position analysis questionnaires (PAQ) in performance appraisal systems, focusing on the employment of job analysis methods to review and assess employee work performance. As the human resource function evolves towards strategic and international perspectives, the need for determining suitable performance appraisal methods is highly crucial. We will undertake an exploratory approach to uncovering the applicability of PAQ as a job analysis method towards performance appraisal of employees. Our research will comprise of a questionnaire designed to collect data from HR managers of organization, pertaining to the employment of position analysis questionnaires towards appraising of employee performance. Furthermore, the research incorporates secondary data to build on past literature reviewed, focusing on analytical discussions regarding the efficacy and validity of PAQ in performance management systems.

Research Question

What is the effectiveness of Position Analysis questionnaire (PAQ) in Performance Appraisal of Employees?

Aims and Objectives

- Highlight the applicability of PAQ results in designing of performance appraisal methods
- Examine significance of PAQ job analysis methods in contemporary performance management systems
- What are the most important elements of PAQ, in relation to reviewing and assessment of work-related performance
• Assess the reasons why PAQ may be ineffective in performance appraisal of employees, focusing on the weaknesses of job analysis methods

Purpose of the study

The purpose of this study is to gather insights and offer arguments that assess the use of PAQs in performance appraisal systems of organizations. Identifying the role of position analysis questionnaires in contemporary human resource functions will allow greater understanding of its contribution to appraisal of employee performance. Furthermore, addressing the prevailing of preferences and practices of organizational appraising systems will allow us to highlight if personnel management functions entail the use of job analysis methods in managing employee performance.
Position Analysis Questionnaire (PAQ)

The position analysis questionnaire is the most widely applied job analysis instrument, adapting a worker-oriented approach to gathering and analyzing job information. The purpose of the PAQ is to identify general job characteristics, and is primarily employed by human resource and personnel functions of organizations (Aamodt, 2012, pp. 56-58). The PAQ is not used by human resource functions for operational purposes, such as work design or training programs, due to its generalized perspective on job analysis. However, the prime applications of PAQ extend towards recruitment and selection, job grading, and career development. As organizations engage with vast amounts of applicants for job openings or position replacements, the PAQ allows capturing of the candidate’s job skill level and job characteristics (Schuler, Farr, & Smith, 2013, pp. 78-80). This information allows matching of required elements with the employment opportunity, and so validly predicts to some extent the suitability of applicants.

The PAQ is also used for job grading purposes, referring to the practice of undertaking comparisons between applicant and employees (Noyes, 2001, p. 159). Thus, PAQ results can aid in setting standards, useful in benchmarking the skills and knowledge of candidates. PAQ’s application to career development purposes entails the analysing of job characteristics to evaluate future potential and relatedness to senior level positions (Guion, & Highhouse, 2006, pp. 41-45). As PAQ is designed to generalize analysis of job positions, its applicability cannot extend towards technical or industrial professions. The lack of context in results limits the practicality to human resource and personnel functions. This limit, however, entails ease of use for organizations worldwide. Thus, the validity of PAQ rises as diverse organizational entities can generalize in their personal manner (Hurst, 2008, p.n.d.).
The Evolution of Position Analysis Questionnaires

The PAQ is an evolving document, as it has undergone multiple revisions to cater for the global developments and contemporary business environments that prevail in organizational settings (Aamodt, 2012, pp. 56-58). Alterations made were in the form of additions, deletions and modifications; incorporating findings from ongoing research. The 1989 version entailed 187 items, referred to as job elements, each describing behaviour. Since then, undertaken revisions have resulted in a new version which was published in 2005. This most recent PAQ includes 300 items, and still focuses on describing what the worker does (Guion, & Highhouse, 2006, pp. 41-45). This shows how incorporating major changes over the last two decades still does not account for the results of worker’s job performance.

The PAQ’s item list or ‘job elements’ can be categorized into six divisions. These include information input, mental processes, and work output, relationship with others, job context and other job characteristics (Guion, & Highhouse, 2006, pp. 41-45). However, the revisions carried out in 2005 result in a new version with eight divisions. These comprise of supervisory and managerial responsibilities, world of work, cognitive skill and ability demands, people demands, information and data demands, work output, physical demands, and enhanced analysis input (Hurst, 2008, p.n.d). It is clear that the new version accounts for the economic and workplace development prevailing in contemporary business contexts. Thus, this increases the standardization ability of PAQ in conventional environments.

Strengths and Limitations

The results of PAQ can be too general, making it difficult to apply to training and performance appraisal functions (Aamodt, 2012, pp. 56-58). However, organizations employ the
PAQ method to job analysis as it is inexpensive and relatively takes little time to conduct. Furthermore, through computer analysis, the method can be compared with thousands of other positions. This practice improves its reliability, through incorporating diverse analysis methods. The lack of complexity in questions and required competency allows the PAQ to be used in jobs ranging from automobile repairmen to restaurant waiters (Schuler, Farr, & Smith, 2013, pp. 78-80). PAQ methods rose to fame due to its accessibility and easiness for human resource functions, and now is a crucial part for the selection process.

Although the PAQ method has received considerable support from the job analysis community, its major strengths are also perceived at its key weaknesses. As the PAQ questions and directions are designed at a graduate level, applicants possessing an educational background less than the equivalent of a college graduate level will pose invalid results (Hurst, 2008, p.n.d). This is the reason why it is recommended that trained analysts carry out tests rather than incompetent applicants. Another drawback of the PAQ is its limit to six dimensions, representing lack of sensitivity and applicability to divergent job profiles. Another key point is to realize the required resources part of conducting PAQs, entailing a major drain on analyst’s time and capabilities (Hurst, 2008, p.n.d). Lastly, with any sort of questionnaire, there is a high chance of response bias. This cannot be directly tackled with, and so may alter the true outcome of PAQ methods.

Performance Appraisals

Performance appraisal is the practice of reviewing and discussing an employee’s work performance, in relation to assigned and delegated duties and responsibilities. The appraisal practice relies on results obtained through reviewing job performance, not the worker’s personal
attributes (Goel, 2012, pp. 14-36). The primary rationale for conducting performance appraisals is performance management, which aims to appraise results both effectively and objectively. The term performance appraisal cannot be generalized, due to its reliance on job context and variable definition of best performance.

Performance appraisals are formal in nature, systematically structured to measure and evaluate job related behaviour and performance outcomes (Attroney, 2007, pp. 2-20). The objective is to discover underlying reasons for job performance, and develop effective measures that direct future performance towards employee, organizational and societal benefits. Performance appraisal’s relationship with job analysis derives from setting of performance objectives, and thus the assessment of achieving these objectives (Aggarwal, & Thakkur, 2013, pp. 617-620). Without the practice of job analysis, it will be impossible to conduct performance appraisals.

Need for Performance Appraisals

Edwin Flippo defines performance appraisal as a systematic, periodic and impartial rating of an employee’s excellence, in relation to an employees’ existing job or potential for better employment opportunities (Goel, 2012, pp. 14-36). The need for undertaking appraisals can be highlighted through the uses of results gathered from appraisal methods. These applications comprise of setting performance objectives, assessing past performance, assess training and development needs, assist in career planning decisions, and establish communication channels. Performance appraisal forms part of the employee engagement process, as it represents the organization’s interest to assess and plan an employee’s work related performance (Attroney, 2007, pp. 2-20).
The goals of conducting performance objectives are primarily developmental use and administrative decisions (Hope, & Player, 2012, pp. 345-347). These cover the identification of strengths and weaknesses, whilst evaluating opportunities for career development. Furthermore, performance appraisals are carried out for organizational maintenance, covering aspects of human resource planning, systems evaluation and reinforcement of performance needs (Aggarwal, & Thakkur, 2013, pp. 617-620). Lastly, organizations carry out performance appraisals for documentation purposes, relating to validation research and legal requirements.

Performance Appraisal Methods

Methods of performance appraisal can take either a past-oriented or future-oriented approach to assessing employee performance (Aggarwal, & Thakkur, 2013, pp. 617-620). The past-oriented methods primarily employed by organizations include rating scales, checklists, critical incidents and essay methods. These tactics allow assessment of past performance through setting criterion based benchmarks. On the other hand, future oriented methods appraise performance in order to assess potential and prospects for preceding HR and employment decisions (Aggarwal, & Thakkur, 2013, pp. 617-620). These methods include management by objectives (MBO), assessment centres and 360-degree feedback.

Questionnaires are used by supervisors conducting performance appraisals to offer the role of a checklist presenter (Goel, 2012, pp. 14-36). The checklist approach to assessing performance is not believed to be reliable, due to emergence of biased opinions as supervisors pose positive and negative views on employees. Therefore, compiling reliable questionnaires is a complex task, and thus cannot pose effectiveness in performance appraisal methods.
Methodology

This section focuses on the research methods undertaken to gather all relevant and required data regarding our research topic. The aim is to identify all instruments and approaches employed, whilst analytically reviewing the need and applicability of each method. Through provision of rationales for chosen research instruments, we will highlight the strengths and potential limitations of research methods in relation to our research topic. We will define the ways in which information is gathered and interpreted for the purpose of this study.

Methodology is viewed as a philosophical framework employed to collect and interpret data (Saunders, Lewis, & Thornhill, 2011, pp. 480-550). Research methodology depends on the purpose of the study to evaluate the best alternatives available for collecting and interpreting data. It is vital to understand that each research method poses a sole attempt to investigate the research problem at hand.

Research Design

The research design follows an exploratory research approach, employing primary and secondary data to prove effectiveness of PAQs in performance appraisal systems. Our primary research will rely on findings from a questionnaire, filled out by HR managers of organizations that frequently conduct job analysis and performance appraisals. The questionnaire will be designed to assess the validity and relevancy of PAQs in performance management practices, whilst assessing the trend of organizations that employ PAQs in their job analysis methods.

Due to the deductive nature of our research, we will also carry out secondary research to explore the prevailing nature of PAQ in HR assessment functions. This part of our research will build on the literature review, aiding in analysis of stimulating examples to assess the
effectiveness of PAQs in performance appraisal of employees. Through observing relevant findings from contemporary journal articles and published books, we will uncover organizational preferences of PAQs in recent business context.

The research undertaken will mostly rely on collection and analysis of qualitative data, focusing on rich descriptive information to investigate the research topic (Kothari, 2011, pp. 31-55). Deploying qualitative data will aid in interpreting assumptions held by contemporary organizations, whilst allowing for a research focus on secondary data available in journal and book publications. The questionnaire will be designed to entice opinionated responses from HR managers, whilst assessing quantitative aspects of PAQ usage. Furthermore, the analysis of secondary data will need a qualitative focus, in order to interpret descriptive trends of prevailing job analysis methods.

**Sampling**

Our research deploys convenience sampling tactics to identify organizational subjects, allowing higher accessibility and proximity as a researcher (Kothari, 2011, pp. 31-55). This non-probability sampling allows greater reach towards HR departments of organizations, and permits effective generalization of results. Our sample size will range from 100-150 organizations, and will deliver questionnaires through postal services and walk-in delivery. The sample type is based on organizations with large workforces as it entails a higher probability of job analysis and performance appraisal systems.
Questionnaire

The questionnaire designed to collect primary data for the purpose of our research is as follows:

- What is your current position in the HR department of your organization
  - Department Head
  - Senior manager
  - Mid-level manager
  - Assistant Manager

- Which job analysis methods does your organization employ
  - Observation
  - Interviews
  - Position Analysis Questionnaires (PAQ)
  - Checklists
  - All of the Above

- How relevant is PAQ as a job analysis instrument
  - Highly relevant
  - Relevant
  - Not relevant
• What is the main use of PAQ results in your organization
  o Recruitment and selection
  o Job grading
  o Career development
  o Calculating Pay rates

• How often does your organization appraise the performance of its employees
  o Annually
  o Semi-annually
  o Quarterly

• What performance appraisal methods does your organization employ
  o Rating scales
  o Checklists
  o Management by Objectives
  o 360 Feedback

• Do any of these methods employ findings from previously conducted PAQs
  o Yes
  o No

• If you answered yes, please indicate how PAQ results have aided in designing
  performance appraisal methods (max 100 characters)
• Mention which elements of PAQs are most relevant to performance appraisal systems in your organization
  o Information Input
  o Mental processes
  o Work output
  o Relationship with others
  o Job context
  o Other job characteristics

• Has your organization ever cross-referenced PAQ elements with performance-based benchmarks to assess individual performance
  o Yes
  o No
  o Not recently

• Does your organization use the PAQ for compensation management (calculating pay rates)
  o Yes
  o No
  o Not Recently

• Are training programs in your organizations designed to cater for lack of skills and knowledge discovered in analysis of PAQ results
  o Yes
Why do you think PAQs are not a valid and reliable method for appraising employee performance in your organization

- Six Dimension Limit
- Job Analyst Drain
- Invalidity of results
- Lack of transferability

Limitations of Research Methodology

In order to understand the limitations of our chosen research methodology, we need to first look at the weaknesses of conducting questionnaires. Firstly, the design of questionnaires makes it difficult for researchers to examine complex opinions (Saunders, Lewis, & Thornhill, 2011, pp. 480-550). Using agree-disagree extents or close-ended questions limits the descriptive potential of responses. The second limitation arises as the researcher cannot be present at the time when HR managers are filling the questionnaire, giving rise to issues of misunderstanding and inaccurate interpretation (Labaree, 2013, p.n.d). Questionnaires lack validity, and do not account for respondent incompetency (Bergh, & Ketchen, 2009, pp. 210-310). Furthermore, self-selecting samples for handing questionnaires may give birth to organizational bias.

The use of secondary data in our research methodology will also pose certain limitations, as the information may pose vague and too generalized (Labaree, 2013, p.n.d). Gathering data from journals and books may also be outdated, and not specific to the research topic.
Furthermore, as the secondary data available was initially published for diverse purposes, its validity can be of concern. Our research will also face challenges of interpreting questionnaire responses due to the existence of open-ended questions. Thus, the questionnaire offers multiple types of questions to cater for competency level of respondents.

Ethical Considerations

There are a few ethical concerns that the research methodology needs to take in account. The first consideration deals with the voluntary participation of employees, focusing on the need of high response rates for research purposes (Labaree, 2013, p.n.d). For our research, this implies that researchers need to contact multiple HR managers to ensure a voluntary participation of respondents. This consideration is widely known as informed consent, and is the first part of developing an ethical relationship with respondents. Another ethical consideration is of confidentiality, focusing on protection of respondent’s identity when applying and interpreting research findings (Labaree, 2013, p.n.d). The research also needs to consider if the response of HR managers may cause potential harm to the respondents job or individual status. When conducting research through questionnaires, HR managers will also need to be aware of the original purpose of the study, addressing the respondent’s awareness of research problem at hand.

Validity and Reliability

The principles of validity and reliability are fundamental cornerstones of researcher methodology. The concept of validity incorporates the entire experimental concept, and determines whether the findings of research conducted meet all of the specific requirements of
the scientific research method (Saunders, Lewis, & Thornhill, 2011, pp. 480-550). The validity of research instruments is therefore established through catering for all of the needs of the research problem or topic. On the other hand, reliability refers to the consistency and repeatability of findings derived through research methods. Thus, our research will only prove reliable if other researchers derive on the same findings and conclusion as we do. The validity and reliability of research findings is vital for developing an accurate hypothesis, and providing basis for further research. For the purpose of our research, we need to enforce content validity and instrument reliability.
Findings

This section analyses the findings gathered from the questionnaires filled out by HR managers. A total of 98 respondents filled out the questionnaire, and all questions were properly addressed. The findings do not uncover the identities or personal associations of the respondents; however they represent a reach of almost a hundred different organizational settings. The second part of our findings section highlights various developments in the HR function, allowing for strategic uses of PAQ in organizational settings. Through exploring contemporary published research, we have gathered a few findings that enhance our argument. Once we discuss the findings, the next part will discuss and critically analyse the results gathered and form an effective argument regarding the effectiveness of PAQ in performance appraisal of employees.

Questionnaire Results

Position

The first question concerned the specific position of the respondents, asking what level they held in the HR function of their organization. Since only 98 respondents were questioned, it was significant to discover what power was possessed by the HR managers.

<table>
<thead>
<tr>
<th>Position</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Department Head</td>
<td>5</td>
</tr>
<tr>
<td>Senior Level Manager</td>
<td>10</td>
</tr>
<tr>
<td>Mid-Level Manager</td>
<td>32</td>
</tr>
<tr>
<td>Assistant Manager</td>
<td>51</td>
</tr>
</tbody>
</table>
Job Analysis Methods

The second question addresses the methods that the organization employs/has employed in the past. The responses show how more than half of the responding organizations have deployed all methods, and so pose valid in search for PAQ effectiveness.

### Methods

<table>
<thead>
<tr>
<th>Methods</th>
<th>Count</th>
</tr>
</thead>
<tbody>
<tr>
<td>Observation</td>
<td>4</td>
</tr>
<tr>
<td>Interviews</td>
<td>25</td>
</tr>
<tr>
<td>Position Analysis Questionnaire</td>
<td>11</td>
</tr>
<tr>
<td>Checklists</td>
<td>6</td>
</tr>
<tr>
<td>All of the above</td>
<td>52</td>
</tr>
</tbody>
</table>

PAQ Relevancy

The third question relates to the perceived relevancy of PAQ as a job analysis instrument, covering the HR manager’s view on PAQ effectiveness in general.

### PAQ Relevancy

<table>
<thead>
<tr>
<th>Relevancy</th>
<th>Count</th>
</tr>
</thead>
<tbody>
<tr>
<td>Highly Relevant</td>
<td>20</td>
</tr>
<tr>
<td>Relevant</td>
<td>49</td>
</tr>
<tr>
<td>Not Relevant</td>
<td>29</td>
</tr>
</tbody>
</table>

PAQ Uses

The third question addresses the organization’s application of PAQ in HR functions. This question is vital to our argument as it clearly categorises how organizations view PAQ effectiveness.

### PAQ Uses

<table>
<thead>
<tr>
<th>Function</th>
<th>Count</th>
</tr>
</thead>
<tbody>
<tr>
<td>Recruitment and Selection</td>
<td>20</td>
</tr>
<tr>
<td>Job Grading</td>
<td>11</td>
</tr>
<tr>
<td>Career Development</td>
<td>22</td>
</tr>
<tr>
<td>Calculating Pay Rates</td>
<td>45</td>
</tr>
</tbody>
</table>
Performance Appraisal Time-scale

This question was general in nature, and designed to assess the priority organizations give to assessing and reviewing employee’s performance. The results aid in interpreting how organizations view their workforce, and the importance they place on performance management.

<table>
<thead>
<tr>
<th>Time-Scale</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Annually</td>
<td>20</td>
</tr>
<tr>
<td>Semi-annually</td>
<td>27</td>
</tr>
<tr>
<td>Quarterly</td>
<td>51</td>
</tr>
</tbody>
</table>

Performance Appraisal Methods

This question asks the respondent about the performance appraisal methods employed by their organization. The question is designed to uncover if methods employed can apply PAQ results in reviewing and assessment of employee performance.

<table>
<thead>
<tr>
<th>Method</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Rating Scales</td>
<td>25</td>
</tr>
<tr>
<td>Checklists</td>
<td>18</td>
</tr>
<tr>
<td>Management by Objectives</td>
<td>15</td>
</tr>
<tr>
<td>360 Feedback</td>
<td>40</td>
</tr>
</tbody>
</table>

The next question asked respondents if any of the methods they have indicated use information from previously conducted PAQs. The responses suggest that only 28 HR managers applied data from PAQs towards performance management systems. Thus, this means that 71 percent of respondents don’t believe that PAQ is an effective measure in performance appraisal of employees.

To the 28 respondents that do apply PAQ results in performance appraisal measures, the next question requested them to indicate how they apply the data. Almost all the responses suggested that they use it to determine how the employees have developed since they gave the
test. Furthermore, they suggested that due to the standardized nature of the PAQ, the results can be applied to determine how the labour market values the employee.

**PAQ Elements**

The next question asked respondents which PAQ elements they believe to be most relevant to performance appraisal systems in their organizations.

<table>
<thead>
<tr>
<th>Element</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Information Input</td>
<td>15</td>
</tr>
<tr>
<td>Mental Processes</td>
<td>22</td>
</tr>
<tr>
<td>Work Output</td>
<td>21</td>
</tr>
<tr>
<td>Relationship with Others</td>
<td>15</td>
</tr>
<tr>
<td>Job Context</td>
<td>23</td>
</tr>
<tr>
<td>Other Job Characteristics</td>
<td>2</td>
</tr>
</tbody>
</table>

**Cross-Referencing PAQ with Performance Benchmarks**

The next question addresses whether the HR managers have ever cross-referenced PAQ elements with performance based benchmarks in their organization.

<table>
<thead>
<tr>
<th>Response</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Yes</td>
<td>30</td>
</tr>
<tr>
<td>No</td>
<td>60</td>
</tr>
<tr>
<td>Not Recently</td>
<td>8</td>
</tr>
</tbody>
</table>

**PAQ for Compensation Management**

The next question asked respondents if they have ever used PAQ for compensation management purposes (specifically calculation of pay rates).

<table>
<thead>
<tr>
<th>Response</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Yes</td>
<td>54</td>
</tr>
<tr>
<td>No</td>
<td>12</td>
</tr>
<tr>
<td>Not Recently</td>
<td>32</td>
</tr>
</tbody>
</table>
PAQ and Training Programs

This question addressed whether the organization’s training programs were designed through data gathered from PAQ results.

<p>| | |</p>
<table>
<thead>
<tr>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Yes</td>
<td>22</td>
</tr>
<tr>
<td>No</td>
<td>60</td>
</tr>
<tr>
<td>Not Recently</td>
<td>16</td>
</tr>
</tbody>
</table>

PAQ Invalidity

The last question addresses the HR manager’s view on why PAQS are not a valid for performance appraisal systems

<p>| | |</p>
<table>
<thead>
<tr>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>6 Dimension Limit</td>
<td>30</td>
</tr>
<tr>
<td>Analyst Drain</td>
<td>18</td>
</tr>
<tr>
<td>Standardized Nature</td>
<td>10</td>
</tr>
<tr>
<td>Lack of Transferability</td>
<td>40</td>
</tr>
</tbody>
</table>

**Exploratory Findings**

In pursuit of determining the effectiveness of the position analysis questionnaire in performance appraisal of employees, research indicates how contemporary organizations and HR functions divergently apply PAQ data. Through evaluating the relation between job analysis methods and compensation management, it is discovered that PAQ is used as a statistical determination of how the labour market values employee characteristics (Phllips, & Gully, 2013, pp. 303). This means that as organizations refrain from subjective judgements of jobs’ compensable factors, PAQ data poses great validity in determining market value of employee’s required compensation level. This shows how PAQ is ineffective in performance appraisal of employees, but proves effective in compensation management (Wilson, Bennet, Gibson, & Alliger, 2013, pp. 248-250).
Performance appraisal practices require a subjective and contextual base to assess review employee performance, and thus cannot derive effective data through statistically analysing PAQ results. The standardized nature, therefore, limits organizational ability to reference PAQ deficiencies with performance checklists (Phillips, & Gully, 2013, pp. 303). Furthermore, exploring limitations of job analysis methods allows understanding of the fact that the analyst’s competency in PAQ cannot be transferred to performance appraisal systems. Thus, there is a lack of consistency when it comes to analysing job analysis data towards performance management practices.

The descriptive orientation adapted by people taking the PAQ also limits its potential for effectiveness in assessment of employee’s performance (Wilson, Bennet, Gibson, & Alliger, 2013, pp. 248-250). Therefore, even though organizations can use PAQ data to review employees’ performance, they cannot accurately assess if the performance has developed or shrunk over a period of time. This shows how organizations need to implement newly-developed methods of MBO and 360-feedback to assess performance thorough contextual and subjective basis.
**Discussion**

*Questionnaire Evaluation*

Responses to the first question primarily identify the seniority and experience of respondents. As the results show mostly mid-level and assistant managers responded to the questionnaire, our analysis may lack credibility due to lowered expertise, knowledge and experience in employing PAQ job analysis method towards performance management systems. This also probes that new-age HR managers have little awareness of PAQ effectiveness.

Analysing responses to the second questions indicate that more than half of HR functions have had experience with PAQs, and that only 12 percent of HR managers solely rely on PAQs as a job analysis method. The responses also suggest that most HR managers use a mix of job analysis methods, representing the lack of sole confidence in PAQ or any other method.

The following question’s responses uncover the perceived relevancy of PAQ, and the results indicate that over 60 percent of respondents believe PAQs to be effective in nature. This uncovers the fact that HR managers are aware of the benefits of PAQs; however, they cannot extend this perception to the performance management systems embedded in their organization.

The fourth question is the start of our research investigation, identifying the types of applications organizations have developed for PAQ results. To prove the effectiveness of PAQ in performance appraisals, we needed more responses favouring job grading and career development practices. However, the results indicate that the majority of PAQ results are used for calculating pay rates, indicating the effectiveness of PAQ in compensation management. This builds on our findings through exploratory research, which represents statistical analysis of PAQ to calculate how the labour market values employees. Thus, the lack of PAQ data application
towards workforce development indicates the ineffectiveness of PAQs in performance appraisal of employees.

The next question was designed to measure the importance HR managers place on performance appraisal systems. The responses justify the aim through indicating that more than half of responding managers carry out appraisals on a quarterly basis, representing the priority to review and assess employee performance. The respondents’ preferences of appraisal systems show that any measuring of PAQ effectiveness is justified as the organizations questioned prioritise performance appraisal methods. Thus any lack of consideration for PAQs indicates organisational preference for other performance appraisal methods.

The following questions responses are significant to our research as responses that favour checklists would indicate that PAQ methods may be used to develop performance based benchmarks for appraising employee performance. However, less than 20 percent of HR managers employ checklists, indicating the lack of PAQ application in performance appraisal methods. Furthermore, preferences of 360-feedback and rating scales indicate a new-age appraising system, limiting the use of traditional PAQ methods.

The next two questions directly ask the respondents about their use of previously collected PAQ data, and the responses suggest that over 70 percent of HR managers have had no experience or exposure to the application of PAQ data toward performance management systems. It is understood that those that do apply PAQ data towards HR functions narrow it to the purposes of reviewing individual development. This does not entail an assessment of worker performance and so fails to depict if the worker has surpassed or deviated from initial performance perceptions. Furthermore, HR managers indicate preference for using PAQ to standardize labour market valuation of employees.
The next question concerning relevancy of PAQ elements was designed to measure the respondents understanding of underlying PAQ aspects. If the results indicated work output as highly relevant, effectiveness of PAQ towards performance appraisals could be proved. However, the results do not favour a single element, and so prove ineffective to our research.

The next three questions directly relate to PAQs effectiveness in performance benchmarking practices, compensation management, and training programs. Our analysis of findings is based on the majority of responses, and so concludes through a probability concept. Over 60 percent of responses indicate that their organizations have not employed PAQ data to cross reference performance benchmarks. Therefore, the results uncovered in the recruitment processes cannot be applied to manage the performance of employees. The lack of PAQ applicability towards performance benchmarking indicates the lack of effectiveness in assessing employee work performance.

The next question, addressing applicability of PAQ towards compensation management, indirectly asks respondent the ineffectiveness of PAQs in performance appraisal of employees. The responses indicate a high usage of PAQ in compensation management, representing the applicability of PAQ in HR functions preceding the appraisal of employees. As the question specifically measures the effectiveness of PAQ in calculating pay rates, the responses highlight the organizational preference of using PAQ data for rewards rather than performance management.

The last question was the final attempt to connect PAQs with performance appraisal, through its application in training programs. However, the results further prove PAQ ineffectiveness, through indicating organization’s lack of preference to apply PAQ in training programs. This can be understood in the sense that organizations and their HR functions do not
use results from job analysis methods towards assessment and development of organizational
talent.

The last question’s responses highlight the reasons why HR managers perceive PAQs to
be ineffective in appraising employee performance. The majority of responses suggest that the
lack of transferability is the main reason, uncovering the underlying reason why the
organizations that participated do not apply PAQ data towards appraising of employee
performance.

Summary

Firstly, as less than 70 percent of subjects approached filled out the questionnaire, it
highlights the possibility that over 30 percent of HR managers were not aware of PAQ methods.
Thus, analysing the responses gathered from the questionnaire aids in highlighting the
ineffectiveness of PAQs towards performance appraisal practices. The responses also indicate
the organizational preferences, in terms of job analysis and performance appraisal methods.
Therefore, we can validly argue that contemporary human resource functions do not employ
PAQ data in assessment of employee performance, and thus rely on new-age methods to manage
performance.
Conclusion

Conclusively, we have understood that the position analysis questionnaire (PAQ) is still a well-established and reputable method of job analysis. The contemporary environment for human resource functions, however, has evolved the needs of job analysis methods. This development has led to conventional methods that cater for the contextual nature of job roles, and so cannot effectively apply standardized approaches to analysing jobs. Furthermore, we have discussed how organizations have revamped performance appraisal systems, allowing for higher employee engagement and incorporation of participatory practices. Therefore, the emergence of MBO and 360-feedback has reinvented the underlying requirements embedded in performance appraisal systems.

Our primary research represents a falling preference for PAQ as a job analysis instrument, and highlights the organizational preferences though a human resource perspective. The data collected through questionnaires provide valuable insight into the prevailing methods of job analysis and performance appraisal employed by contemporary human resource functions. For example, the responses clearly show the lack of awareness held by HR managers pertaining to the relevancy of PAQ in multiple applicable practices, highlighting the probability of PAQ being outdated in conventional performance management contexts. More importantly, the results indicate that personnel management systems have incorporated new-age performance appraisal methods, which do not derive information from job analysis methods. Lastly, there is no indication that contemporary organizations align job analysis methods with performance appraisal systems.

Furthermore, exploring secondary data to depict the prevailing significance of the position analysis questionnaire allows understanding of how the development of the human
resource function has led to the reduced effectiveness of PAQ. In fact, newly published data suggests that the sole application of PAQ data is to statistically measure the value of an employee through a labour market viewpoint. Thus, we can argue that the effectiveness of PAQ has shifted due to the development in personnel management discipline, allowing for divergent potential implications of job analysis methods.
References


