



# **On Organizational Management Through Evaluation Systems**

## **Effective Evaluations Systems, Ineffective Evaluation Systems**

As long as an organization is organization, an evaluation system of some sort cannot be avoided.

By formulating an effective evaluation system, workers' motivation can be awakened, enabling the organization as a whole to grow. On the other hand, an ineffective evaluation system may itself become a hotbed of dissatisfaction and mistrust within an organization, a situation which is not unlikely to cause collapse.

These documents will serve as an introduction to the formulation of an evaluation system that is connected to the growth and development of organizations.

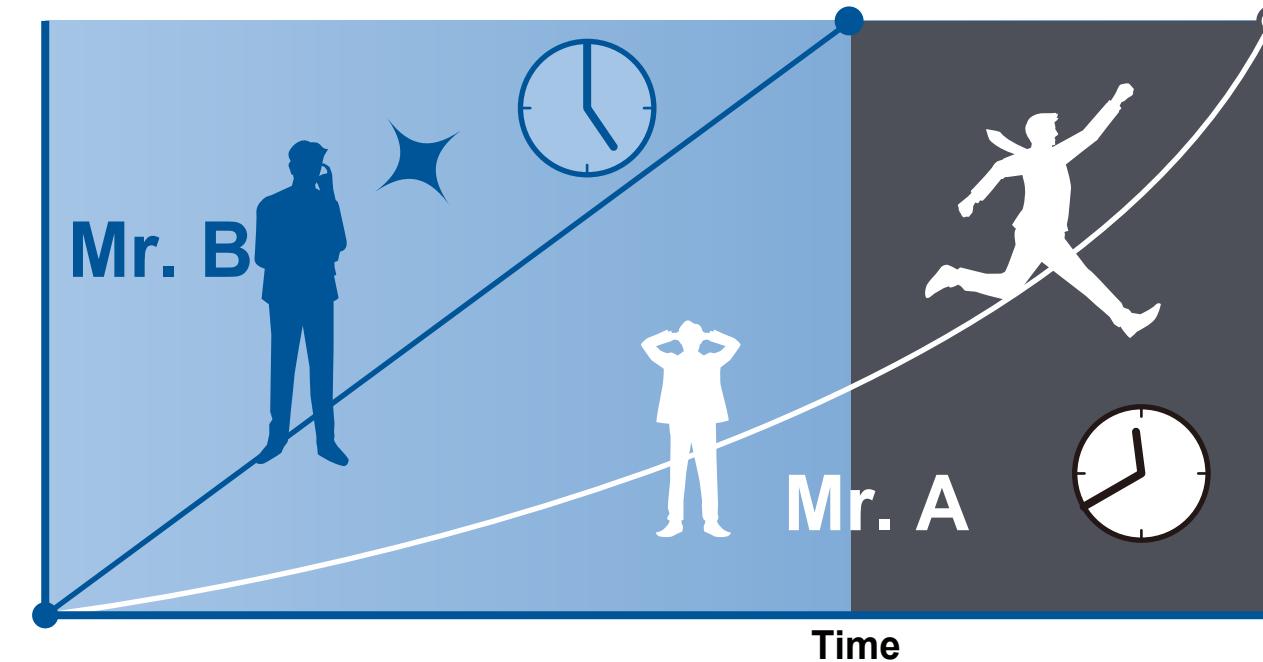
# Ineffective Evaluation Systems =

**Factors other than numbers determine one's evaluation. One's evaluation shifts depending on personal factors.**

In a given organization, Mr. A and Mr. B are two workers who both produce the same results. While these two individuals produce the same results, Mr. A works later into the evening than everyone else, but Mr. B finishes his work within the set work time.

Regardless of these two individuals producing the same results, in many organizations, 'Mr. B who is working so hard' would receive the more favorable evaluation.

Such an evaluation system would not only give Mr. B a relatively inferior evaluation, but would also give the mistaken sense of values that working beyond one's set working time is connected with a higher evaluation.



- ▶ **This ultimately leads to the result of a bad influence on performance within the organization.**

# Effective Evaluation Systems =

**The same clear metrics are used for evaluation, regardless of who is being evaluated.**

In an organization that uses an effective evaluation system, the most important characteristic is that the standards required for receiving a high evaluation are clear. In addition, the standards for reaching the objectives are quantified numerically.



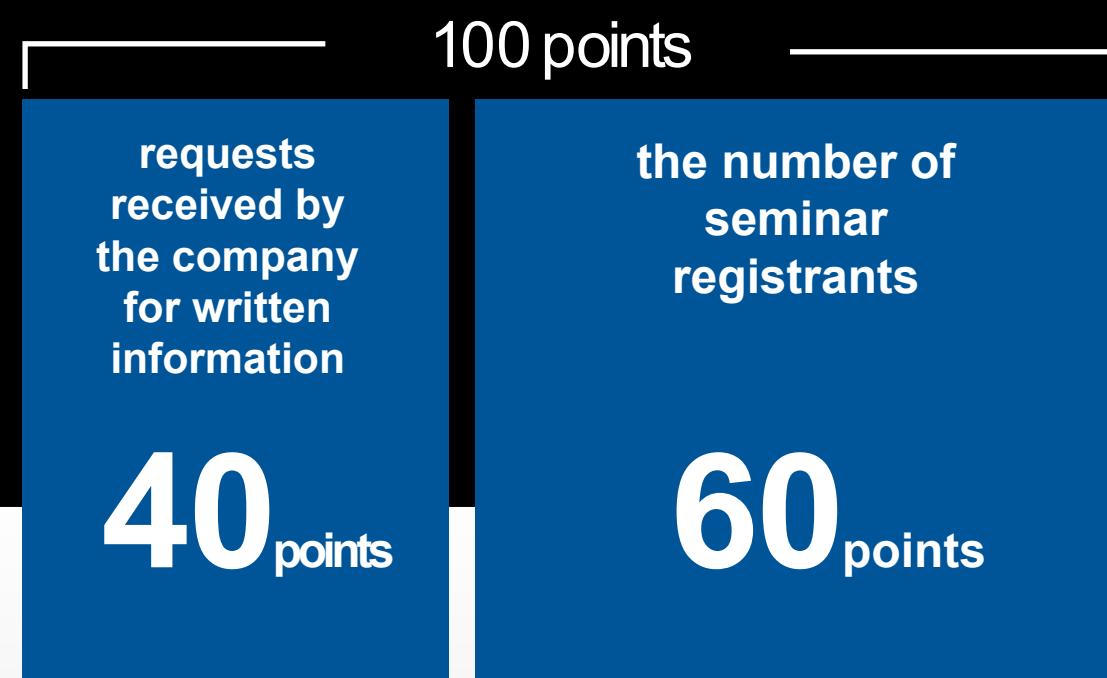
- ▶ **One's motivation will be properly pointed in the direction of the intended outcomes and a high evaluation, so that everyone in the organization will be able to contribute to its development.**

# Examples of Effective Evaluation Systems Through the Establishment of Clear Numerical Targets

## An Example From the Marketing Industry

In an effective evaluation system, work is begun quantified standards have been clearly set and understood. Here we present an example of an employee in charge of marketing.

In Shikigaku's evaluation system, objectives are set in which the objectives together add up to 100 points. In the case of this person in charge of marketing, there are two criteria, 'requests received by the company for written information' which is worth 40 points, and 'the number of seminar registrants' which is worth 60 points.

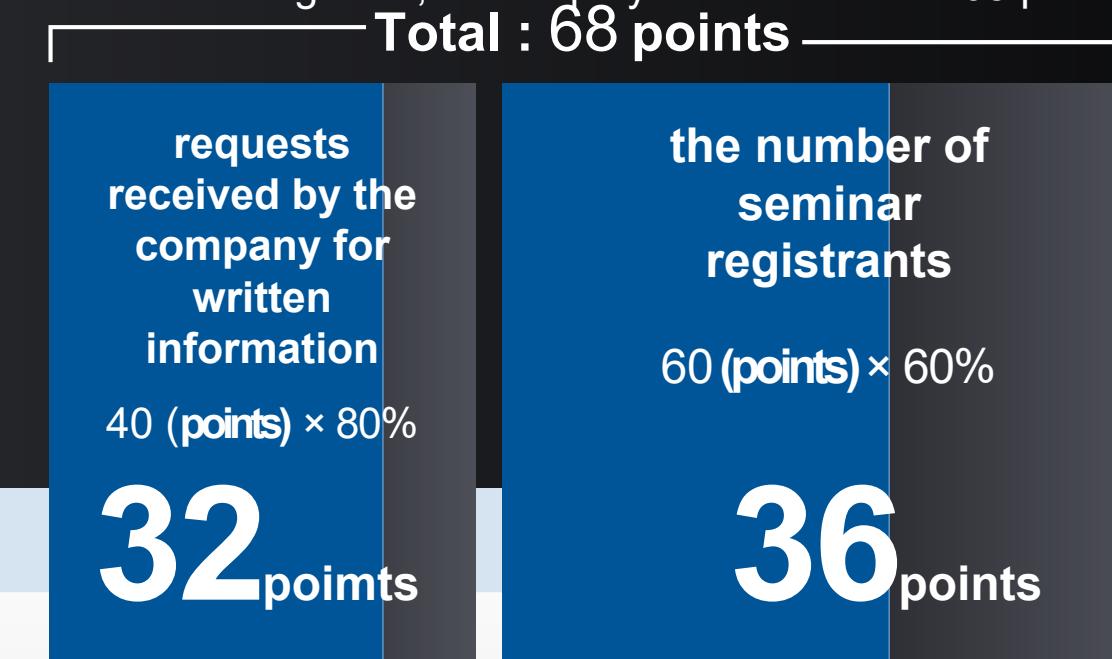


## Example of Points System

We describe the standards for receiving 100% in each of the two criteria that make up the employee's objectives. For the criterion concerning the number of requests received for company documents, we make 100 such requests received the standard for receiving the full 40 points it is worth. Thus, if the employee receives 60 requests, then this represents a 60% achievement rate, leading to a score of 24 points.

In the image below, the employee has received 80 requests for documents about the company, leading to an 80% achievement rate, and thus 32 points (80% of the 40 points this criterion is worth). There have been 60 registrations in new seminars, leading to 60% achievement rate and thus 36 points (60% of the 60 points this criterion

is worth. Altogether, the employee has received 68 points in his evaluation.



**By using numbers in the evaluation system that represent facts and the reality of an employee's situation and results, it becomes possible to manifest a system in which:**

1. There is not a blurring of evaluation based on personal dynamics between the superior and the subordinate.
2. There will be a lower tendency for dissatisfaction to occur over evaluations

The above condition will lead to a result in which company members' motivation can be harnessed and aimed in the proper direction, leading to growth for both individuals within the company and for the company as a whole. 3

# The Evaluation System That Can Be Started Today

**Let us summarize by going over the main components that make up the Effective Evaluation System.**

- The criteria are quantifiable numerically, and anyone who looks at it can understand the objectives clearly.
- The increase of one's evaluation is dependent on the scope of progress for the stated objectives.

In addition, it is also significant and important that the method of evaluating the criteria is formulated at the time that the goals are set.(The different levels of evaluation are also set clearly in advance. For example, in the case of achieving 100 points, 100 points is equal to an 'S' evaluation, 80 points or above is equal to an A evaluation.)

## To improve the evaluation system from today

1

Check that the objectives are formulated in numerical form, and can be understood clearly by anyone.

Good example: Sales objective \$ \_.

Bad example: Achieve sales higher than the previous year's sales

If the percentage is not clearly stated, an accurate evaluation cannot be given.

2

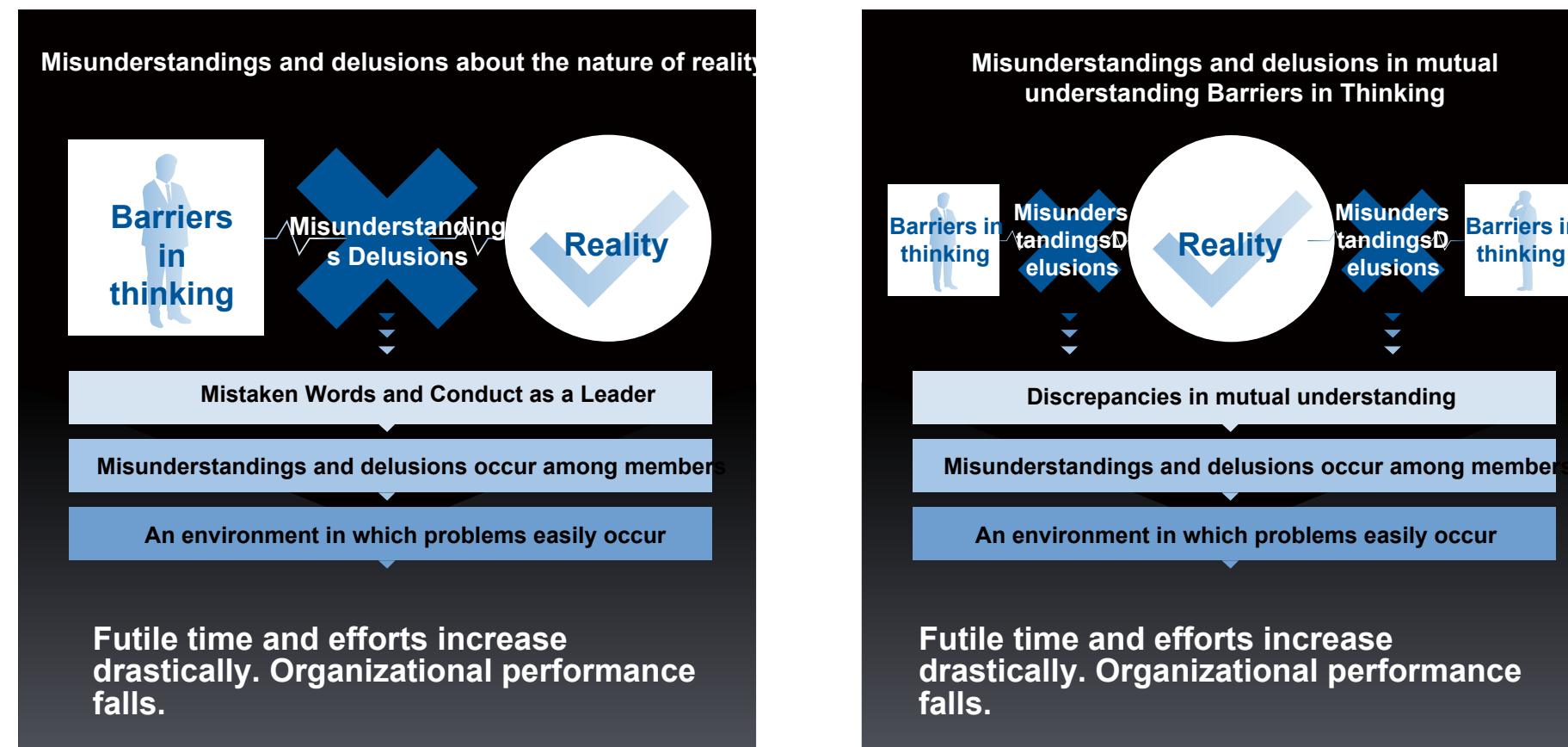
Check that the evaluation is based on the scope of progress.

Good example: Sales of over 1,000,000 yen->S evaluation  
Sales of between 800,000 yen and 999,999 yen->A evaluation  
Sales of less than 800,000 yen->B evaluation

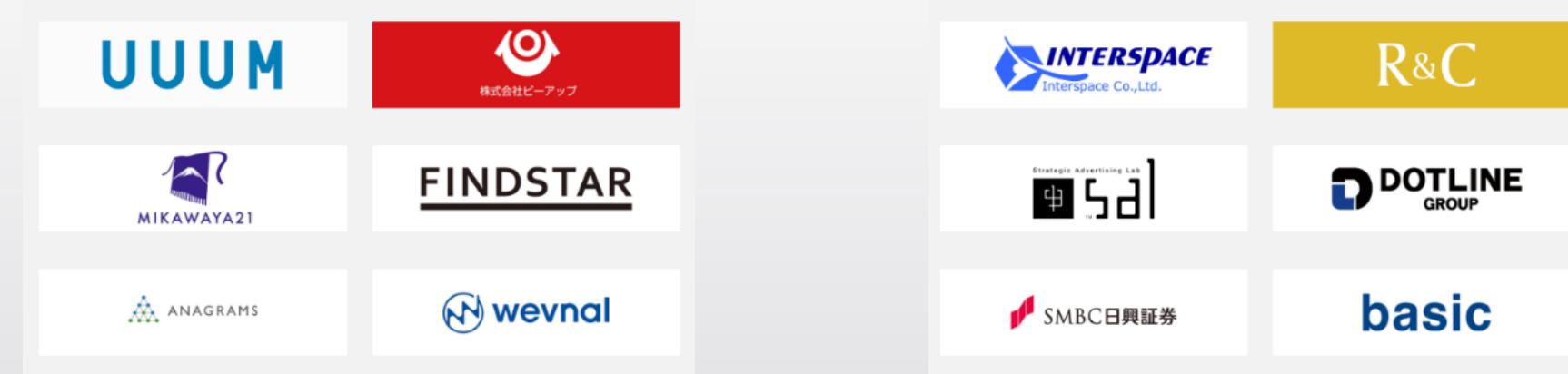
Bad example: The objective is to achieve at least 1,000,000 in sales  
If one does not reach 1,000,000 in sales, the evaluation will be decided upon when such a time occurs.

# What is Shikigaku?

**Shikigaku is a unique system of logical thinking in which the structure of consciousness among people is analyzed in depth, with a focus on their thinking as they move from the recognition of events to action.**



While many may tend to think that there is no right answer to the question of the ideal structure of an organization and its management. However, we strive to provide such a structure, and help companies to achieve the optimal condition for their organization in order to contribute the development of individual members and the company as a whole.  
Presently, over 2,000 companies have adopted Shikigaku's methods in their own management.



# About The Services That Shikigaku Provides

For companies, Shikigaku presently offers 3 types of services, Top Management Consulting, Middle Management Consulting and our Cloud Service. For individuals, we offer our Business School service, and our On-Demand Learning service.



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