Inspira- Journal of Modern Management & Entrepreneurship (JMME) ISSN : 2231–167X, Impact Factor : 2.3982, Volume 07, No. 02, April, 2017, pp. 194-198

PERFORMANCE APPRAISAL SYSTEM: A WAY OF EMPLOYEES GROWTH

Dr. R. K. Tailor^{*} Sukhmeet Bhuller^{**}

Abstract

The performance appraisal is the process of assessing employee performance by way of comparing present performance with already established standards which have been already communicated to employees, subsequently providing feedback to employees about their performance level for the purpose of improving their performance as needed by the organisation. It is the very purpose of performance uprising is to know performance of employee, subsequently to decide whether training is needed to particular employee or to give promotion with additional pay hike. Performance appraisal is the tool for determining whether employee is to be promoted, demoted or sacked (remove) in case of very poor performance and no scope for improvement. Every corporate sector uses performance appraisal as a tool for knowing about the employee and take decisions about particular employee. In this paper, introduction and its related components have been explained after a detailed discussion of the subject matter.

Keywords: Performance Appraisal, Performance Parameters, Performance Rating, Employee Appraisal. Introduction

The goals of an organization can be achieved only if its employees make constant efforts towards this direction. The result of their constant efforts is increasing performance of both the organization and themselves. All the employees want to perform better still an effective performance management is necessary. A performance management system is used to encourage, measure and reward employee's performance. The other term used is performance appraisal which is defined as the assessment of an employee's performance against such factors as quality and quantity of job, job knowledge, traits, initiative, leadership ability, cooperative attitude, dependability, judgement, versatility and so on.

History of Performance Appraisal

The history of formal performance appraisal systems can be traced back to as early as the third century when the emperors of the Wei dynasty (A. D. 22 1-265) appointed an Imperial Rater to evaluate the performance of official family members (Harold Koontz, 1971.) Researchers have reported, however, that performance appraisal for industrial workers was perhaps first introduced in 1 800s, in Robert Owen's Cotton Mills in Scotland. Widespread use of formal appraisal systems started in military and government organizations in the western world in the latter part of the nineteenth century. This became necessary, because of the large numbers of people employed in these organizations and the need for uniformity of standards as well as the need for documentation, which is a normal requirement in governmental administrative systems. The purpose of the system was to make administrative decisions, such as promotion, on an equitable basis of evaluation of people by certain common standards.

^{*} Senior Assistant Professor, Department of Accounting and Taxation, The IIS University, Jaipur, Rajasthan.

^{**} Research Scholar, The IIS University, Jaipur, Rajasthan.