

## PERFORMANCE APPRAISAL: THE MANAGEMENT OF THE KEY ASSET OF THE COMPANY

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### ABSTRACT

*A review of performance appraisal research easily reveals that utmost of the research in this area has concentrated only on artificial and marketable associations especially under normal work terrain. Performance appraisal is a global miracle affecting all professions and certain orders of workers. It's frequently assumed that workers in certain diligence grounded on their nature of work bear further quantum of performance appraisal. Performance is one of the most deliberating particular and organizational problems of ultramodern globe. Challenges posed by the changing business script have assessed workers to perform their task under a veritably compelling situation. The present study adds to the field of appraisal of the workers in the organisation. First, this pioneering study is anticipated to give some direction and a abstract foundation of performance appraisal practices for manufacturing sector. Secondly the study may contribute to research in performance appraisal. By having a standard of how other manufacturing associations are conceptualizing and rehearsing performance Appraisal, a sound knowledge base of Appraisal system across societies may be developed incipiently academic institutions and professional associations may use the information attained in this research to develop and apply performance appraisal systems. The Performance Appraisal, significant within the compass of this study assists in the civilization of appraisal culture for the manufacturing associations for directorial workers. Performance Appraisal plays a important part in human resource operation. Performance appraisal isn't only a theoretical issue. Today it's strategic for the manufacturing associations to establish a well defined Performance appraisal system. The workers have to balance their competitive skills with cooperative skills. The Appraisal system creates a platform for identification of training requirements of the workers in the association. The Appraisal systems aren't just the creation tools but experimental tools for the growth of the workers in the association.*

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**Keywords:** Appraisal, Organisation, Employees, Training, Development, Performance, Business, Growth.

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### Introduction

Performance has come an ineluctable part of human life in recent times in whatever is the nature of job. It makes life more challenging and fascinating if it's excellent. Still, when performance is below the capability of a person, it causes disturbances in his/ her life sphere. Performance appraisal has its roots in the demands of associations. Therefore it's clear that, performance as a conception, it's naturally being which may have salutary or destructive consequences, depending upon how it's managed. There have been numerous incidents, where poor performance has lead to destructive consequences and vice versa; especially among the workers in diligence, it has been set up necessary to carry out this study. This study aims at throwing light on the process of performance appraisal and how it

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can be effectively managed. Hence managing the process of performance appraisal has come a subject of high significance. More operation related to performance leads to a happy and effective work force. Utmost of the associations give further significance on how performance appraisal system to be more effective, more dependable, and completion of performance appraisal reports in time and giving the benefits to the workers on the base of grades attained by them. No operation perceives the problem from hand's point of view i.e. whether the performance reports are really useful to the workers, whether workers do get their asked grade, whether the grades are in relation with the performance of the workers done throughout the time. Hence the need of the study arises.

### **Human Resource Operation: The Key Source of Every Business**

Human Resource Management is the most strategic resource in the association. Workers of the organisation are the structure blocks of the organisation. The land, capital resource requires to run the business are also stand significant but they're inapplicable without the presence of human resource. The human intelligent makes land, machine and capital workshop. The workers of the association are the strategic asset; the human Resource is a resource which can be used again for achieving the objects of the association. Operation of the workers is performed across all the three situations of the scale of the operation. The thing setting in the association are done by workers generally at top position and executed by workers at middle operation and lower position operation. The Human Resource Management has evolved from Personnel Management. In labor force operation the workers are treated as commodity which can be bought and bought. There's lower compass of provocation among workers. The labor force operation is confined to record keeping function and payment operation alone. On the negative, the Human Resource Management integrates the workers at all the situations of operation with emotional intelligence. There's ample compass of hand provocation in case of HRM conception. The Human Resource sect of the association maintains the integrity of Human Resource by adding human face to the association. The Human Resource Management works for the hand optimization. The hand optimization is done by allocating various tasks to the members on the base of their skills. Similar allocation of the tasks ensures that workers are suitable to achieve objects of the association in time and with effectiveness. The hand relations need to be addressed as informal relations are ought to be developed. The formal relations need to be integrated with informal relations so that the working of the association isn't hindered.

### **What is Performance Appraisal System**

The performance assessing process to estimate the performance of the workers is as old as the origin of the business itself. The merit standing system is frequently confined to the immediate superior who evaluates the performance of the hand on certain set of parameters. The frequency of the appraisal is frequently formerly in a time. The evaluation process lead to shifting of performance appraisal process from traditional to development acquainted appraisal. The performance appraisal acted as a fashion to identify capabilities of the hand across various situations of operation. Performance appraisal is the process of getting asked results from workers, brigades and associations, in a asked and agreed frame to achieve excellence at all situations of operation. It's a planning process for the development of the capabilities of the workers by assessing their performance on set norms. The performance appraisal process is a three stage process including setting of pretensions, review of performance and development of capabilities of the workers. Performance appraisal is a nonstop ritual. Organisation regulate the appraisal process with the retired end to estimate the workers. These objects help the association to gain strategic advantage. The performance norms are set up at the strategic position operation and they travel to middle position operation and eventually to lower position operation. The setting of performance norms leads to assessing the reviewer on planned performance parameters. The data collected from appraisal process is employed to identify training requirements of the appraisee. The thing setting of the association is done by inferior participation. The review of performance is done at the medial of the appraisal period or at the end of the appraisal period. The appraisal process is employed for faculty development of the workers by assaying their performance against set norms.

### **Why we Need Performance Appraisal**

Understanding fairness in performance appraisal processes and practices is extremely important for associations because of its relationship with hand's satisfaction and organizational commitment. Comprehensions of workers about the targets, issues and uses of performance appraisal (PA) results would be salutary depending on a number of factors. For illustration, workers are more likely to be open and probative of a given Dad program if they perceive the process as a useful source of feedback which helps to ameliorate their performance. Workers are likely to embrace and contribute

meaningfully to a given Dad scheme if they perceive it as an occasion for creation, and as an avenue for particular development. The performance appraisal can be used as an effective directorial decision tool. Reviewing the performance appraisals, numerous decision and conduct are taken by the operation similar as giving prices to the workers in the form of elevations for having good performance conditions or may be chastising workers having bad performance conditions. On the other hand, if workers perceive a Dad as an unreasonable attempt by operation to exercise closer supervision and control over tasks they (workers) perform, various responses may affect. In this regard, the associations must assure that the performance appraisal process is fair and it concludes the fair results about the performance of the workers.

### **Challenges Created in Performance Appraisal System**

The Appraisal process involves evaluation of the performance of the hand by annotator on certain set criteria. The judgment on the part of the annotator is a tough call to make. The judgment error on the part of the annotator is most common error. The judgment is frequently poisoned on the part of the annotator. The criteria set for the appraisal process are frequently not agreed by the actors which creates problem of prosecution of the performance appraisal. The validity of the appraisal process is the coming challenge. The appraisal should be designed to measure what it ought to get measures. The appraisal process frequently measures inapplicable performance criteria. The validity problems in appraisal process lead to dimension problems. The other issue is trustability of the appraisal system. It means the thickness of appraisal dimension regarding a hand. The trustability creates as question mark on the appraisal process regarding designing of the appraisal. The performance appraisal should measure the performance issues rather than particular traits. The annotator frequently focuses on particular traits of the appraisee which had to biasness on the part of the annotator. It's the skill of the appraisees to separate between particular traits and performance parameters. The focus on the particular traits causes dissatisfaction among appraisees. The appraisal process should promote achievement of association objects and individual objects. This can achieve by collective concurrence of superior and inferiors regarding achievement of pretensions and objects. The planning of the association should include planning of hand growth and association growth through appraisal process. The appraisal generates feedback system in the association. The quality of the feedback is generated by the behaviour of the administrator with the people to be rated. The feedback is a two way communication process between superior and inferior. The superior should allow equal space to the inferiors to express their feelings and passions generating a social system in the association. The effective feedback system satisfies the motivational requirements of the workers. The commitment on the part of the top operation to design and execute the performance appraisal system decides the fate of appraisal process. Appraisal process frequently taken as a promotional tool by the top operation. The experimental perspective of the appraisal is frequently missing on the part of top operation.

### **Shortcomings of Appraisal Process**

The performance appraisal systems are the integral part of the culture of an association. The appraisal system decides the movement of the hand in the scale of the association. There are some issues which are stated as follows:

- **Quality Movement:** The performance appraisal system is the base of quality norms in the association but in the association total quality operation system takes priority over appraisal systems.
- **Negative Comprehensions:** Organizations generally jalopy a culture which is free from bias and fear. The appraisal system occasionally creates a feeling of fear among the workers regarding their creation and growth in the company.
- **Error in Evaluation:** The appraisal process is done by evaluation which frequently occasionally creates error in assessing the inferiors. These crimes lead to defective appraisals leading to disgruntlement among workers.
- **Legal Counteraccusations:** The elevations of the hand depend on appraisal process. The Lacunae in appraisal process can hinder the growth of the workers leading to legal suits by the workers in the association.
- **Performance Pretensions:** The performance pretensions align with appraisal process. The pretensions which challenge the quality of the workers lead to negative consequences on the appraisal process. The pretensions with demanding ethics on the part of the workers leads to disasters consequences.

- **Performance Linked Payment and Pay Envelope System:** Monetary prices are grounded on appraisal systems. The delicacy of appraisal systems to measure the performance of the hand has a direct impact on the rest of the payment packages. The validity issues can hinder the merit pay of the workers.

#### **Suggestions for Betterment of Performance Appraisal System**

It has now been extensively realized that in order to establish a result acquainted performance appraisal process in an associations, the process should be made HRD acquainted. Substantially the performance appraisal system in the organisation is confined to as promotional tool. The effectiveness of a performance appraisal system depends on the extent to which the HRD factors are a part of the system (Design and Content Variables) and how well it's being enforced in the study associations from the view point of the pundits and the appraisees workers mindfulness has to be generated in pre-appraisal period regarding norms of measures. The appraisal process plans the performance of the workers in various crucial areas. The appraisal process should give occasion for probative reviewer and appraisee communication to grease the appraisee job performance. The appraisal should give for self appraisal of the workers. The reviewer and estimate should bandy on various factors which have a direct impact on performance dimension. The appraisal should induce occasion to bandy failures and constraints among the workers. The performance appraisal system should produce compass for assessing the personality factors of the workers having a profound effect on the performance. The review conversations should encourage open communication between superior and inferior. The performance appraisal system should give platform to the workers to express their enterprises on experimental requirements. The appraisal process should act as tool for Grievance redressal medium for the workers. At the functional position the Appraisal system should work on developing trust and co-operation between the reviewer and appraisee. The appraisal process should produce a precious sapience into the strengths and weakness of the workers. The appraisal should concentrate on the relating eventuality for taking up advanced positions. The appraisal process should give for creating platform to communicate pretensions and objects of the association.

#### **Conclusion**

Performance appraisal is one of the best methods of motivating the workers and their all- round development as professionals. It also leads development and achievement of the association's objects in a perfect manner if enforced duly. The system should be veritably transparent in its true sense. The operation part in designing and the administrative part in enforcing the PA system are the most important. During the check done, the workers editorialized that in malignancy of the right to appeal against the reviewer which is granted to the appraisee, the workers efforts that they don't exercise the option for appeal, because of the fear that their Annual Confidential Report might get affected in future as well. It leads to a demoralizing effect on the low players. The appraisee is still, not given any feedback about the grades given to him or the area where he needs to ameliorate; and thus he hardly gets to know what his superior expects from him. Eventually, lack of proper feedback and miscommunication de-motivates the workers and hampers the substance of the system. The conversations on crucial result areas of performance should be done between reviewer and estimate as a part of medial review feedback. The performance appraisal should take the exercise seriously as it affects the overall moral of the workers. Workers should be encouraged to review their performance on their own to work on various factors affecting job performance. The elders should lot ample time to bandy the post appraisal results. The conversations on appraisal results are strategic in enforcing the appraisal process. The reviewer and appraisee should apply experimental measures regarding appraisal results. The training need analysis of workers should be done on the base of appraisal results of the workers. The affair of the appraisal data should be used by the Human Resource Department for experimental opinions. The appraisal data should be used to classify the best players in the associations. The Performance appraisal exercise should be taken not only by Human Resource department but organsiation as a whole. The Appraisal process should grease learning on the part of the elders and inferiors.

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