

Strategy of Performance Evaluation-A Review

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Abstract- Performance appraisal systems are utilized in organizations to assess the effectiveness and efficiency of their employees. A performance appraisal system is essential because each employee possesses a unique approach to tackling work. Performance appraisal aims to enhance work performance, clarify communication expectations, identify employee potential, and support employee counselling. In this paper, we provide a review of several well-known performance appraisal techniques, including their advantages and disadvantages. Some performance appraisal techniques include Ranking, Graphic Rating Scale, Critical Incident, Narrative Essays, Management by Objectives, Assessment Centres, BARS, 360 Degree, and 720 Degree.

Keywords- Ranking, Graphic Rating Scale, Critical Incident,

I. INTRODUCTION

Performance appraisal has been associated with performance review, performance evaluation, performance assessment, performance measurement, employee evaluation, personnel review, staff assessment, service rating, etc. The evolution of performance appraisal consists of four unique phases. It is termed the TEAM (Technical, Extended, Appraisal and Maintenance) approach. Performance Appraisal involves assessing previous performance, providing rewards for past performance, establishing goals for future performance, and fostering employee development.

II. DIFFERENT TECHNIQUES OF PERFORMANCE APPRAISAL

1. Traditional Methods

Traditional Methods are more established techniques of performance evaluations. This approach relies on examining the individual characteristics of the employees. It might encompass skills, initiative, allegiance, leadership, and decision-making.

A. Ranking Method

The ranking method involves arranging employees from best to worst regarding a specific trait, selecting the highest first, then the lowest, until all are ranked.

2. Graphic Rating Scales

The employee is then assessed by selecting the score that best represents his or her performance level for each trait.

3. Critical Incident Method

Criteria. Initially, Flanagan utilized trained observers to gather identification of critical incidents. The identification of critical incidents during task performance can occur as an individual process or as a collaborative process involving both the user and the evaluator.

Unusually outstanding or unfavourable instances of an employee's work-related conduct and discussing it with the employee at scheduled times.

4. Narrative Essays

The evaluator provides a description of the employee's strengths and weaknesses, past performance, position, and recommendations for their enhancement at the conclusion of the

evaluation period. This technique primarily aims to concentrate on behaviour.

Modern Methods

Modern methods were created to enhance the traditional techniques. They sought to address the limitations of older methods, such as bias, subjectivity, and more.

5. Management by Objectives

"The Practice of Management". It consists of three fundamental components: objective formulation, execution process, and performance feedback. New framework: the system approach to MBO (SAMBO). SAMBO includes seven components: strategic planning and hierarchy of objectives, objective setting, action planning, MBO implementation, control and evaluation, subsystems, and organizational and management development.

6. Behaviourally Anchored Rating Scale (BARS)

Its Aimed focused on the reliability and validity of performance evaluations. Behavioural anchor scales offer more detailed information compared to mere numbers. Behaviourally anchored performance dimensions can be distinctly identified operationally and conceptually from one another. The ratter will function as an observer rather than a judge. BARS assist the ratter in concentrating on specific desirable and undesirable work behaviour incidents that can exemplify discussion during a rating. BARS utilize behavioural statements or tangible examples to demonstrate various performance levels for each performance element.

7. Human Resource Accounting

The primary principle that underpins HRA is: individuals are valuable resources of an organization or enterprise, and information regarding the investment and value of human resources is essential for decision-making within the organization. H. Assessment Centres

Common job simulations that are typically utilized in assessment centres include in-basket exercises, group discussions, mock interviews with "subordinates" or "clients," fact-finding exercises, analysis/decision-making challenges, oral

presentation tasks, and written communication activities.

8. 360 Degree

This is a widely used performance appraisal method that incorporates evaluation feedback from various levels within the organization as well as outside sources. The 360 Degree feedback depends on input from an employee's supervisor, colleagues, subordinates, and occasionally customers, suppliers, and/or spouses. It offers individuals insights regarding the impact of their actions on others in the workplace. It suggests that behavioural changes may occur through a process of increased self-awareness.

9. 720 Degree

720-degree and characterized it as a more profound, personalized, and fundamentally broader evaluation of higher-level managers that includes insights from their customers or investors, as well as subordinates. The 720-degree review emphasizes what is most significant, which is the perception of their work by customers or investors. The 720-degree approach provides individuals with a markedly different perception of themselves as leaders and evolving individuals. The 360-degree appraisal method is conducted twice. After the initial 360-Degree appraisal, the employee's performance is assessed, and with an effective feedback system, the supervisor meets with the employee again for a second time to provide feedback and advice on reaching the established targets.

III. OTHER TECHNIQUES

Numerous other methods such as 90-degree, 180-degree, 270-degree, balanced scorecard, mixed standard scale, human resource costing and accounting, paired comparison, forced distribution method, behavioural observation scale, mixed standard scale, electronic performance monitoring, confidential reports, etc. are also employed for performance appraisal but aren't covered in this paper.

IV. CONCLUSION

From this, we infer that there are numerous methods utilized for performance appraisal. It is challenging to determine which technique is superior to another because it relies on the organization's type and size. Each method presents its own advantages and disadvantages.

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