METHODS OR TECHNIQUES OF PERFORMANCE APPRAISAL

Several methods and techniques are used for evaluating employee

performance. They may be classified into two broad categories. They

are Traditional Methods and Modern Methods.

Traditional Methods

1. Ranking Method: Ranking method is the oldest and simplest method of rating. Here, each employee is compared with all others performing the same job and then he is given a particular rank i.e. First Rank, Second Rank etc. This method ranks all employees but it does not tell us the degree or extent of superiority. In this method, the performance of individual employee is not compared with the standard performance. Here, the best is given first rank and poorest gets the last rank

2. Paired Comparison: In method is comparatively simpler as compared to ranking method. In this method, the evaluator ranks employees by comparing one employee with all other employees in the group. The rater is given slips where, each slip has a pair of names, the rater puts a tick mark next those employee whom he considers to be the better of the two. This employee is compared number of times so as to determine the final ranking

3. Grading Method: Under this method of performance appraisal, different grades are developed for evaluating the ability of different employees and then the employees are placed in these grades. These grades may be as follows: (i) Excellent; (ii) very good; (iii) Good; (iv) Average; (v) Bad; (vi) Worst

4. Man-to-Man Comparison Method: This method was first used in USA army during the 1st World War. Under this method, few factors are selected for analysis purposes. These factors are: leadership, dependability and initiative. After that a scale is designed by the rate for each factor. A scale of person is also developed for each selected factor. Each person to be rated is

compared with the person in the scale, and certain scores for each

factor are awarded to him/her. In other words, instead of comparing a

whole man to a whole man personnel are compared to the key man

in respect of one factor at a time. We can use this method in job

evaluation. This method is also known as the Factor Comparison

Method.

5. Graphic Rating Scale Method: This is the very popular, traditional method of performance appraisal. Under this method, scales are established for a number of fairly specific factors. A printed form is supplied to the rater. The form contains a number of factors to be rated. Employee characteristics and contributions include qualities like quality of work, dependability, creative ability and so on. These traits are then evaluated on a continuous scale, where the rater places a mark somewhere along the scale. The scores are tabulated and a comparison of scores among the different individuals is made. These scores indicate the work of every individual.

6. Check-list Method: The main reason for using this method is to reduce the

burden of evaluator. In this method of evaluation the evaluator is provided

with the appraisal report which consist of series of questions which is

related to the appraise. Such questions are prepared in a manner that

reflects the behavior of the concerned appraise.

7. Critical Incidents Method: This method is very useful for finding out those employees who have the highest potential to work in a critical situation. Such an incidence is very important for organization as they get a sense, how a supervisor has handled a situation in the case of sudden trouble in an organization, which gives an idea about his leadership qualities and handling of situation. It is also said to be a continuous appraisal method where employees are appraised continuously by keeping in mind the critical situation.

In this method, only the case of sudden trouble and behaviour associated with these incidents or trouble are taken for evaluation.

8. Essay Method: In this method, the rater writes a detailed description on an employee's characteristics and behavior, Knowledge about organizational policies, procedures and rules, Knowledge about the job Training and development needs of the employee, strengths, weakness, past performance, potential and suggestions for improvement. It is said to be the encouraging and simple method to use. It does not need difficult formats and specific training to complete it

MODERN METHODS

1. Management by Objective (MBO) It was Peter F. Drucker who first gave the concept of MBO to the world in 1954 when his book The Practice of Management was first published. Management by objective can be described as, a process whereby the superior and subordinate managers of an organisation jointly identify its common goals, define each individual's major areas of responsibility in terms of results expected of him and use these measures as guides for operating the unit and assessing the contribution of each of its members

2. Assessment Centres: It is a method which was first implemented in German Army in 1930. With the passage of time industrial houses and business started using this method. This is a system of assessment where individual employee is assessed by many experts by using different technique of performance appraisal. The techniques which may be used are role playing, case studies, simulation exercises, transactional analysis etc. In this method employees from different departments are brought together for an assignment which they are supposed to perform in a group, as if they are working for a higher post or promoted. Each employee is ranked by the observer on the basis of merit …….

The basic purpose behind assessment is to recognize whether a particular employee can be promoted, or is there any need for training or development. This method has certain advantages such as it helps the observer in making correct decision in terms of which employee has the capability of getting promoted, but it has certain disadvantages also it is costly and time consuming, discourages the poor performers etc.

3. 360 Degree Performance Appraisals: This method is also known as 'multi-rater feedback', it is the appraisal in a wider perspective where the comment about the employees' performance comes from all the possible sources that are directly or indirectly related with the employee on his job. In 360 degree performance appraisal an employee can be appraised by his peers, managers (i.e. superior), subordinates, team members, customers, suppliers/ vendors - anyone who comes into direct or indirect contact with the employee and can provide necessary information or feedback regarding performance of the employee the "on-the-job". The four major component of 360 degree performance appraisal are:

1. Employees Self Appraisal

2. 2. Appraisal by Superior

3. 3. Appraisal by Subordinate

4. 4. Peer Appraisal.

Employee self appraisal gives an option to the employee to know his own strengths and weaknesses, his achievements, and judge his own performance. Appraisal by superior forms the traditional part of the 360 degree performance appraisal where the employees' responsibilities and actual performance is judged by the superior......

Appraisal by subordinate gives a chance to evaluate the employee on the basis of communication and motivating abilities, superior's ability to delegate the work, leadership qualities etc. It is also known as internal customers; the correct opinion given by peers can aid to find employees' who are co-operative, employees who ready to work in a team and understanding towards others

4. Cost Accounting Method: In this method performance of an employee is evaluated on the basis of monetary returns the employee gives to his or her organization. A relationship is recognized between the cost included in keeping the employee in an organization and the benefit the organization gets from him or her. The evaluation is based on the established relationship between the cost and the benefit. The following factors are considered while evaluating an employee's performance:

1. Interpersonal relationship with others.

2. 2. Quality of product produced or service given to the organization.

3. 3. Wastage, damage, accidents caused by the employee.

4. 4. Average value of production or service by an employee.

5. 5. Overhead cost incurred.

5. Behaviorally Anchored Rating Scales (BARS): This method is a combination of traditional rating scales and critical incidents methods. It consists of preset critical areas of job performance or sets of behavioural statements which describes the important job performance qualities as good or bad (for e.g. the qualities like inter personal relationships, flexibility and consistency, job knowledge etc). These statements are developed from critical incidents. These behavioral examples are then again translated into appropriate performance dimensions. Those that are selected into the dimension are retained. ……

The final groups of behavior incidents are then scaled numerically to a level of performance that is perceived to represent. A rater must indicate which behavior on each scale best describes an employee's performance. The results of the above processes are behavioural descriptions, such as anticipate, plan, executes, solves immediate problems, carries out orders, and handles urgent situation situations. This method has following advantages: a) It reduces rating errors) Behavior is assessed over traits. c) It gives an idea about the behavior to the employee and the rater about which behaviors bring good Performance and which bring bad performance.

Limitations of Performance Appraisal

1. Time Consuming : Performance appraisal is a time taking affair. It is a very lengthy process under which different forms are to be filled in and various observations are required to be noted in a careful manner.

2. 2. Lack of Reliability : Reliability implies stability and consistency in the measurement. Lack of consistency over time and among different raters may reduce the reliability of performance appraisal.

3. 3. Incompetence : Raters may fail to evaluate performance accurately due to lack of knowledge and experience. Post appraisal interview is often handled ineffectively.

4. No Uniform Standards : The standards used for appraisal purpose are not uniform within the same organisation. This makes the rating unscientific. Similarly, the rating is done on the basis of an overall impression, which is not proper.

5. Absence of Effective Participation of Employees : In performance appraisal effective participation of concerned employee is essential. In many methods of appraisal he is given a passive role. He is evaluated but his participation or self evaluation is rather absent.

6. Resistance of Employees to Appraisal : Employees oppose the system as they feel that the system is only for showing their defects and for punishing them. The managers resist the system as they are not willing to criticise their subordinates or have no capacity to guide them for self improvement or self development.

7. Paperwork : Some supervisors feel that performance appraisal is paperwork. They make such complaints because many a times, performance appraisal reports are found only in the files rather than rendering any practical use.

8. Fear of Spoiling Relations : Performance appraisals may also affect superior-subordinate relations. As appraisal makes the superior more of a judge rather than a coach, the subordinate may look upon the superior with a feeling of a suspicion and mistrust.

9. Stereotyping : This implies forming a mental picture of a person on the basis of his age, sex, caste or religion. It results in an over-simplified view and blurs the assessment of job performance.

10. Negative Approach : Performance appraisal loses most of its value when the focus of management is on punishment rather than on development of employees

11. Multiple Objectives : Raters may get confused due to two many objectives or unclear objective of performance appraisal.

12. Resistance : Trade unions may resist performance appraisal on the ground that it involves discrimination among its members. Negative ratings may affect interpersonal relations and industrial relations particularly when employees/unions do not have faith in the system of performance appraisal.

13. Halo Effect: Generally, there is the presence of a 'halo'effect which leads to a tendency to rate the same individual first, which once have stood first.

14. Individual Differences: Some people are more distinct while some are very liberal in assigning the factors, points or number to the employees. They are unable to maintain a fair distinction between two individuals. It also nullifies the utility of this system.

15. Unconfirmed: Sometimes the results of performance appraisals are not confirmed by other techniques of motivation, incentive wages plans and so on. Factors are introduced in the managerial appraisal because of a fact or bias in the person concerned conducting the appraisal.

CAREER PLANNING

Career Planning is the systematic process by which one selects career goals and the path to these goals. From the organization's viewpoint, it means helping the employees to plan their career in terms of their capacities within the context of organization's needs. It involves designing an organizational system of career movement and growth opportunities for employees from the employment stage to the retirement stage. Individuals who can fill planned future positions are identified and prepared to take up these positions. Career planning is the process of matching career goals and individual capabilities with opportunities for their fulfilment.

Objectives of Career Planning

Career Planning seeks to achieve the following aims:

1. To attract and retain the right type of persons in the organization.

2. 2. To map out careers of employees suitable to their ability, and their willingness to be trained and developed for higher positions.

3. 3. To ensure better use of human resources through more satisfied and productive employees.

4. 4. To have a more stable workforce by reducing labour turnover and absenteeism.

5. To improve employee morale and motivation by matching skills to job requirements and by providing opportunities for promotion.

6. To provide guidance and encourage employees to fulfil their potentials.

7. To achieve higher productivity and organizational development.

CAREER DEVELOPMENT PROCESS

Career development and the career planning process include a number of specific steps that help to identify personal skills and attributes. Following are the important steps in the process of career development:

Step 1: Self-Assessment Evaluating who you are as a person. This involves taking a personal inventory of who you are and identifying your individual values, interests, skills, and personal qualities. What makes you tick as a person.

You will look at those personal attributes under a microscope and come up with key qualities you can identify and use in your search for the perfect career. Career assessments may be required to promote a better understanding of personal attributes and skills. Contact your Career Services Office at your college to discuss if a career assessment may be right for you.

Step 2: Research (Career Exploration) Obtain an insider's perspective about the career field you are considering. Conduct Informational Interviews in person, phone, or by email. Professionals enjoy sharing their expertise with people interested in the field. Perform informational interviews with alumni from your college to gain their perspective of the field and to listen to what they have to say. This strategy provides firsthand knowledge from someone currently working in the field and gives you an opportunity to ask about their experiences as well as potential jobs and what one might expect if just entering the field

Gain experience through internships or by job shadowing for one to several days to see what a typical work day entails and to gain perspective of what the environment is like and the typical job responsibilities of someone working in the field. Research what types of jobs are available in your area of interest by checking out Majors to Career Converter, The Occupational Outlook Handbook and The Career Guide to Industries. The Occupational Outlook Handbook offers a wealth of information for those currently just entering the job market and for those anticipating making a career change.

Step 3: Decision-Making Once you've made a thorough self-assessment and have done some research of career options, it's time to make a decision. This can be difficult since there may still be many unknowns and a fear of making the wrong choice. One thing for sure is that although we can do all the necessary steps to making an informed decision, there is no absolute certainty that we are unquestioningly making the right decision. This uncertainty is easier for some people than others but a key point to remember is that you can always learn from any job you have and take those skills and apply them at your next job.

Step4: Search (Taking Action) It's now time to look for prospective jobs and/or employers, send out cover letters and resumes, and begin networking with people in the field. Keep in mind that cover letters and resumes are designed to make a favourable impression on employers (if done properly) and the interview process is what will ultimately land you the job. In other words, make sure your cover letter and resume highlight your skills and strengths based on the employer's needs and that you are fully prepared to knock their socks off at the interview. Take time to research the employer's website prior to the interview, and be prepared to ask thoughtful questions based on your research.

Step5: Acceptance You have completed all of the steps above and you've been accepted into a new and exciting or different job. According to the Bureau of Labour Statistics, 64.1% of people change jobs between 5 and 14 times in their lifetime. Consequently, learning the skills above will increase your chances of gaining meaningful and satisfactory work as well as help you to avoid many of the stresses that occur with changing jobs. By recognizing that change is good (even advantageous), changing jobs can be viewed as a positive experience and need not be as anxiety provoking as it may initially seem. You will continue the process of self-assessment, research, decision-making, and job searching in order to make effective and fulfilling career changes throughout your lifetime. It is a known fact that most professionals leave an organization due to lack of career growth.

Active career development initiatives by a company are a key retention tool to keep the best talent within its fold. It is one of the greatest motivators to keep an employee happy and engaged. But does career planning and development of employees actually make a difference to the productivity of a worker? Most organizations think so, and consider it a part of their critical human resource strategy. From the employees' point of view career development initiatives gives them a clear focus about their career track, the blind spots that they have to overcome and the final goal to be reached. This focused approach works to their advantage from their everyday work to long-term aspirations. The impact of career development/ succession planning programmes can be seen through the productivity indicator, engagement surveys and reduction in attrition rate. It is in fact a win-win situation for all