

PERFORMANCE APPRAISAL

Meaning

A performance appraisal, also referred to as a performance review, performance evaluation, (career) development discussion, or employee appraisal is a method by which the job performance of an employee is documented and evaluated. Performance appraisals are a part of career development and consist of regular reviews of employee performance within organizations.

Performance appraisal is generally done in systematic ways which are as follows:

1. The supervisors measure the pay of employees and compare it with targets and plans.
2. The supervisor analyses the factors behind work performances of employees.
3. The employers are in position to guide the employees for a better performance.

Promotion, transfer, salary increase etc. are some of the matters that are dependent upon the evaluation of the performance of an employee.

Appraisal of an employee reveals as to how efficiently the subordinate is performing his job and also to know his aptitudes and other qualities necessary for performing the job assigned to him. The qualities of employees that are appraised through performance appraisal are ability to do work, spirit of co-operation, managerial ability, self-confidence, initiative, intelligence etc.

Performance Appraisal is regarded as a most significant tool for the success of any concern.

Definition

- “It is the evaluation or appraisal of the relative worth to the company of a man’s services on his jobs.” —A1 ford & Beatty
- “Performance appraisal is a process of evaluating an employee’s performance of a job in terms of its requirements.” —Scot, Clotheir & Spriegel

Objectives of Performance Appraisal

1. To promote the employees, on the basis of performance and competence.
2. To identify the requirement for training and development of employees.
3. To provide confirmation to those employees who are hired as probationary employees, upon completion of the term.
4. To take a decision regarding the hike in employees pay, incentives etc.
5. To provide a feedback to employees regarding their performance and related status.
6. To help employees in understanding where they stand in terms of performance.
7. To maintain and assess the potential present in a person for further growth and development.
8. To maintain records in order to determine compensation packages, wage structure, salaries raises, etc.
9. To identify the strengths and weaknesses of employees to place right men on right job.