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PERFORMANCE MANAGEMENT & APPRAISAL SYSTEM IN AN ORGANIZATION

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ABSTRACT

The Performance Management in an Organization is based certain approaches like 360 degree feedback, balanced scorecard, rankings, standards of other performance, rating scales and the problem appears from time to time. While they are working satisfactorily, there are chances to fail drastically in practice. It is very difficult to measure the expectancy that employees, managers and Organizations like to give for them. It is the implementation of methodology given, well accompanied and managed by effective and result oriented training as to how it should be utilized to solve the unlimited problems. It is very clear that Organizations even expect and encourage their managers to interact informally with their peer groups, employees about their performance on ongoing basis. In a normal distribution, 10 percent will be natural capacity to discuss about their performance with the peer group very effectively but rest 90 percent will give their feedback and discussion will only remain as task which is found easier said than doing. Besides, negative consequences on the problems of this nature on productivity of an Organization, costs on the low morale and demotivation will be on higher side. But perception and some questions raises on the ethics and moral of an Organizations\' commitment and responsibility in developing its employees. . It is very essential that the Managers and employees should inter act each other and come to the crux of the problem and solve the problem like communication skills, interaction about the performance, appreciating and motivating each other so that the process cannot be stopped before it begins. This study explored on primary and secondary data adopting Convenient and Random sampling method using several different ways depending on the organization\'s vision for improving performance-related information and communication.

KeyWords

Performance, Perception, Organization, Motivation, commitment

Introduction:

The Performance Management in an Organization is based certain approaches like 360 degree feedback, balanced scorecard, rankings, standards of other performance, rating scales and the problem appears from time to time. While they are working satisfactorily, there are chances to fail drastically in practice. It is very difficult to measure the expectancy that employees, managers and Organizations like to give for them. It is the implementation of methodology given, well accompanied and managed by effective and result oriented training as to how it should be utilized to solve the unlimited problems. It is very clear that Organizations even expect and encourage their managers to interact informally with their peer groups, employees about their performance on ongoing basis. In a normal distribution, 10 percent will be natural capacity to discuss about their performance with the peer group very effectively but rest 90 percent will give their feedback and discussion will only remain as task which is found easier said than doing. Besides, negative consequences on the problems of this nature on productivity of an Organization, costs on the low morale and demotivation will be on higher side. But perception and some questions raises on the ethics and moral of an Organizations' commitment and responsibility in developing its employees.

Current situation:

Normally there is a huge amount of gap, frustration and dissatisfaction with existing methods of formal employee performance management and appraisal (EPMA) system. Irrespective of whether the approach is based on rating scales, competency assessments, objectives, key performance indicators, or other performance standards, rankings, 360-degree feedback, or the balanced scorecard, the problem remains the same with each and

every Organization. Though it appears to be superficially to work well enough in theory, to a larger or greater extent they all tend to fail in practice. They just don't seem to measure up to the expectations that managers, employees, and organizations alike have for them. This also proves to be the case even when the implementation of a given method is well managed and accompanied by proper training on how it should be implemented or used

Generally functionality of an Organization may be controlled rigidly from Head Quarters not only as regards the results it has to achieve, but also how results are achieved. Organizational structures impinge on performance because; they are the framework for getting things done. Today the case is on flexibility, teamwork and rapid response. Organizations encourage, even expect their managers to discuss informally with their employees about their performance on a continuous basis. However, this is again a tooth and nail procedure. Moreover, even if it does occur, often it is not ideal or less than ideal. Despite all the best efforts to date, managers still Managers shows their discomfort in giving feedback and to discuss about the performance with their employees, especially if the performance is not in the expected phenomena. Consequently, they avoid the situation, or fudge the facts, whenever possible.

The reasoning behind formal or informal EPMA is laudable; however, the methods we currently use do not achieve the expected results as we dream. The bottom line is that "open and honest" communication remains elusive. The problem is real and pervasive and every organization seems to be struggling with it.

Why the Problem exist?

The root cause of the problem seems to lie in the way in which managers form their perceptions and attributes about their employees. Especially t it happens: when managers form opinions about employee performance, instinctively analyze both objective and subjective data collected from observing and interacting with them over time and again under various circumstances and situations.

Objective data produced by the employee will be measured and the results produced can be related to the defined objectives already existing and also the standard of performance. On the other hand, subjective data includes tangible and therefore less measurable Eg., Perception about the employee:

- 'Attitudes' (to anything and everything).
- Leadership ability
- Communication skills.
- Intelligence.
- Initiative.
- Interpersonal skills (how confident, comfortable, and tactful they are in dealing with peers, customers, senior managers, etc.).
- Personal grooming and attire.
- Ability to work independently.
- Dealing with issues such as conflicts, disagreements, ambiguity.
- Ability to make people feel good and look good in front of others.
- Ability to get along with a team

This combined objective and subjective data of the Managers generates interpretation and forms the opinions, conclusions, judgments upon which their impressions about the overall performance of an employee, - i.e. how the employee is 'doing. Things like, "good worker," "good interpersonal skills," "no leadership ability," "not a team player," etc., form the mental impression and the manager draws conclusions about this employee's 'fit' in the organization, and also makes a comparative study on Potential Appraisal and his future Performance Appraisal.

Implications and Approaches to Performance Management:

Approaches are based on the evaluation of character of an employee. This system may also list some personal traits such as ability to get along with people, judgments, initiative etc., Added work related characteristics such as job knowledge, ability to complete an assignment, success in carrying out plans etc., The major problem is that generally

majority of the Managers lacks the ability to discuss and explain the appraisal of an employee in an effective way and will not have a clear solution to the problem. The following examples show how the root cause of the problem manifests itself within the most popular approaches to EPMA in the organization.

Rating Approaches :

The rating approaches lists out the traits and the range of performance values for each trait. The Manager on a continuous scale measures in numbers ranging from 0 to 5 whereas ratings are objective in nature and they can be effectively used as evaluators. Still the Managers cannot give their honest communication to the employee effectively.

Competency based approaches:

The definitions and dimensions indicate that the competency-frameworks provided in the organizations which include knowledge, attitudes, value and skills help managers to identify internal efficiency, operational efficiency, quality of delivery and responsiveness etc.,. However, these definitions are still generic. Consequently, they can end up complicating the problem because they are rarely specific enough to be of any real help in getting to the heart of any issue. Because of the complex nature of human performance, it is rare that any given situation will fit cleanly into a competency-based form.

540 Degree Feedbacks:

In this, the customers and suppliers also evaluate the performance which helps us to differentiate from the 360 degree performance. The Managers evaluate an employee based on the feedback from the stakeholders, superiors, subordinates, peers, internal and external clients. But the problem in the whole process is that it assumes that the employee will understand the feedback, agree with it and in case it is negative, know what to do to bring about great changes, which is a rare case. Though there may be some benefit, it may be soliciting feedback and it is totally inappropriate for direct managers because they should never give feedback anonymously. It amounts to a cowardly way out when, by

virtue of their position over the employee, they have an organizational, moral, and ethical responsibility to talk to him and explain their feedback, and help the employee figure out how to achieve desired performance. Therefore, this system doesn't solve the initial problem - namely, the inability to explain, justify, and communicate the feedback effectively

Conclusion:

Normal Procedure is thinking of ongoing performance management for employees, for example, setting goals, monitoring the employee's achievement of those goals, sharing feedback with the employee, evaluating the employee's performance, rewarding performance or firing the employee. Performance management applies to organizations, too, and includes recurring activities to establish organizational goals, monitor progress toward the goals, and make adjustments to achieve those goals more effectively and efficiently. Those recurring activities are much of what leaders and managers inherently do in their organizations -- some do them far better than others.

The solution to improve the quality of both formal appraisal and informal performance management related feedback does not lie in trying to improve the technical elements of any given approach. Rather, it lies in helping managers to overcome the difficulties that they face when trying to articulate what they *know* about how an employee is (really) doing into individualized quality information.

The method outlined in this article shows managers a simple and logical way that they can analyze and validate both the positive and negative aspects of their fuzzy mental impressions. It then shows them how to communicate the information in a way that builds the employee's self-esteem, confidence, and desire to do well. It can be used in several different ways depending on the organization's vision for improving performance-related information and communication. It is very essential that the Managers and employees should interact each other and come to the crux of the problem and solve the problem like communication skills, interaction about the performance, appreciating and motivating each other so that the process cannot be stopped before it begins.

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