

# Performance Appraisal: - Evaluation of Employees Performance

NAINA KOTWANI

*AIMS Institute of Management Studies.*

**Abstract-** *“Performance Appraisal is a regular review of employee’s job performance and his/her contribution towards the company”. It is also known as Annual Review, Performance evaluation, Performance review or Employee Appraisal. Performance appraisal evaluates the employee’s skills, achievements, growth, job performance as well as lack of performance. It is a vital tool for measuring the contribution and effectiveness of the employees towards the organization goals. This study examined the process of performance appraisal and implication of individuals as well as organizational goals. Through performance appraisal management identifies the individual strength and weakness and also tests if individual is contributing towards completing the organizational goals or not. It plays vital role in measuring the framework set by the organization.*

**Indexed Terms-** *Performance review, evaluation, MBO, 360 Appraisal system, Employee motivation, organizational growth, efficiency, and effectiveness.*

## I. INTRODUCTION

In every organization employee plays major role towards the growth and success of the organization. They became the significant factor since they are asset of the organization. In all the organizations employee’s performance are being judged by different techniques. Organization simply can’t achieve their objectives and goals without their employees because if the employees are happy with the organization in which they are working then they’ll be working in the interest of the organization. Through the evaluation process major decisions (Pay increase, bonus, incentives, promotions, as well as termination etc.) regarding employees has been taken in corporate world. Companies take regular evaluation of their employees, after the evaluation management gives the feedback to their employees so that they can make

improvement in their performance and always feel motivated. Organizations aims, goals are embedded in performance management and evaluated through performance appraisal process. In any organization, government or in any private firm quality and efficiency of the employees are very important for completing in strategic goals. This tool is in hand of human resources management officers to regularly evaluates and audit the performance of its employees in order to help the organization to its competitive advantage against its competitors in the market.

## II. ELABORATIVE APPROACH

Organizations give performance appraisal because: -

- To show the employees their big picture feedback on their work performance and to justify the decisions regarding their bonus, incentives, promotions as well as their terminations.
- To create a plan for individuals’ development through additional training and extra responsibilities given to them for completing organizations goals.
- It provides the companies to identify the employees who have contributed their performance towards the growth of the organization.



1.1 Performance Appraisal Process

As shown in the figure performance appraisal starts with setting the objectives of the performance appraisal after that the HRM Officers set the job expectations, then designing the appraisal program, after designing the performance appraisal program like this its end with feedback given to the employees.

### III. FINDING

- Performance appraisal identifies the training needs for the individuals in the organization.
- Performance evaluation helps the officer to know the employee's contributions towards the organizational success and growth.
- Appraisals should give the chances to give their valuable suggestions and comments while conducting the performance appraisal.
- Identifies the strength and weaknesses of the individuals working in the organization.
- Most of the companies are using 360-degree appraisal technique because it evaluates the overall performance of the employees.

### CONCLUSION

Organizations should be telling the employees about the performance appraisal program so that they can know what organization exactly wants from them because many of employees didn't know what the organization expecting from them. Through the performance appraisal appraisals should be told about the strength and weaknesses they have so that they can improve their performances.

### REFERENCES

- [1] K. Aswathappa, 2008, Tata McGraw Hill Education Pvt. Ltd, New Delhi, Human Resource Management Text and Cases, page no- 254-261(Methods of performance appraisal)
- [2] Gupta, V., & Kumar, S., 2012, Impact of performance appraisal justice on employee engagement: a study of Indian professionals. *Employee Relations*, 35(1), 61-78.
- [3] Amba-Rao, S. C., Petrick, J. A., Gupta, J. N., & Embse, T. J. V. D. (2000) Comparative performance appraisal practices and management values among foreign and domestic firms in India.

*International Journal of Human Resource Management*, 11(1), 60-89.

- [4] Varma, A., Pichler, S., & Srinivas, E. S., 2005, the role of interpersonal affect in performance appraisal: evidence from two samples—the US and India. *The International Journal of Human Resource Management*, 16(11), 2029-2044.
- [5] Edward E. Lawler, 1981, *Pay & Organization development*, Page-129 –Performance appraisal and training and development.

### APPENDIX

Diagram 1.1

### ACKNOWLEDGMENT

I would like to show my grateful feeling to Prof. Prathamesh Nadkarni Sir, who once taught me. Prof. Prathamesh Nadkarni is a warm-hearted and discipline-keeping person, with whose supervision I accomplished this research paper in time. He is always patient to help me out with questions in terms of administration and rules. Thank you very much Sir!