**Appraisal Systems**

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**Traditional Appraisal system**

There have been two major methods for the employee performance appraisals namely the traditional method and the modern real time method. In the traditional method the employees are appraised or judged by the managers. The performance appraisal is easier said than done. The manager who has to do it faces differing situations. Some employees laugh after hearing about the appraisal system, some employees have even never heard of the concept. The management of the company will continually ask to undertake the practice. The appraisal system has been used as a way to communicate the goals and objectives of the organization to the employees. The comparison between the actual employee performance and the expected performance by the management is also communicated through the appraisal. The motivational levels of the employees can also be raised with the implementation of an effective appraisal system.

Despite all the positive aspects, the appraisal system in place can also decrease the performance of the employees as well as their motivation levels. The performance is affected by many factors and any appraisal that does not take into account a majority of factors will be ineffective. There has been some debate to compare the traditional appraisal system and the system of appraisal based on the quality of production.

There have been two broad aspects for the usage of appraisal systems namely performance appraisal and developmental aspects. The performance appraisal is done to decide on the merit pay and promotions and other similar matters related to the employees. The developmental aspect shows how the employees can be grown and developed to benefit the organization. Nobody can deny the importance of the workers in a work setting. The performance of the workers should be coherent with the goals and objectives of the organization. Managers making the goals and objectives of the organization should make sure that they are collective in nature and are not transformed in some personal goals and objectives.

The major purpose of appraisal is to consider any changes in the compensation paid to the employee. A formal process is completed by the manager to appraise the performance of the worker. The performance is seen against the expectations that seniors have from him. Feedback can be provided to the employee with the help of some interview conducted by the management. The satisfactory performer will be appreciated so that the employee can work even better while an unsatisfactory performer may have to leave the organization in a short while (Elmuti, 1992).

The motivational aspects of the performance appraisals do not work well. The main reason is that the employees think that the measures used to assess the performance are not accurate. The organizations need to develop more trust between the employees and the managers if they want to use the appraisal methods for motivational purposes.

**The Real time Feedback System**

Some of the largest companies in the world have started shifting away from the traditional annual system of performance evaluation. There should be some more effective system to replace it. The one common aspect of the change is that the companies are giving the feedback to the employees more frequently. The traditional way of appraisal was considered inaccurate as one same employee may be evaluated by the different managers in a different way. The decrease in motivation was also seen as a result of the anxiety created by the traditional method.

The system requires that the feedback is generally communicated in an informal manner during the normal course of the business. This aspect may already be present in the organization due to the relationship between the manager and employee.

Another form of this system is the continuous improvement system in which the feedback is given after shorter time intervals to the employees. The continuous improvement systems implement that the feedback is collected over shorter spans of time.

If the company chooses to implement the real time feedback systems, it will not be easy to throw the traditional feedback system completely out of the window at once. The basic aims of the appraisal systems remain the same, to evaluate the compensation paid to the employee. Judging the employee only once a year will bring in certain biases on the part of the evaluator but these can be avoided if the frequency of the evaluation is increased. This system will mean that the managers can coach the employees as and when the needs arise and do not have to wait for the year end.

As far as the employees are concerned, they build certain level of trust on the evaluation system when the real time feedback is used. The reason is that they know their performance and get the immediate feedback through the real time system.

Another advantage of the real time feedback system is that it would require lesser work on the part of HR section. The department has to keep huge amounts of records to evaluate the employees at the end of the year. However in case of the real time feedback system, this workload and paper work will be much less as communication is instant.

The real time feedback systems will also allow the organization to review the goals and objectives. This revision is not restricted to the strategic aspects but covers the shorter term goals of the department and organization as well.

Both the systems discussed above have their own positive and negative aspects. In my opinion the organization should use a mixture of both the methods providing periodical real time feedback and annual traditional feedback.

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