Performance Appraisal

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Performance Appraisal

A performance appraisal is also known as employee appraisal or performance evaluation. It is a process designed to evaluate and improve the job performance of an employee. A performance appraisal is the foundation of many activities such as training and development, promotion and decisions regarding bonuses and perks. There are many forms of an employee appraisal system and each company adopt a different method of appraisal according to their needs. This paper seeks to analyze how performance appraisals are an essential element of Human Resource of an organization. In addition, it will also explain the role of performance appraisals in the attainment of organizational goals and objectives, and effective training alongside the laws to protect employees from discrimination in this regard.

The essentials functions of a Human Resource department of an organization include hiring the right people, retaining them, providing them benefits, and training them as well. In order to ensure all these functions are performed in a better way, HR has to perform some sub-functions as well. Designing and implementing effective performance appraisals is essential to ensure that employees are working towards the organizational goals and objectives (Aguinis, Joo, & Gottfredson, 2011). It is the task in which human resource department plays an indispensable role. The safe and sound implementation of the complex appraisal process is done by the human resource teams. The prime responsibility of the HR team is to design an effective appraisal of an assessment proposal. Along with the effective design, the criterion is also fixed which has to be clear and concise in nature. it is mandatory for HR teams to sit and discuss issues with inspection teams to ensure the facilitation of appraisals on time, and to assure that only the deserving employee get the due reward for their performances in the organization.

An effective performance appraisal system is the one which seeks to attain the basic goal of assessing employee performance, without any discrimination. A successful performance appraisal system must have some evidently defined goals and objective, so that effort is directed towards achieving them (Lawler III, Benson, & McDermott, 2012). The system must remain a continuous process and it must begin with effective performance planning. The goals and objectives should be set for employees based on which the performance will be assessed. Performance planning is essential before starting the process of appraisal and the methods adopted to evaluate must be free of any bias. It must also include an overall assessment including self-appraisal and 360-degree appraisal as well. Rewards and compensations should be performance-based and results of appraisals must be communicated to employees. In the end, decisions must be made fairly on the basis of appraisal results.

The primary role of a performance appraisal system is to enhance the performance of and promote the effectiveness of employees. In this continuous process, employees and managers work together to plan and monitor an employee’s performance. In addition, the alignment between employee’s aims and objectives and organizational aims and objectives is also observed. In the presence of this alignment, an employee is motivated by offering benefits, perks and compensation while otherwise employees are motivated to improve their performance. Without an effective performance appraisal system, it is not possible to see if the employees are fulfilling their roles and responsibilities listed in their job description (Aguinis, Joo, & Gottfredson, 2011). Furthermore, it becomes the basis of employees’ promotion and chalking out the compensation packages for employees. Moreover, it further helps in fostering communication between the supervisors and subordinates. All these activities result in the attainment of the company’s aims and objectives.

Performance appraisals offer countless benefits to organizations such as these become the basis of promotion decisions. It helps in designing the compensation packages to motivate employees. The systematic procedure of performance appraisal is a guide for supervisors to design training policies and programs. Since appraisals help in assessing the strengths and weaknesses of employees so that new jobs are designed and employees are trained to perform their current jobs effectively. The future development programs designed on the basis of performance appraisals prove to be effective in their outcome. There could be discrimination the performance appraisal programs, supervisors may evaluate the employees unfairly.

Labor laws and regulations protect employees against any form of discrimination based on age, sex, race and any physical disability. Though labor laws do not mandate the performance appraisals they protect employees from discrimination. Potential form of discrimination can be late appraisals and pay raise, different standard for different employees and short-term memory of supervisors that may result in an unfair assessment of employees. Based on the unfair performance appraisals, employees are treated deceitfully in terms of compensation and benefits. As a result, organizations may face some lawsuit and concerns from regulatory organizations.

To sum up the discussion, performance appraisals are a great way to enhance employees’ performance is an essential function of HR and its effectiveness is entirely dependent on the effectiveness of the HR team. An effective performance appraisal must contain elements that assure fair treatment to employees. In addition, appraisals assess strengths and weakness of employees and help them align their goals with organizational goals and objectives. It becomes the basis of some most imperative organizational and HR functions such as training programs. Appraisals are an assessment vital for the fair treatment to employees and save an organization from any regulatory risk of discrimination if conducted in a fair way.

# References

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