

# Different Types of Techniques Employed in Performance Appraisals

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**ABSTRACT---** *The performance appraisal is a customary process executed by the Human resource departments in all organizations irrespective to the level and hierarchy of the employees for assessment of effectuality and efficiency. It is indeed required as all the employees associated with the company have a diversified attitude to handle the work so through performance assessment employers subsequently provide feedback to employees about their performance and skills in the assignment for the purpose of refining the same according to organization's need. Performance Evaluation inclines the improvement in the specific work roles, communiqué potentials, help to decide whether training is needed to particular employee to cope up with organizational demand, determining employee potential and aiding employee counseling and at the same time help to determine whether an employee to be promoted or demoted or even remove in case of bad performance and no scope for future improvement.*

*Present paper discussed about few popular performances appraisal techniques which are popular and most commonly used by most of the organizations along with their advantages and disadvantages. Confidential report, essay or free form methodology, strayed ranking methodology, obligated distribution methodology, graphical or linear rating methodology, acute incidental methodology and group assessment review methodology are some performance appraisal techniques discussed in this paper.*

**Keywords:** *Performance Appraisal, Employee Performance, Confidential Report, Essay or Free Form Methodology, Strayed Ranking Methodology, Forced Distribution Methodology, Graphic or Linear Rating Scale Methodology, Critical Incident Methodology, Group Appraisal Methodology, Assessment Centre Methodology, Humans Resource allied Accounting Methodology, Behaviorally Anchored Rating Scales (BARS), Management By Objectives (MBO) statics, Psychological Appraisal technique Methodology of Performance Appraisals, 360 Degree Appraisals, 720 Degree Appraisals.*

## INTRODUCTION

Performance Appraisals is the systematic process of gauging the performance characteristics of all the personnel working in a company irrespective to their hierarchy. There are different synonym's used for performance appraisals in different industries, companies or organization which completely based on their way of working like, employee evaluation, performance evaluation, performance review, performance measurement, performance assessment, staff assessment or service rating, but all these terminology have same meaning and purpose, i.e., to ensure all round development of the organization along with its employees.

The performance of employee is measured against some predefined factors such as employee knowledge about the assigned work; quality and quantity of output produced by

him/her; initiative taken by the employees to accept challenges, leadership abilities shows by him/her while working on any assignment, supervision quality, dependability on other team member to accomplish the work, co-operation toward other team members, judgment taken capacity, versatility and health of the employee etc. The development statistics of performance appraisal technique has four distinctive phases inclusive of Technical approach, extended capability, Appraisal tactics and Maintenance aptitude and combination of these four phases called TEAM approach. Assessment of performance of an employee must be confined reviewing past performance status, rewarding past performance if any or encourage performing explicitly through goal setting for future performance and employee development strategy. The behavior of employee is equally important and should be focused on as a part of performance as it drastically affects job results.

Employee's appraisal scheme is designated as the major parametric requisite which reflects the eminence of Human Resource Administration in any organization. Appropriately planned and well executed procedural tactics of employee's appraisal is the utmost necessity for successful employee performance management and assessment which provides valuable information about the functions and job role of the employees to the management as well as other Human Resource teams for futuristic approach.

The main reason why every organization gave special emphasis to performance appraisal is because it provides many inputs to senior level management to take many crucial decisions for the betterment of the organization like: performance feedback of employees, human resource planning (HRP), career development of employees, employee training and progress decisions, compensation decisions, validation of selection process of new employees, promotions & transfers and even layoff decisions as well.

## DIFFERENT TECHNIQUES USED FOR PERFORMANCE APPRAISAL

Appraisal techniques used in different organizations can be classified into two categories:

A. *The Traditional Techniques used for Performance Appraisal:*

The appraisal techniques utilized in completely different organizations are often classified into 2 categories:

A. *the standard Techniques used for Performance Appraisal:*

These techniques in the main specialize in findings on the

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temperament trades of the staff like: knowledge, creativity, leadership, responsibility, loyalty and judgment quality of Associate in nursing employees. Ancient ways are though older ways of performance appraisals however still fashionable in several organizations.

### *B. the fashionable Techniques used for Performance Appraisal:*

The main disadvantages of ancient techniques used for performance appraisal that they could be biased or subjective some times. These trendy techniques of performance appraisal ordered a lot of stress on the analysis of labor results and devised to boost the standard techniques.

## RESULTS AND ANALYSIS

### *A. the standard Techniques used for Performance Appraisal:*

#### 1. Confidential Report:

It is ready by the coverage authority UN agency describes strength associate in nursing weaknesses of an worker together with their achievements and failure and is employed for workers pay hike, promotion, change associate in nursing transfer of an worker. The temperament and behavior of the worker also are mentioned during this report.

#### 2. Essay or free morpheme Methodology:

In this methodology the appraiser write a brief description concerning employee's performance intimately. This methodology is incredibly time intense methodology and conjointly susceptible to bias as carrying out dimensions don't seem to be thought-about. As appraiser write essay particularization the performance, the performance quality therefore depends on the writing skills of the appraiser. As there's no common criterion to follow, comparison of 2 essay appraisals are terribly tough.

#### 3. Strayed Ranking Methodology:

Strayed ranking technique is Associate in Nursing recent and simplest technique used for performance appraisal within which ranks ar assigned to all or any staff doing the identical job within the same unit comparatively while not even evaluating or doing comparison of their performance on the assigned work. The demerit of is that it's fully biased methodology and ranks are indiscriminately set by authority and no carrying out activity criteria are assessed for the given job. It is often cumbersome if the amount of staff is incredibly giant. There are alternative limitations as this methodology solely provides rank to the staff mistreatment that the staff is compared not their performance.

#### 4. Forced Distribution Methodology:

The judge during this methodology distributes his rating within the sort of traditional statistical distribution. Staff are given classes that from poor to wonderful by the judge. This methodology was evolved by Joseph dejeuner. It even have bound limitations because the performance criteria associated with employment don't seem to be thought-about to assess staff creating the explanations for assignment a class to a specific worker unclear.

#### 5. Graphic or Linear Rating Scale:

This methodology may be a numerical scale that's wont to indicate completely different degrees of a specific attribute. These traits ar perspective loyalty, creativity, co-ordination, dependableness, emotional stability and initiative. Supported their overall performance within the tenure, the appraiser provides explicit ranking on every and each attribute to each worker. During this methodology a pair of forms of rating scales ar used: 1st continuous that is measurement on a time like zero, 1, 2 and 3. Second is discontinues rating within which scale boxes are wont to show the various degrees of the traits like (I) no interest (II) indifferent (III) fascinating (IV) spirited (V) terribly spirited.

#### 6. Vital Incident Methodology:

This methodology was industrialized by the militia of U. S. throughout the Second war in a very analysis. It's supported a prime that some important deeds within the behavior and enactment of every worker which may cause the victory or disappointment of the actual job. The supervisor records those sensible or unhealthy events together with the behavior of the worker throughout those events. The rating of the worker depends on the positive or negative behavior throughout the event. Like others this methodology conjointly has bound limitations prefer it is incredibly time intense, cumbersome and at the identical time heap of vital information is lost whereas coating the incident when a substantial gap of your time. Intrinsically events happen of keeping continuous records of such events are nearly not possible. So biased coverage by the supervisor in such events can't be fully dominated out.

#### 7. Cluster Appraisal Methodology:

In this methodology a bunch of appraiser comprising the immediate superior of the actual worker and alternative supervisor having the information of the work together with the personnel professional and head of the department rates the worker. This appraiser cluster determines some criterion and standards so assesses the particular performance of the worker. It analyzes the causes of a poor performance and suggests the artistic measures. This methodology is time intense however unbiased.

### *B. the fashionable Techniques used for Performance Appraisal:*

#### 1. Assessment Centre Methodology:

The assessment center methodology is developed by Bray, Campbell & Grant on AT & T Management Progress Study in 1974 as trendy technique for the worker appraisal. during this technique assign authority wont to take a look at every and each worker in varied social things by employing a variety of assessors and procedures. The output of this takes a look at also because the potential of Associate in nursing worker is evaluated by this methodology by assessing his performance on the job-related simulations. All the necessary characteristics that the assign authority feel is vital for a candidate to induce success in his job are enclosed during this technique.

The assessment center methodology could embrace

several out of box techniques to gauge the worker performance like business games, basket exercises, analysis/decision creating issues or alternative similar exercises or someday it's going to conjointly embrace personal interview, cluster discussions and projective tests to assess the career orientation, motivation Associate in nursing dependence on others of an worker.

The assessment center methodology may additionally take a look at the understanding of the worker, usually written tests are wont to be conducted for this purpose. Senior level managers are approved to gauge this methodology so supported the performance of all candidates, they wont to prepare a outline report for the staff also because the management. This performance appraisal technique is employed to live the look ability, structure skills, Associate in Nursing social skills of an worker.

### 2. Humans Resource Accounting Methodology:

Humans Resource Accounting Technique is specially utilized in those organizations, UN agency would like to gauge the general contribution of Associate in nursing worker to the corporate in the main in terms of financial aspects. This system was 1st developed by Sir William Petty in 1691. The philosophy used behind development of this system was "The folks are valuable resources of a corporation or enterprise; data on investment and worth of human resource is beneficial for higher cognitive process within the organization".

Humans Resource Accounting Technique is one in every of the foremost fashionable ways adopted by several organizations and it's in the main used for assignment, budgeting and coverage the price of the human capital in a corporation which incorporates the salaries, wages and every one alternative coaching expenses. Organizations, UN agency think about their human capital as valuable assets, use this methodology to seek out out the relative value of their assets in terms of cash. The strategy assesses the price of staff and their contribution to the corporate, ideally, the contribution half ought to be larger than the price incurred on them. The distinction then shows the performance of the staff.

### 3. Behaviorally Anchored Rating Scale (BARS):

Behaviorally Anchored Rating Scale is largely combination of 2 ancient techniques used for performance appraisal, i.e., the vital incident and graphic rating scale methodology. This system was 1st introduced by Smith and Kendall in earlier section of 1963 as answer of the problem raised by several alternative researchers UN agency are involved with the problem of reliableness and validity of performance ratings.

BARS provide a lot of stress on the task connected behaviors of each staff and it retrieved a lot of informative analysis than straightforward numbers as this methodology breakdowns the task into varied behaviors that are listed on the rating scale. Then the particular behaviors of the worker are compared with the preset behaviors rated on the dimensions. BARS in the main use behavioral statements or concrete examples for instance multiple levels of performance for every part of performance.

### 4. Management By Objectives (MBO):

This concept of Management By Objectives (MBO) was 1st introduced by Peter F Drucker in his book "The follow of Management" throughout 1954, with the target to beat the failings of ancient appraisal ways.

As the name recommend, Management by Objectives includes of 3 building blocks: object formulation, execution methodology and performance feedback. The management and therefore the staff of Associate in nursing organization work along to spot the common goals for the betterment of the organization. First the structure goals ar outlined supported that individual goals are outlined by the staff. One with success accomplishment of the goal, the performance of the staff is reviewed on the premise of achievements of individual goals. The strategy consists of 4 steps: setting of goals, setting performance standards, comparison the achieved goals with the goals united on, and periodic review to require corrective steps for higher performance.

### 5. Psychological Appraisal methodology of Performance Appraisal:

As the name reflects, during this methodology with the assistance of a scientist, the organizations assess the employee's potential for the long run performance rather than the past performance. The scientist conduct varied psychological activities to spot the emotional, psychological feature, intellectual Associate in nursing alternative connected characteristics of an worker that are needed to predict their potential for the long run performance. These psychological activities embrace varied psychological tests, in-depth interviews, discussions with the supervisors and reviews of alternative evaluations.

### 6. 360 Degree Appraisal:

It is Associate in nursing other fashionable performance appraisal technique whereby the small print of an employee's performance are collected from multiple levels at intervals the firm also as external sources that embrace the peers, employee's superior, colleagues, subordinates, or in some specific cases it's going to conjointly embrace consumer with that that individual worker move, spouses and self. It's wont to build the appraisal methodology a lot of objective, participative, and clear. This system is adopted by several organizations because it provides worker with data concerning the result of their action on others within the geographic point. It provides a notion of behavioral amendment can be evoked through a methodology of increased awareness.

### 7. 720 Degree Appraisal:

720 degree approach is improvise version of 360 degree approach for performance appraisal prompt by Rick Galbreath UN agency wasn't absolutely happy with the end result of 360 degree approach. therefore this new 720 degree technique is a lot of intense approach than 360 degree, personalized and especially larger review of the higher level managers and alternative stakeholders at intervals the organization however conjointly by the teams outside the

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organizations as well as the purchasers, suppliers, investors, etc. 720 degree approach provides folks a awfully completely different read of themselves as leaders and growing people. 360 degree appraisal methodology is practiced doubly. Once the 360- Degree appraisal is completed, then the performance of the worker is evaluated and having an honest feedback mechanism, the boss sits down with the worker once more a second time and offers him feedback and tips about achieving the set targets.

### CONCLUSION

It has been concluded that there are many techniques which include various traditional as well as modern techniques that used for performance appraisal by different organizations. Majority of modern techniques of performance appraisal discussed in this paper have extensive scope than most of the customary methodology and provide a more comprehensive as well as accurate evaluation of a candidate. Amongst all these appraisal techniques, organizations can choose which one will be the best performance appraisal methodology for them to identify the performance of their employees. Since every technique has its own pros and cons as discussed in this paper hence it is very difficult to say that which technique is better than other technique because it depends upon the size and requirement of the organization.

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