

Significance of performance appraisal or evaluation systems



**ASSIGN
BUSTER**

With the above theory presented, there are actually three ways to stir-up employee motivation: purpose, belief and passion. If management can define the purpose on how the company can change the lives of its employees; then it has partially solved motivation. Draw focus in creating a small business culture with a forceful mission statement because people want to be part of something big that the company may achieve in the future.

It helps employees to believe that the product they are making sells and management must provide avenues for its employees to experience the services or the relevance of the product. Passion of its employees must be harnessed at the exact place and the right time – particularly if the company needs research, assign an employee that has a passion for research (Zahorsky, D.). When high employee motivation is achieved, it redounds to the company in terms of increased productivity and related profits. In the workplace it forges a culture of high achievers, driving an improved business climate and high levels of workplace productivity that significantly reduces employee turnover while minimizing the number of sick days with employees reporting for work promptly. All these are tell tale signs of a healthy workplace (Employee Motivation, 2007).

Although employee motivation rests with the company, it is recommended for employees to be grouped into cluster cells to reduce each supervisor's area. And with a manageable number of personnel, a supervisor can exercise judgment and freely motivate. With several clusters all working cohesively, this encourages a feeling of joint proficiency to achieve a common goal. Besides, management can easily pinpoint which clusters are not performing

well so that remedial measures can then be implemented (Employee Motivation, 2007).

Why do we need a thorough periodic performance appraisal or evaluation systems in the workplace? Simply because we want a fool-proof system to rate the effort expended by an employee invested in the course of performing his duties and as to what parameters did that one have affecting the growth of the company. Simply put, a performance appraisal is a system by which management can pinpoint the employees that indeed performed well and likely deserves the company mandated rewards packages (bonuses, pay hike, promotion, seminars, trainings). Performance appraisal, employee appraisal or evaluation system, whatever its name may be is the measure of an employees work related performance, generally based in terms of quality, quantity cost and time. An employee may produce more (quantity) but upon closer examination the product is poorly made (of low quality). Or a product is properly made (good quality) but an employee can only finish so much in a given time (low quantity output). The company requires that employees do both “ quality and quantity” in order for them to be eligible for the rewards system (Wikipedia Contributors, 2007a).

The roots of performance appraisal can be traced to Frederick Winslow Taylor’s “ time and motion study” during the early part of the 20th century, though he would not take full credit for such because it is a natural occurrence in the field of human resource management. The practice of employee appraisal is a distant ancient art and if we consider its historical beginnings, it could fall as the second oldest profession. But as a distinct and formal management system devised in the evaluation of work performance, <https://assignbuster.com/significance-of-performance-appraisal-or-evaluation-systems/>

evaluation really dates back from the Second World War – and not some century or so ago (Archer North and Associates, 2006a). Appraisal is universal, because it is human nature to have a tendency to judge the performance of the immediate people we work with as well as ourselves. We seem to have a ready evaluation of people at all times, whether in work, in school or even with our relatives. Based on this natural tendency and the absence of a structured appraisal system, we subconsciously judge the performance of others, including subordinates, nominally, arbitrarily and informally.

Out of this natural judgment tendency creates serious motivational, ethical and legal problems in the workplace, an offshoot of unfair judgment procedures (Archer North and Associates, 2006a). What are the benefits of an employee evaluation? When an employee evaluation is properly conducted, it can give the employee either recognition for a job well done or as a measure of an employee's performance provides suggestions to improve job performance. This also serves as an opportunity for both employee and management to tackle queries about the work and workplace environment. This also includes among others the employee's contribution to the company and at the same time obtains the necessary feedback about the organization's operations from the employee's point of view (Employee Evaluations). By conducting routine employee appraisal, it could nip emerging potential problems.

With a thorough evaluation system, employees become more aware of what is expected of them. Based on the feedback, it could be a praise or criticism over their job performance and work ethics. The appraisal likewise aids <https://assignbuster.com/significance-of-performance-appraisal-or-evaluation-systems/>

managers in recognizing good employees that needs to be rewarded or low performing employees that is to be coached and closely monitored to improve his performance. Proper communication is a necessity, for it is management's window in determining needs and concerns in the workplace (Employee Evaluations).