

The performance appraisal: advantages and disadvantages



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“ The performance assessment is the procedure through which employee performance is assessed, feedback is provided to the employee, and corrective action plans are designed” (Youssef, 2015, Section 6. 2, What is Performance Appraisal and Why is it Important? para 1). Performance appraisal is deemed an important means for decision-making needs of today’s businesses. The performance appraisal is the method by which businesses appraise job performance. Typically, a performance appraisal system involves a manager to assess each employee’s performance corresponding to performance benchmarks’ that have previously been set up over a period of time. Performance appraisal methods also present a foundation for forecasting improvement, as well as a means for determining merit, raises, new positions within the business and even dismissals.

Strategic Advantage of Performance Appraisals

One of the several advantages of performance appraisal is, in the hustle and hectic working life, it extends a valuable opportunity for a manager and subordinate to have “ break” for a private conversation about matters positive or negative that otherwise may not be spoken about. Performance appraisal proposes a good effort to focus on job accomplishments and targets, to discern and improve current problems, and to inspire improved future performance. For example, performance appraisals can have a profound effect on motivation and morale, it offers an excellent opportunity for managers to recognize and reach an agreement on individual training

and development necessities, and it can examine the success of a business's recruitment and orientation procedures.

The Potential Forms of Bias Within Appraisals Systems

Bias can impact employee performance appraisals in extraordinarily damaging ways. A good manager must be impartial about the performance of their workers. A performance appraisal bias can misrepresent a manager's and a business's assessment of how a worker is doing. Some biases are "stereotyping (inaccurate results against certain employees belonging to a group), halo effect (erroneous judgments about an employee based on a limited number of performance dimensions), self-fulfilling prophecies (We tend to see what we expect to see. Research shows that when other things are equal, if managers poorly judge employees to be failures and expect these employees to fail, then the employees are likely to fail. On the other hand, if a manager believes in an employee and expects him or her to succeed, then he or she will be likely to succeed), and the fundamental attribution error (Employee blames others for their failures but do not give them enough credit for their successes. If left unchecked, this common attributional bias can be detrimental to performance appraisal)" (Youssef, 2015, Section 6. 6, Opportunities, Challenges and Recent Developments in Performance Management, para 16).

Performance Appraisals Contribute to the Achievement of Strategic Objectives

The success of a performance appraisal can be assessed in how good it accomplishes its strategic objectives. Performance objectives determine how <https://assignbuster.com/the-performance-appraisal-advantages-and-disadvantages/>

a business strategy will be attained. Performance objectives also perform a key function in distinguishing the final outcomes required because of employee's intense work and commitment. Performance objectives are a requirement in aligning well-defined objectives for employees. Performance objectives challenge employees to attain the greatest outcomes to encourage business development and make constant progress to meet the challenges and shifting demands of the marketplace. Performance objectives should be well-defined and direct engagement. Knowing the strategic objectives in performance appraisals can support a business to modify performance appraisals to meet business desires.

In conclusion, performance appraisal is deemed an important tool for decision-making needs of today's businesses. The performance appraisal is the method by which businesses appraise job performance. When done successfully, employee performance appraisals are incredibly advantageous to the efficiency of a business. Performance appraisals offer a business with the methods to gather data and share business and specific objectives to each employee. These appraisals are methods that can make all employee's more beneficial and involved in their work and thus make the business more prosperous.

References

Youssef, C. (2015). Human resource management. (2nd ed.). San Diego, CA: Bridgepoint Education.