



# **SNS COLLEGE OF ENGINEERING**

**Kurumbapalayam (Po), Coimbatore - 641 107**

**An Autonomous Institution**

**Accredited by NBA - AICTE and Accredited by NAAC - UGC with 'A' Grade**

**Approved by AICTE, New Delhi & Affiliated to Anna University, Chennai**



## **DEPARTMENT OF MANAGEMENT STUDIES**

**COURSE NAME : 19BA202 - HUMAN RESOURCE MANAGEMENT**

**I YEAR /II SEMESTER**

**Unit 5 - PERFORMANCE EVALUATION AND CONTROL PROCESS**

**Topic 1: Performance Evaluation**



# PERFORMANCE EVALUATION

## MEANING

Performance Appraisal is the systematic evaluation of the performance of employees and to understand the abilities of a person for further growth and development. Performance appraisal is generally done in systematic ways which are as follows:

- ▶ The supervisors measure the pay of employees and compare it with targets and plans.
- ▶ The supervisor analyses the factors behind work performances of employees.
- ▶ The employers are in position to guide the employees for a better performance.



# OBJECTIVES

Feedback on individual performance

Provide basis for self evaluation

- ▶ Setting and monitoring performance objectives
- ▶ Identifying potentials
- ▶ Retaining top talents
- ▶ Increase individual ownership
- ▶ Foster team spirit
- ▶ To determine training and developmental needs of staff
- ▶ Salary standards and to award merit



# PROCESS





# PERFORMANCE APPRAISAL METHODS

<i>Traditional Methods</i>	<i>Modern Methods</i>
<ol style="list-style-type: none"><li>1. Ranking method</li><li>2. Paired comparison</li><li>3. Grading</li><li>4. Forced distribution method</li><li>5. Forced choice method</li><li>6. Checklist method</li><li>7. Critical incidents method</li><li>8. Graphic scale method</li><li>9. Essay method</li><li>10. Field review method</li><li>11. Confidential report</li></ol>	<ol style="list-style-type: none"><li>1. Management by Objectives (MBO)</li><li>2. Behaviourally anchored rating scales</li><li>3. Assessment centres</li><li>4. 360-degree appraisal</li><li>5. Cost accounting method</li></ol>



# PERFORMANCE APPRAISAL METHODS





# BEHAVIOURLY ANCHORED RATING SCALE

The BARS (behaviourally anchored rating scale) is a scale that assesses the performance of new employees or trainees based on well-defined behavioural patterns.



# BEHAVIOURALLY ANCHORED RATING SCALE

## *Behaviorally-Anchored Rating Scale (BARS) for Customer Service Skills*

The Customer Service Representative

Outstanding	5	Used positive phrases to explain product
	4	Offered additional pertinent information when asked questions by customer
Satisfactory	3	Referred customer to another product when requested item was not available
	2	Discouraged customer from waiting for an out-of-stock item
Unsatisfactory	1	Argued with customer about suitability of requested product





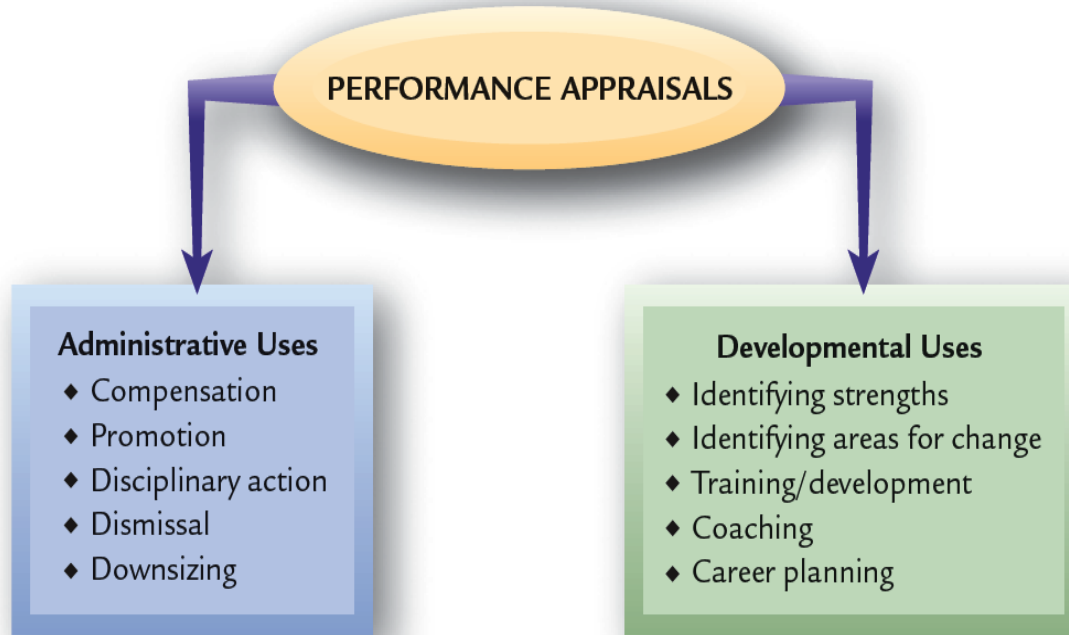


**Assessment Centres:** An assessment center typically involves the use of methods like social/informal events, tests and exercises, assignments being given to a group of employees to assess their competencies to take higher responsibilities in the future.

- ▶ **MBO:** Management by objectives is a process whereby the superior and subordinate managers of an organisation jointly identify its common goals, define each individual's major areas of responsibility in terms of the results expected of him, and use these measures as guides for operating the unit and assessing the contribution of each of its members



# CONFLICT USES OF PERFORMANCE APPRAISAL





# ADVANTAGES

Promotion

Compensation

- ▶ Employees Development
- ▶ Selection Validation
- ▶ Communication



# PERFORMANCE FEEDBACK

**Performance feedback** refers to the information an **employee** receives concerning a rater's evaluative judgment of the **employee's performance** and the way in which the information is communicated.

Performance feedback provides information not only helps employees to alter, change or maintain their behaviours and / or attitudes so that the organization continues to operate smoothly.



# ELEMENTS OF FEEDBACK

Describe behaviour

Specific

- ▶ Non-evaluative
- ▶ Action-plan
- ▶ Continuous
- ▶ Reinforcement
- ▶ Need-based and solicited
- ▶ Proper timing
- ▶ Empathetic



# PROBLEMS IN PERFORMANCE APPRAISAL

## 1. Judgment errors

First impressions

Halo effect-one side

▶ Horn effect – negative quality

▶ Central tendency – average performance

▶ Stereotyping

▶ Leniency

▶ Recency

## 2. Poor appraisal forms

## 3. Lack of rater awareness

## 4. Ineffective organisational policy & practices



**RECAP**

**QUESTIONS???**

**THANK YOU**