



## Performance Appraisal as a Change Bringer – Issues and Prospects

### KEYWORDS

performance management, skills deficit, aligning individual, change vision

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### ABSTRACT

*Performance appraisal means to reinforce and to sustain the change in performance management in which organization has to assist that develop workers with their skills that align with the organization's change, goals and to determine employee skills deficits that require development and strengthening. Now to successfully implement the change, organizations need to work with the change that align the performance – what they need to do the people must understand, what they been able to do it, and it has been done by proper incentives and rewards. This paper highlights that to study the relationship between performance appraisal and employee's performance and the motivation as a moderator in change management as to support the change in recognizing the performance in the change process and to recognize the reward positive approaches. The paper used data collected from websites and other secondary sources. Lastly, aligning individual and organizational performance management systems drives new behavior and gradually shifts the organizational culture in support of the change vision.*

### Introduction:

Performance management is a managerial tool for managing organizational performance for increased effectiveness. It connects all the resources such as financial capital, physical capital

and human capital with the goals and objectives of the people and objectives of the organization with people and leadership driving the processes for achieving best organizational outcomes. It requires appropriate planning, managing, measuring, monitoring and rewarding performance in the context of organization's goals and objectives. With the above view, an attempt has been made to critically examine and to gather the precious inputs from companies and carry out analysis of the qualitative and quantitative data for arriving at desired organizational through put. Most importantly the study has been able to lock into an innovation model, which demonstrates how the companies remain competitive by constantly driving towards innovation faster to enable sustained profitable growth. Change can be a time of exciting opportunity for some and a time of loss, disruption or threat for others. How such responses to change are managed can be the difference between existing and blooming in a work or business environment. Change is an inherent characteristic of any organization, all organizations whether in the public or private sector must change to remain relevant. Change can be originated from external sources through technological advances, social, political or economic pressures, or it can be come from inside the organization as a management response to a range of issues such as changing customer needs, costs, a human resource or a performance issues. It can affect one small area or the entire organization. Nevertheless, all change whether from internal or external sources, large or small, involves adopting new mindsets, processes, policies, practices and behavior. Irrespective of the way the change originates from a change management which is the process of taking a planned and structured approach to help align an organization with the change. The underlying basis of change management is that people's capacity to change can be influenced by how change is presented

to them. Their capacity to adapt to change can shrink if they misunderstand or resist the change, causing barriers and ongoing issues. The rationale is that if people understand the benefits of change, they are more likely to participate in the change and see that it is successfully carried out, which in turn means minimal disruption to the organization. It is the most simple and effective form, change management involves working with an organization's stakeholder groups to help them understand what the change means for them, helping them make and sustain the transition and working to overcome any challenges involved. From a management perspective it involves the organizational and behavioral adjustments that need to be made to accommodate and sustain change.

### Objectives of the Study:

To study the relationship between performance appraisal and employee performance and the motivation as a moderator in the change management.

To analyze various performance appraisal methods and models as a work for company tool to manage change.

### Review Literature:

The change management has numbers of models and theories and topic is subjected to more than its fair share of management fads and fashions. There is a popular approach which is exemplified near step by step by Kurt Lewin's Classic Three-Phase Model of Change -- unfreeze, move or change, and refreeze, the McKinsey's 7-S model, John Kotter's popular 8 step change model, and the ADKAR model. Other approaches such as Rosabeth Moss Kanter's theories and change theories based on derivatives of the Kübler-Ross model focus on the cultural and people aspects of change. There is a pros and cons in each and every appraisal as there is no one framework that is "best" in all situations. As the model and theory is not much more actual which is important and there is a relevant approaches is taken to cover all circumstances. In fact the best change approaches appear to use and adapt aspects of various models to suit the culture of the organi-

zation and the context of the change. Fundamentally, the basic goal of all change management is to secure buy-in to the change, and to align individual behavior and skills with the change by doing study the relationship between performance appraisal and employees performance and the motivation as a moderator in the change management and to analyze the various performance appraisal methods as a work for company tool to manage change.

#### Purpose of the Study:

- This research paper is designed to give undertaking change guidance to public sector bodies. It is nor prescriptive nor exhaustive.
- As each public sector organization is different by its culture, needs, history, structures and there is a different change event so it is in effective.
- The change is planned and effectively managed by its type, breadth, size, origin etc.
- There is some common factors for delivering successful that exist change in despite range of approaches to change management.
- This paper has the best practice guidance on the common change success factors and the tools to disseminate ideas that is intended and the sorting of public sector organization in action that is undertaken.

#### Research Methodology:

The present paper is the outcome of the research based on secondary sources. For collecting information a number of books, magazines, journals and internet sites are used. The study is purely descriptive in nature and qualitative in character.

#### Results & Discussion:

- The study focuses on the relationship between Performance appraisal and employee's performance and paying consideration to the motivation role as a moderator.
- The obtained results show that there is significant relationship exist between Performance appraisal and motivation makes strong and clarified the relation between performance appraisal and employee performance.
- If PA system is successfully used, the employees would be able to know how well they are performing and what is expected to them in future in terms of their work performance and effort.
- In most of the companies it is seem that the appraisal are not been done properly and the employees are not satisfied with the way they are been appraised as the most of the companies have interviews and discussion for this matter
- The appraisal is based on Key Result Areas, a mid-term review is also done undertaken. This data is then compiled and the final appraisal is done yearly means at the end of the year.
- In the company the immediate supervisors is an appraiser but sometimes it is HOD or HR department.
- The performance is sometimes evaluated against targets as the organizations have their goal setting a part of appraisal.
- In the organization employees are motivated by performance appraisal by a positive feedback
- Companies use data for making a decision regarding succession planning and job rotation. The most of companies use data to compare and maintain performance over a period of time.
- This data is being used by very few companies by the

proof of poor performance in retrenchment.

- The appraisal is successful when good respondents are connected with semi financial and financial like increments, bonus and promotion. The commitment of the people is increased when concerned for appraisal.
- For the new employees most of the companies have separate appraisal not on probation. This basically is to confirm them.
- When new performance appraisal is being introduced the training in organization is given for the appraisal one to two weeks before appraisal.
- The training and development of employees performance appraisal is a good indicator (about 80%).
- If any loopholes are found in performance appraisal no monitoring is done if it exists as it is an informal basis (feedback every year).
- Performance appraisal awareness sessions are conducted in a few organizations. It is normally done for new employees.

#### Findings:

On the basis of my research, following findings can be enumerated as below:

- The study suggests that flexibility in Human Resource Management had a wide impact on the performances of the employees.
- The Strong communication in the companies has made an easy way of working.
- There is a Focused and committed work culture has been taking place.
- There is an 'Acceptance of change' has been found at a higher order. Interchangeability and crisis management is encouraging.
- Regular and need based training is given to the employees to make them competitive
- Customer satisfaction and loyalty is very high
- Employee empowerment and participative leadership is exhibited.
- Employees are rewarded for their performance by the way of promotions.
- Employee empowerment plays a vital role in employee retention and attraction.
- Innovation and knowledge management are buzzword in companies.

#### Limitations of the Study:

There are some problems which may affect the Research work. These may be enumerated as below:

- Performance appraisal is very expensive for the research work because it has a broad area so it requires much more money for the research work.
- Performance appraisal needs too much time also. Because it is very broad subjects. It needs much more time to study at related things for research. It cannot be done within two and three years.
- Unwillingness on part of respondents due to their personal interest.
- The size of country (geographical areas) cannot be covered within such a short span of time.

#### Implications:

- The companies need to be transparent in the evaluation / appraisal systems. This can be achieved by clearly communicating the goals and evaluation criteria.
- Furthermore evaluation should be based on past performance strictly. Future prospects should not be looked into for evaluating criteria.

- Appraisal system should be more flexible. Once the appraisal is done by the superior, it should be shared with the employees and participative discussion should be carried out. Only after mutual concern the appraisal results should be frozen.
- Evaluation system should include criteria like innovation, generation of new ideas, time management and grasping ability. Customer satisfaction should be given high importance while evaluating an employee.
- Performance appraisal needs to be done at regular intervals so that employees can get moderate period for the performance improvement. However care should be taken that the appraisal process doesn't become mere formality.
- Giving training to those who need improvement in their performance seems to be ready remedy towards solving performance related problems of the employees. However, whether employee really need training and whether problems he / she facing are trainable or not, need to be investigated properly.
- Promotions should be based upon the balanced weight of performance and duration of service.
- Process of setting the performance objectives should be clear; this could help to make promotion process a transparent one.
- There should be clear and consistent guidelines for promotions and facilitate a comprehensive analysis of performance devoid of biases.
- After the performance review, if the employees have any complaints a due attention is to be given and complaints need to be resolved.

#### Conclusion:

- The present study has touched upon the various issues at a suitable designed level for the framework of this research. It has been observed that companies pretty strong in communication, infrastructural development, Technological development, knowledge management initiatives, training and development and innovation.
- There appears to be certain shortcomings in the existing performance appraisal system and employee promotion policy of the selected companies. The study also presents a model, revealing the performance of the companies and showcasing their speed of innovation resulting into high deliverance.

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