

A Study on Various Techniques and Methods for Assessing Performance

Kumaraswamy B¹ and Dr. Naresh Kumar Gupta²

Research Scholar, Department of Commerce and Management¹

Research Guide, Department of Commerce and Management²

Sunrise University, Alwar, Rajasthan, India

Abstract: *A performance assessment method is used in businesses in order to evaluate the efficacy and effectiveness of the individuals working for such firms. There is a need for a performance appraisal system due to the fact that every person approaches their task with a unique mentality. The performance appraisal process has the ability to enhance job performance, communication expectations, the determination of employee potential, and the assistance provided to employees in need of counseling. In this article, we will discuss some of the most common approaches to performance evaluation, as well as the benefits and drawbacks associated with each one. There are a variety of methods that may be used to evaluate an employee's performance, including ranking, graphic rating scales, critical incidents, narrative essays, management by objectives, assessment centers, BARS, 360 degrees, and 720 degrees.*

Keywords: Measurement Techniques, Performance Metrics, Assessment Tools.

I. INTRODUCTION

In recent years, the term "performance appraisal" has come to be used interchangeably with "performance review," "performance evaluation," "performance assessment," "performance measurement," "employee evaluation," "personnel review," "staff assessment," "service rating," and so on. There are four major stages in the process of developing performance evaluations. The methodology is known as the TEAM method (which stands for Technical, Extended, Appraisal, and Maintenance) [10]. An employee's performance may be evaluated by looking at their history of work, being rewarded for that history of work, establishing goals for their future performance, and developing their skills [14]. One of the measures of the quality of Human Resource Management in a business may be regarded to be the system that is used to evaluate employees. A process of workers' assessment that is properly created and carried out is not only the required foundation for effective employee performance management, but it also offers useful information for other functions of human resource management [2]. It helps with Performance Feedback, Employee Training and Development Decisions, Validation of Selection process, Promotions & Transfers, Layoff Decisions, Compensation Decisions, Human Resource Planning (HRP), Career Development, and Developing Interpersonal Relationships. This is why Performance Appraisal is important.

Techniques like as rating, critical event analysis, and narrative essays aren't employed very often these days, although they were commonplace in the past. MBO, Assessment Centers, BARS, Human Resource Accounting, 360 Degree, and 720 Degree are just some of the newer, more innovative approaches to performance evaluation that have been proposed in recent years in the workplace. Other approaches include 360 Degree and 720 Degree.

II. DIFFERENT TECHNIQUES OF PERFORMANCE APPRAISAL

An evaluation of an employee's performance often makes use of both objective and subjective metrics. Objective measures are those that can be quantified in a straightforward manner, while subjective measures are those that cannot. Traditional methods and modern methods are the two main categories that may be used to broadly classify approaches to performance evaluation. The following are the approaches used for performance evaluation:

2.1 Traditional Methods

Evaluations of performance that are carried out using more conventional methods are among the ways that have the longest track record. The investigation of the individual features of the employees is the fundamental component of this

strategy. There are several different components that make up this trait, including knowledge, initiative, loyalty, leadership, and judgment..

2.2 Ranking Method

Dessler et al. (2011) state that the ranking approach consists of evaluating workers from best to worst on a certain feature, picking highest, then lowest, until all employees are rated [5].

2.3 Graphic Rating Scales

Paterson and the staff of the Scott Company collaborated in 1922 to establish a visual scale that offered dependability, stability across time, utility, and practicability. In 1931, Bradshaw addressed enhancements to the graphic rating scale, one of which was the addition of "behaviorism" to anchor the scales and assist in providing a better illustration of the characteristic [3]. In 1972, Flynn said that the ratings that arise from using five to nine scale points are of the greatest quality. The Graphic Rating Scale is a scale that provides a variety of characteristics and a range of performance for each, as stated by Dessler et al. (2011). After that, the worker is given a rating by selecting the score that most accurately reflects the degree of performance he or she has shown for each quality [5].

2.4 Critical Incident Method

The method of categorizing pilot mistake experiences in reading and interpreting aircraft instruments was fully standardized by the works of Fitts and Jones in 1947. This was done in order to prevent future accidents. Instead of referring to them as "critical incidents," Fitts and Jones used the word "errors." Data collection during task performance, as opposed to the Fitts and Jones technique, is currently regarded a defining condition for critical incident approaches. This is in contrast to the Fitts and Jones method. After the publication of John Flanagan's article titled "The Critical Incident Technique" in the psychological bulletin in 1954, the work that he did would go on to become known as the groundbreaking critical incident technique. According to Flanagan (1954), the critical incident method is a series of processes meant to characterize human behavior. These procedures include gathering descriptions of occurrences that have unique importance and satisfying systematically established criteria. Flanagan's definition of the critical incident technique may be found here. When Flanagan first began collecting key incident identification, he did it with the help of professional observers. The identification of the significant occurrences that occurred during the completion of the assignment might either be a solitary endeavor or a collaborative one between the user and the evaluator [9]. Critical Incident approach involves maintaining a record of unusually excellent or unfavorable instances of an employee's work-related conduct and discussing it with the employee at predefined periods, as stated by Dessler et al. (2011) [5].

Essays that are Narrative At the conclusion of the assessment period, the evaluator will write down an explanation regarding the employee's prior performance, positioning requirements, strengths, and weaknesses, as well as a proposal for how the employee might improve. This approach is primarily concerned with concentrating on behavior [7].

2.5 Modern Methods

In an effort to make traditional practices more effective, modern approaches have been developed. It made an effort to address some of the problems that were caused by the previous techniques, such as their subjectivity and prejudice.

2.6 Management based on Achievable Goals

In 1954, Peter F. Drucker published his book "The Practice of Management," in which he proposed the concept of "Management by Objective." Object formulation, the execution method, and performance feedback are the three components that make up this building block [17] system. Weihrich proposed a new paradigm in the year 2000, which he called the system approach to MBO (SAMBO). SAMBO is comprised of the following seven components: strategic planning and hierarchy of objects, defining goals, planning for action, execution of MBO, control and assessment, subsystems, and organizational and management development [16].

2.7 BARS stands for the Behaviorally Anchored Rating Scale.

Smith and Kendall presented the BARS in 1963 with the intention of attracting the attention of researchers who were concerned with the problem of the reliability and validity of performance assessments. When compared to mere numbers, behavioral anchor scales provide far more information. It is possible to differentiate behaviorally anchored performance characteristics from one another from both an operational and conceptual standpoint [12]. The role of the rater will be that of an observer, not a judge. The Behavior Analysis Rating Scale (BARS) is a tool that helps raters zero in on particular instances of work behavior, both positive and negative, that may be used as examples when discussing ratings. When illustrating many levels of performance for each component of performance, BARS will employ behavioral statements or actual examples [6].

2.8 The Accounting of Human Resources

In the year 1691, Sir William Petty was the first person to come up with the idea of accounting for human resources. However, Rensis Likert was the first person to begin research on real human resource accounting in the 1960s. Accounting for human resources, as defined by Professor Flanholtz, treats individuals as an organization's resource. People are important resources of an organization or company, and information on the investment and value of human resource is helpful for decision making in the organization [15]. This is the primary premise that underpins the HRA. The purpose of this study is to conduct an investigation on the implementation of human resource accounting in heavy industries during the course of the years 2001-2010. Utility analysis was used in the models that were established by Cronbach & Glaser in 1965 as well as those that were produced by Naylor & Shine for the purpose of determining the monetary value of the process of personnel selection. Grojer and Johnson adopt both UA and HRA in 1966, and as a result, they propose the notion of human resource costing and accounting (HRCA)[8]. Another approach to accounting for human resources is called human resource value accounting (HRVA for short).

2.9 Various Centers for Evaluation

The AT&T Management Progress Study, which was conducted in 1974 by Bray, Campbell, and Grant, was largely responsible for the development of the assessment center approach in its current iteration. In basket exercises, group discussions, simulations of interviews with "subordinates" or "clients", fact seeking exercises, analysis/decision making issues, oral presentation exercises, and written communication exercises are common types of work simulators that are utilized in assessment centers [4].

2.10 Continuously Around

It is a common method of performance evaluation that incorporates assessment input from a variety of levels and departments inside the company, in addition to sources from outside the organization. The involvement of an employee's superior, colleagues, subordinates, and, in certain cases, customers, suppliers, and/or spouses is required for the completion of a 360-degree feedback survey [7]. It educates individuals about the impact that their actions in the workplace have on the people around them in that setting. It posits the possibility that a shift in one's patterns of conduct may be prompted by an increase in one's level of self-awareness.

Rick Galbreath was unhappy with the way the 360 degree evaluations were handled. Galbreath began employing the 720 degree and characterized it as a more in-depth, individualized, and above all larger assessment of the high level managers that brings in the viewpoint of their customers or investors, as well as subordinates. This review also takes into account the overall performance of the company. 720 degree evaluation places its emphasis on what matters most, which is the opinion of a company's clients or investors about the quality of its work [13]. People have a radically different perspective of themselves as leaders and as developing persons after using the 720-degree technique. The procedure of evaluation from all 360 degrees is performed twice. After the 360-degree assessment has been completed, the performance of the employee is assessed, and if there is an effective feedback process in place, the manager meets with the employee a second time to discuss the person's performance and provide advice on how to meet the goals that have been established [14].

II. CONCLUSION

As a result of this, we get to the conclusion that there are a variety of methods that are utilized for performance evaluation. Because the nature of an organization and its scale both have a role in the answer to this question, it is exceedingly challenging to definitively state one method is superior to any other method. Each method comes with its own set of advantages and disadvantages.

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