



EMPLOYEE PERFORMANCE APPRAISAL

Performance appraisal is the system by which a formal review of an employee's work performance is conducted. It is the process of evaluating the contribution of each employee in a factory or organisation.

PROSPECTIVE USERS:

Performance appraisals can be conducted in any type of factory. This practice is implemented by the Human Resource Department together with managers, supervisors and workers.

PROBLEM ADDRESSED

Performance appraisals are essential for the effective management and evaluation of staff. Regular performance appraisals enable management and monitoring of standards, agreeing expectations and objectives, and delegation of responsibilities and tasks. Staff performance appraisals also establish individual training needs and enable organisational training needs analysis and planning.

PROCESS

Formal performance appraisals are generally a written review conducted on a periodic basis (annually or semi-annually) for all staff in an organisation. Each staff member is generally appraised by their supervisor or line manager. Supervisors observe and evaluate performance, record the assessment and provide feedback to the employee.

Steps in implementation

Performance appraisals generally take the form of a structured formal interaction between an employee and supervisor in which the work performance of the employee is examined and discussed, with a view to identifying weaknesses and strengths as well as opportunities for improvement and skills development. Supervisors and workers will generally have a one-to-one meeting at which the following points will be discussed and recorded in writing:

1. Clarify worker's job description and responsibilities
2. Clarify Employee development interests and needs
3. List specific development areas for concentration
4. Review performance objectives and performance standards
5. Provide employee with answers to the following questions:
 - What am I expected to do?
 - How well am I doing?
 - What are my strengths and weaknesses?
 - How can I do a better job and contribute more to factory productivity and output?

The following points are important to bear in mind:

- Performance appraisals should be based on the employee's actual job description and should include a review or comparison on any previous appraisals to see where the employee has made improvements.
- During the process, the employee can highlight areas where they feel they would like to develop more or would like some help addressing so that the employee takes responsibility for the quality and productivity of their own work.

RESOURCES REQUIRED

Considerable time and effort on behalf of management is necessary in the process of both designing and conducting formal performance appraisals. Adequate staff time also needs to be allocated to the process.

POSITIVE IMPACT

The benefits of performance appraisals include:

- Ensures formal communication between workers and management throughout year.
- Opens up communication lines between supervisor and worker.
- Provides workers with a better sense of direction regarding work priorities, needs.
- Provides for managers to "touch base", see where workers are at a point in time, re-direct workers' energies if necessary or provide assistance to workers to reach goals.
- Serves as a useful tool regarding worker actions (i.e.: determining salary adjustments, promotions, dismissals, etc.)
- Provides workers with a sense of recognition, feeling that his/her work and contributions are seen and valued.
- Provides workers with a fresh set of targets, goals to aim for in the coming weeks/months.

- Records of all performance appraisals should be kept in the individual employee's file so they can be used in the future as justification for training, promotions, discipline or dismissal.
- Some supervisors will also ask workers and peers give feedback to them (called 360 degree feedback).
- Appraisals must be free from discriminatory bias. Managers should not base their feedback on personal beliefs about the worker's race, colour, sex, religion, political opinions, national extraction or social origin.

CHALLENGES AND PITFALLS

Some of the pitfalls of performance appraisals relate to the fact that managers often have limited contact with subordinate employees and may be poor at providing fair and useful feedback. Managers also frequently view performance appraisals as a waste of paper work, especially if nothing comes of their efforts. On the other hand, employees can receive feedback poorly too.

It is also recognised that performance appraisals involve human judgment and information processing and can never be totally objective or infallible. It is therefore a challenge to ensure that appraisal systems are job related, sensitive, reliable, practical, open, fair and useful.

INDICATORS FOR MONITORING

Indicators for monitoring would include feedback from both managers and subordinates on their experience of conducting the performance appraisals. This can be provided in a simple form or questionnaire on their opinions about the process including objectiveness, usefulness and outcome.

Further Information Available:

FIP References:

Module 5 - Human Resources

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Good Practice Guide

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