

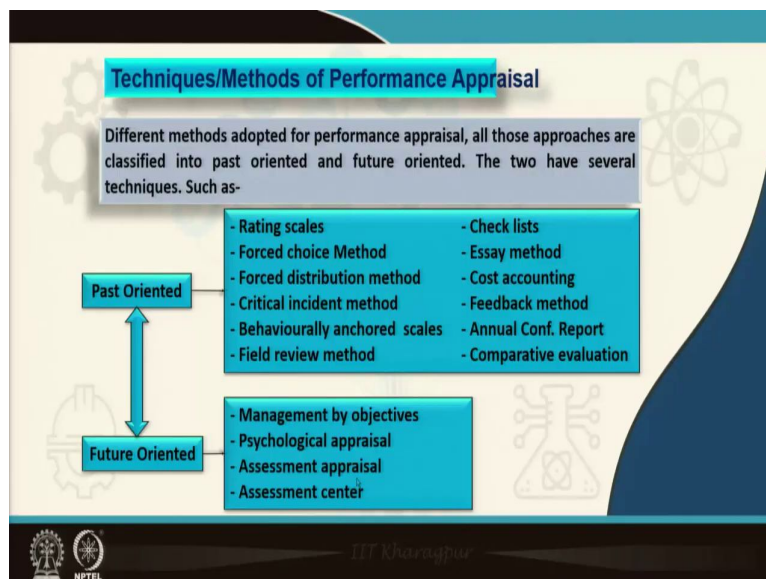
**Principles of Management**  
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**Indian Institute of Technology, Kharagpur**

**Module – 07**  
**Lecture - 35**  
**Performance Appraisal (Continued)**

Welcome back, let us continue with our discussion on Performance Appraisal. In the last lecture, we discussed on high performance work system, we understood what is performance management; we discussed on the link of performance management and performance appraisal, we understood what is the link of performance appraisal with job analysis and job evaluation.

In this session, we are going to continue our discussion on performance appraisal like on understanding what are the different types of performance appraisal processes, how it can be classified, what are the advantages and disadvantages of it and how to do an interview and other things. So, let us see begin with what are the different types of performance appraisal methods.

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The techniques of performance appraisal methods which have been adopted are the approaches which could be classified as whether they are past oriented approach or whether

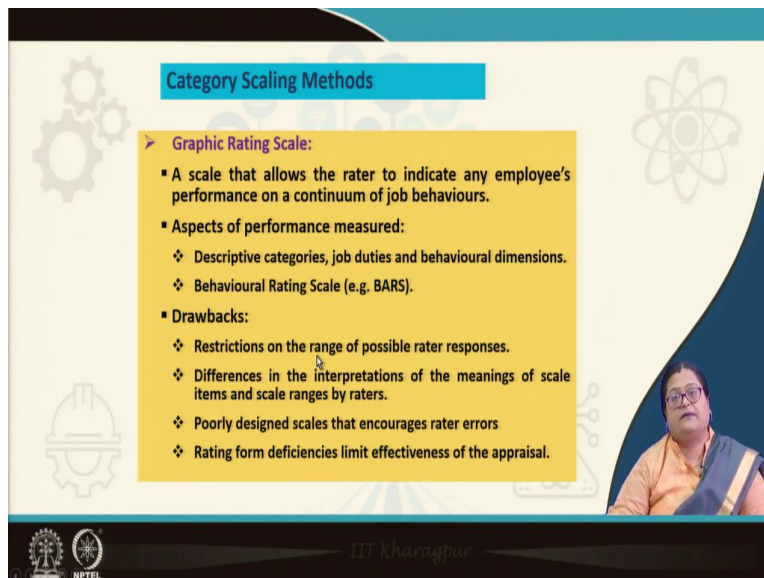
they are future oriented approach. In past oriented approach, it is already like the what the employees have done and we are just going to review that and take a feedback on that.

In the future oriented approach, the focus is on what the employees can do ok; what they are able to achieve, what are their potentials, what are their competencies. So, we have two sets of approaches; the past oriented approach and the future oriented approach.

In past oriented approach, there are different ways of like techniques of appraisal like rating scales, forced choice method, forced distribution method, critical incident method, behavioural anchored rating scale, field review method, check lists, essay method cost accounting, feedback method, annual confidential report, comparative evaluation.

In future oriented methods; there are methods like management by objectives, psychological appraisal, assessment appraisal and assessment center. In the next discussions, like here we may not get the time to discuss on all these methods in details; but we are going to choose few of these important methods and discuss in details about it. So, let us move ahead.

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The slide is titled "Category Scaling Methods" in a blue header. Below the title, a yellow box contains the following text:

- ▶ **Graphic Rating Scale:**
  - A scale that allows the rater to indicate any employee's performance on a continuum of job behaviours.
  - Aspects of performance measured:
    - ❖ Descriptive categories, job duties and behavioural dimensions.
    - ❖ Behavioural Rating Scale (e.g. BARS).
  - Drawbacks:
    - ❖ Restrictions on the range of possible rater responses.
    - ❖ Differences in the interpretations of the meanings of scale items and scale ranges by raters.
    - ❖ Poorly designed scales that encourages rater errors
    - ❖ Rating form deficiencies limit effectiveness of the appraisal.

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So, each of these methods can be classified under different headings; the first heading we have the category scaling method. Why it is called category scaling method? Here there are different categories defined and the employees are given marks on their performance based on those categories which defines the like excellence achieved in the world.

So, first is a graphic rating scale; it tells that which allows the scale that allows the rater to indicate any employee's performance on a continuum of job behaviours. What are the aspects of performance measured are; descriptive categories, job duties and behavioural dimensions. And their behavioural rating scale is a version of the graphic rating scale. What are the drawbacks of this is, it is restrictions on the range of possible rater responses.

Differences in the interpretations of the meanings of the scale items and scaled ranges by the raters; poorly designed scales that encourages raters' errors, and rating from deficiency limits effectiveness of the appraisal.

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Terms Defining standards at One Company	
5	Outstanding: The person is so successful at this job criterion that special note should be made and performance ranks in the top 10% .
4	Exceeds Expectations: Performance is better than average for the unit, given the common standards and unit results.
3	Meets Expectations: Performance is at or above the minimum standards. This level is what one would expect from most experienced, competent employees.
2	Below Expectations: Performance is somewhat below the minimum standards. However, potential to improve within a reasonable time frame is evident.
1	Unsatisfactory: Performance is below standards. Whether the person can improve to meet standards is questionable.

Now, what are the defining standards maybe, we take example of one company; it is 5 means, outstanding like if the person is so successful at this job criterion that the special note should be made and performance ranks in the top 10 percent. 4, is exceeds expectations performance is better than average for the unit, given the common standards and unit results. 3, is meets expectations performance it is at or above the minimum standards.

This level is what one should expect from most experienced, competent employees. Below expectations is performance is somewhat below the minimum standards. However, potential to improve within a reasonable time frame is evident. Unsatisfactory performance is below standards. Whether the person can improve to meet the standards is questionable. So, you can define 5, 4, 3, 2, 1 in this way.

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**Behavioural/Objective Methods**

- Behavioural Rating Approach
  - Assesses employees' behaviours instead of other characteristics
  - Consists of a series of scales created by:
    - ❖ Identifying important job dimensions.
    - ❖ Creating statements describing a range of desired and undesirable behaviours (anchors).
  - Types of behaviour scales
    - ❖ Behaviourally anchored rating scales (BARS)
    - ❖ Behavioural Observation scale (BOS)
    - ❖ Behavioural expectation scales (BES)

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Behavioural or objective methods are, in it the employee's behaviours are assessed instead of other characteristics. So, consist of series of scales created by identifying important job dimensions; creating statements describing a range of desired and undesirable behaviours, which we call behavioural anchors. The types of behaviour scales are behaviourally anchored rating scale, behavioural observation scale and behavioural expectation scales.

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**Behavioural-Anchored Rating Scale for Customer Service Skills**

The Customer Service Representative		
Outstanding	5	Used positive phrases to explain products
	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 products

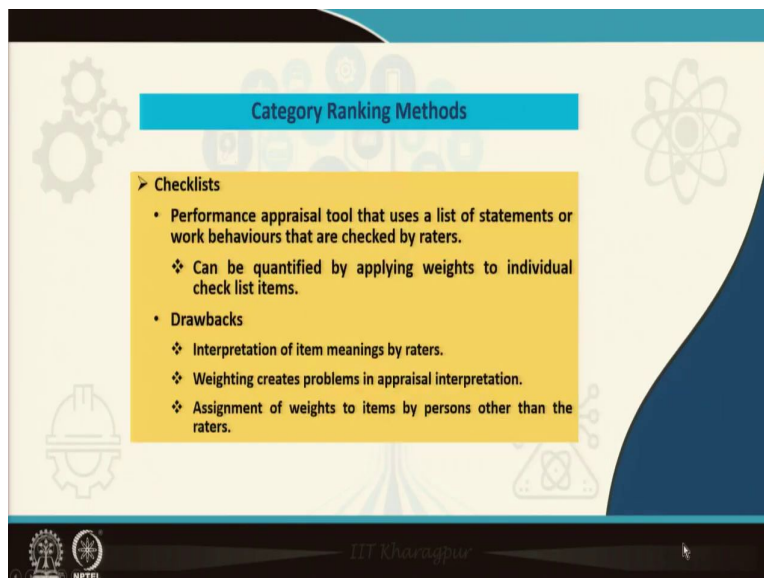
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Let us see a behaviourally anchored rating scale for customer service scales. When we talk of unsatisfactory which is point 1, we see argued with customer about suitability of the

requested products; point 2, which talks of discourage customer from waiting for an out of stock item. Satisfactory, which is point 3, referred customer to another product when requested item was not available.

4, which is moving towards outstanding is offered additional pertinent information when asked questions by customers and in outstanding which is 5, use positive phrases to explain products. So, this is why we talk of behaviourally anchored rating scale; what you find each of these points are anchored with a behaviour which demonstrates like customer service skills, of the customer service representative.

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The slide is titled "Category Ranking Methods" in a blue header. Below the title, there is a yellow box containing the following text:

- > Checklists
  - Performance appraisal tool that uses a list of statements or work behaviours that are checked by raters.
  - ❖ Can be quantified by applying weights to individual check list items.
- Drawbacks
  - ❖ Interpretation of item meanings by raters.
  - ❖ Weighting creates problems in appraisal interpretation.
  - ❖ Assignment of weights to items by persons other than the raters.

The slide also features a footer with the NPTEL logo and the text "IIT Kharagpur".

Category ranking methods, one of that is the checklist; it is a performance appraisal tool that uses a list of statements or work behaviours that are checked by raters, can be quantified by applying weights to individual checklist items. What are the drawbacks are; interpretation of items and meanings are by rater, so it may vary from rater to rater. Weighting creates problems in appraisal interpretation. Assignments of weights to items by persons other than the raters may also be like problematic.

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The slide is titled "Comparative Methods" in a blue header. Below the header, a yellow box contains the following text:

- Ranking
  - A listing of all employees from highest to lowest in performance.
  - Drawbacks
    - ❖ Does not size of differences in performance between employees.
    - ❖ Implies that lowest-ranked employees are unsatisfactory performers.
    - ❖ Becomes an unwieldy process if the group to be ranked is large.
    - ❖ Is not readily applicable to small groups of employees.

The slide also features a small video inset of a woman in the bottom right corner and logos for IIT Kharagpur and NPTEL at the bottom.

There are comparative methods which we call ranking methods; a listing of all employees from highest to lowest in performance. The drawbacks are does not take into consideration the size of differences in performance between the employees; implies that lowest-ranked employees are unsatisfactory performers, becomes a like unwieldy process if the group to be ranked is very large. It is not readily applicable to small groups of employees.

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The slide is titled "Comparative Methods (Contd...)" in a blue header. Below the header, a yellow box contains the following text:

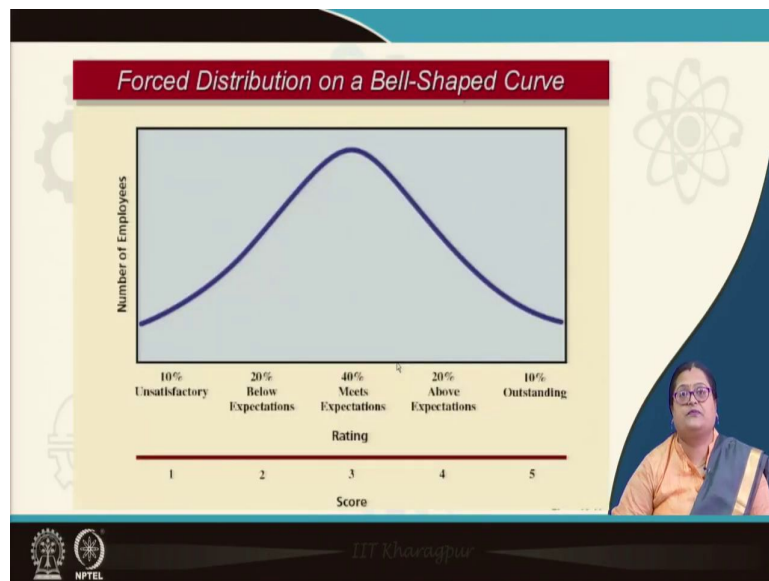
- Forced Distribution
  - Performance appraisal method in which ratings of employees are distributed along a bell-shaped curve
  - Drawbacks
    - ❖ Assumes a normal distribution of performance.
    - ❖ Resistance by managers to placing individuals in the lowest or highest groups.
    - ❖ Providing explanation for placement in a higher or lower grouping can be difficult.
    - ❖ Is not readily applicable to small groups of employees.

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Forced distribution is another comparative method in which ratings of employees are distributed along a bell-shaped curve. The drawbacks are it assumes a normal distribution of

performance; resistance by managers to placing individuals in the lowest or the highest groups; providing explanation for placement in a higher or lower group can be difficult; and it is not readily applicable to small groups of employees.

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So, this is a picture of the forced distribution on a bell-shaped curve, where you by force put people into different like on the left and the right side of the bell curve. And people may have reservations about putting candidates in the extremes of this either are outstanding or unsatisfactory, especially for this unsatisfactory whether to by force put some candidate into the unsatisfactorily.

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The slide is titled "Narrative Methods" in a blue header. Below the header, a yellow box contains the following text:

- **Critical Incident:**
  - Manager keeps a written record of highly favourable and unfavourable employee actions.
  - **Drawbacks**
    - ❖ Variation in how managers define a critical incident.
    - ❖ Time involved in documenting employee actions.
    - ❖ Most employee actions are not observed and may become different if observed.
    - ❖ Employee concerns about manager's black books.

The slide also features a small video inset of a woman in the bottom right corner and logos for IIT Kharagpur and NPTEL at the bottom.

There are narrative methods like critical incident which talks of manager keeps a written record of highly favourable and unfavourable employee actions. The drawbacks are variation in how managers define a critical incident; time involved in documenting employee actions; most employee actions are not observed and may become different if observed; employee concerns about manager's black books.

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The slide is titled "Narrative Methods (continued...)" in a blue header. Below the header, a yellow box contains the following text:

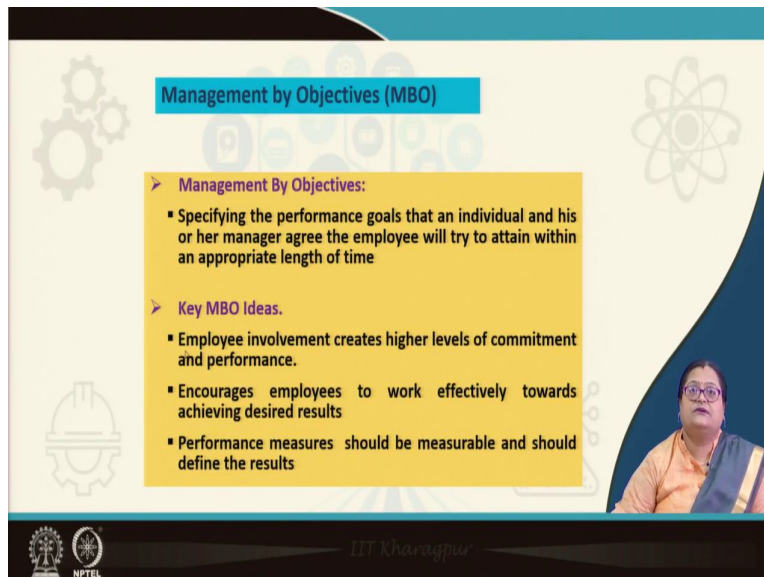
- **Essay:**
  - Manager writes short essay describing an employee's performance.
  - **Drawback**
    - ❖ Depends on the manager's writing skills and their ability to express themselves.

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Another narrative method is that of essay method. Manager writes short essay describing an employee's performance. The drawback is, it depends on manager's writing skills and their ability to express themselves.

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The slide is titled "Management by Objectives (MBO)" in a blue box. It contains two main sections: "Management By Objectives:" and "Key MBO Ideas." The first section has a bullet point: "Specifying the performance goals that an individual and his or her manager agree the employee will try to attain within an appropriate length of time". The second section has three bullet points: "Employee involvement creates higher levels of commitment and performance.", "Encourages employees to work effectively towards achieving desired results", and "Performance measures should be measurable and should define the results". The slide also features a small video inset of a woman in the bottom right corner and logos for IIT Kharagpur and NPTEL at the bottom.

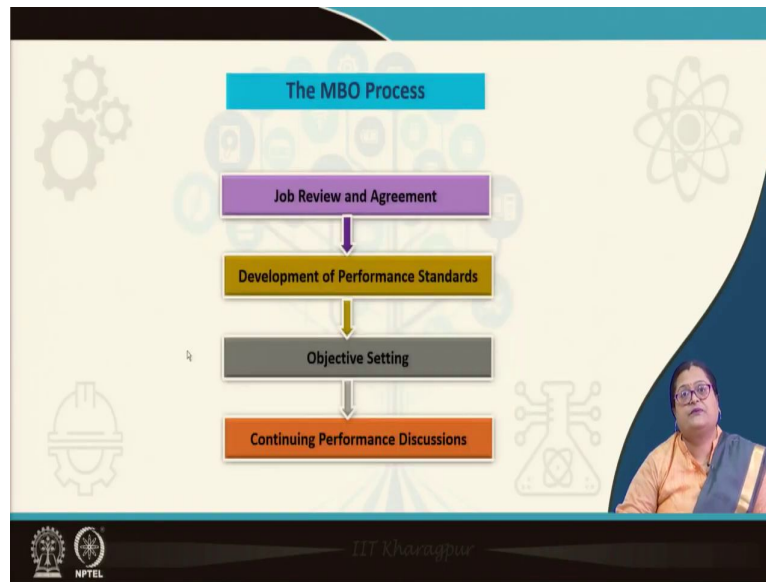
**Management by Objectives (MBO)**

- **Management By Objectives:**
  - Specifying the performance goals that an individual and his or her manager agree the employee will try to attain within an appropriate length of time
- **Key MBO Ideas.**
  - Employee involvement creates higher levels of commitment and performance.
  - Encourages employees to work effectively towards achieving desired results
  - Performance measures should be measurable and should define the results

Management by objective is the future method that we have discussed; it is specifying the performance goals that an individual and his or her manager agree the employee will try to attain within an appropriate length of time.

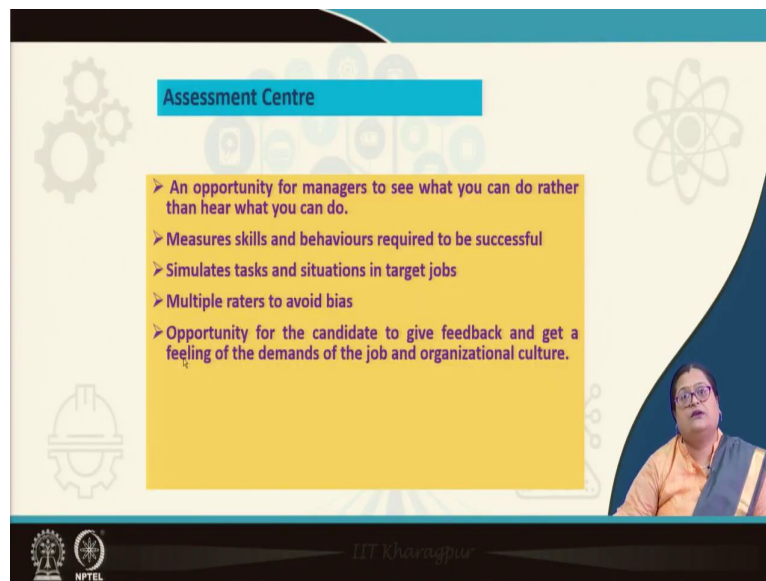
The key MBO ideas are employee's involvement creates higher levels of commitment and performance. It encourages employees to work effectively towards achieving desired results. Performance measures should be measurable and should define the results.

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The MBO processes job review and agreement, development of performance standards, objective setting, and continuing performance discussions.

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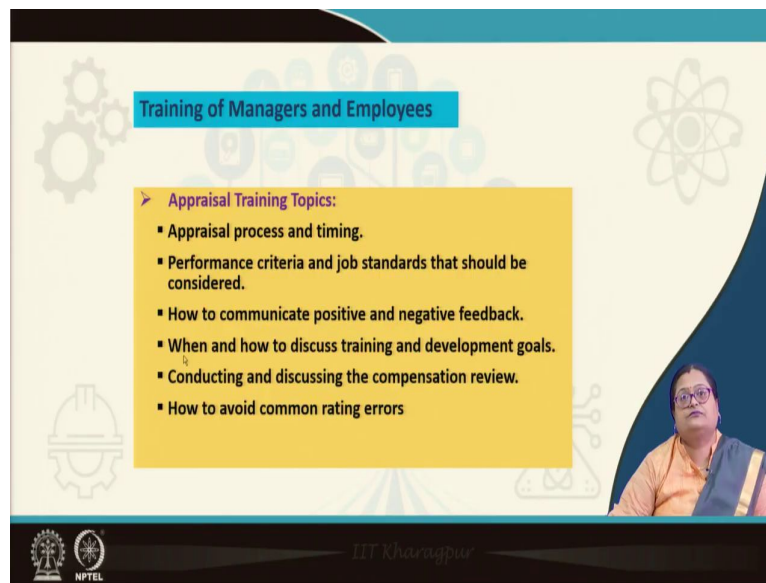


One of the important future oriented method which needs special mentioning is that of assessment center. It is an opportunity for managers to see what you can do rather than hear what you can do. It measures directly the skills and behaviours required to be successful; it is a where a simulated tasks and situations are given which are very similar to target jobs and

the managers can observe, how you are trying to solve the problems given at work which gives them an idea of how we will be performing in the real-life situation.

Multiple raters are involved to avoid bias and it is also the opportunity for the candidate to give feedback about the nature of the job, the complexities of the job, the demands made by the managers from the employees, and it to get a feeling of the demands of the job and the organizational culture. So, it is a very important techniques of assessment.

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**Training of Managers and Employees**

> **Appraisal Training Topics:**

- Appraisal process and timing.
- Performance criteria and job standards that should be considered.
- How to communicate positive and negative feedback.
- When and how to discuss training and development goals.
- Conducting and discussing the compensation review.
- How to avoid common rating errors

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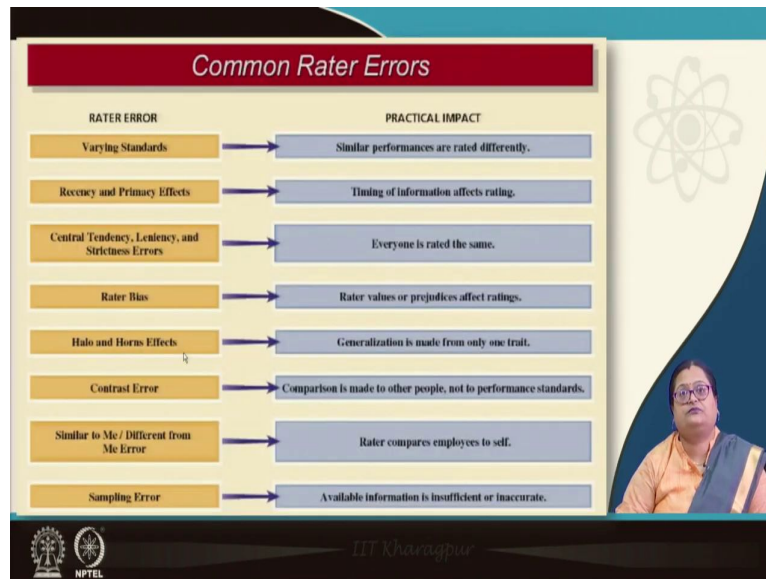
One of the very important parts for performance appraisal is the training of the managers and the employees. Why it is important? Because a training of both the appraiser and the appraisees very important; because if the appraiser needs the training to understand how to look like what to look for in the appraisee, how to communicate the feedback and other things.

And training is required also the appraisee to understand how to interpret the job situation; how to map one's skills and knowledge with the demands of the job situation and express oneself properly.

So, what could be the topics for appraisal training are appraisal process and timing; performance criteria and job standards that should be considered; how to communicate positive and negative feedback, this is very important; when and how to discuss training and

development goals; conducting and discussing the compensation review; how to avoid common rating errors.

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Some of the common rating errors that are possible are like the varying standards. From the rater's side, the practical impact is on similar performances are rated differently. Recency and primacy effects, timing of information affects rating.

Central tendency, leniency and strictness errors these are errors in which everybody is rating the same; because a rater may feel like I do not want to be like perceived as a bad employer or a bad manager by my employee. So, it is better I give them everybody an average ranking. So, that leads to central tendency bias or some raters may be lenient in giving mark, so that leads to leniency error; some people may be too strict in evaluating that leads to strictness bias.

Rater's bias is where the raters own value systems and prejudices affect ratings. Then halo and horn effect like, if you are good in one aspect that may the rater may try to perceive; like that generalization is made about whether you are good in all aspects or if you are bad in one aspect, the generalization is made like you are really bad in all the aspects which is not correct.

So, based on one trait whether you are good or bad in it, a generalization is made about the you as a person or as a performer which is not a very desirable thing. Contrast error is when

you are compared with the other person and not with the performance standards. And similar to me different to from me, error is where the rater compares employers' employees to self and tries to rate in that way.

Sampling error in where the available information is insufficient or inaccurate to come to some conclusion about the employee's performance.

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Do	Do Not
<ul style="list-style-type: none"><li>➤ Prepare in advance.</li><li>➤ Focus on performance and development.</li><li>➤ Be specific about reasons for ratings.</li><li>➤ Decide on specific steps to be taken for improvement</li><li>➤ Consider the supervisor's role in the subordinate's performance</li><li>➤ Reinforce desired behaviours</li><li>➤ Focus on future performance</li></ul>	<ul style="list-style-type: none"><li>➤ Do all the talking.</li><li>➤ Lecture the employee.</li><li>➤ Mix performance appraisal and salary or promotion issues.</li><li>➤ Concentrate only on the negative.</li><li>➤ Be overly critical or harp on a failing.</li><li>➤ Feel it is necessary that both parties agree in all areas.</li><li>➤ Compare the employee with others</li></ul>

One of the very important part of appraisal methods is appraisal interviews. So, we are discussing this in details over here, because it is sometimes in the interview it is very important to conduct the interview properly.

So that you are able to find out the as much information as you require about the employees; maybe the performance is you are able to discuss on what are the developmental goals of the person, how the person aims to contribute towards the organizational goals, how the person sees his or her own career prospects and many other things, maybe what are the like constraints in the person, then what training needs the person may have.


So, interviewer really has a very important role in the whole appraisal process. So, we are discussing it separately over here. So, there are certain dos and do nots of interview which are going to discuss first; like for the interviewer it is very important to prepare oneself before you go for interviewing.

So, prepare in advance focus on performance and development; then be specific about the reasons for ratings, decide on specific steps to be taken for improvement. Then consider the supervisors role in the subordinate's performance, reinforce desired behaviour, focus on future performance.

In do not's the first is do not do all the talking by yourself, let the employees talk also; do not lecture the employee. So, do not mix performance appraisal and salary or promotion issues; concentrate only on the, do not concentrate only on the negative try to discuss of the positive aspects also; be overly critical or harp on a failing; feel it is necessary that both the parties agree in all areas it may not be possible all the employees may not always agree to whatever you are saying.

There will be differences opinion; but you have to see like how you can work together to reach the organizations objectives and also the employees develop. And you have to recognize the difference, respect the difference and then move ahead; compare the employees with one with the others, one employee with the other that should never be done.

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The slide is titled "Performance Appraisal: Interviewing Styles" and lists three styles:

- Tell and sell: appraiser acts as a judge – tells the appraisee the result and how to improve
- Tell and listen: communicates outcomes and listens to reactions
- Problem solving: appraisee encouraged to discuss problem areas and consider solutions

A reference is provided: ➤ (Maier, N. (1976) The Appraisal interview – the three basic approaches)

The slide also features a small video inset of a woman in the bottom right corner and logos for IIT Kharagpur and NPTEL at the bottom.

There are different styles of interviewing, like first is the tell and sell style where the appraiser acts as a judge; tells the appraisee the results and how to improve. Tell and listen the communicates, the appraiser communicates the outcomes and listens to reactions. Problem solving in the appraisee is encouraged to discuss problem areas and consider solutions.

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**Performance Appraisal: Interview Structure**

- Preparation
  - Both parties need to prepare
  - Appraiser: What style to adopt? gather the evidence from all parties
  - Appraisee: self assessment
- Structure
  - Purpose and rapport – agree purpose and structure
  - Factual review – of the known facts

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Performance appraisal and what is the interview structure? First is the preparation, both the parties need to prepare well. The appraiser needs to prepare about what style to adopt, gather the evidence from all the parties; and appraisee needs to prepare about self-assessment. The structure, the purpose and rapport building agreed on the purpose and structure and then the factual review of the known facts.

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**Performance appraisal: interviewing skills**

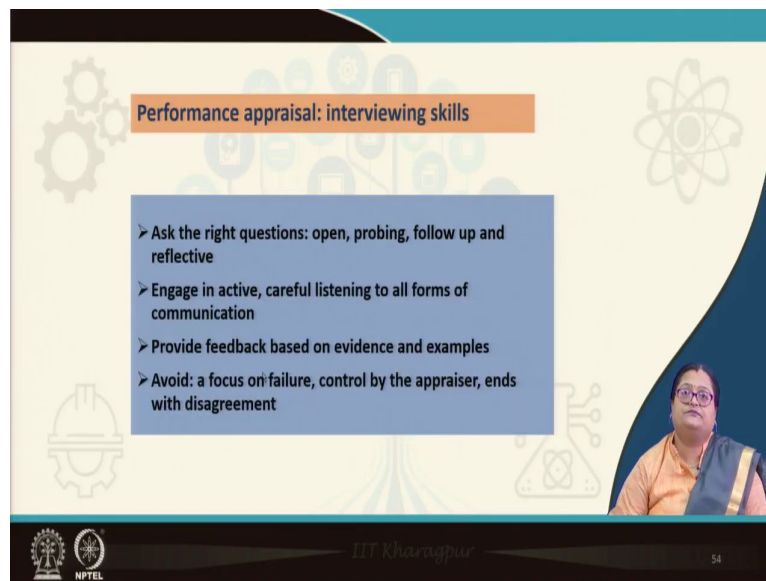
- Appraiser views - asks questions, offers views and comments
- Appraisee views – comments on the last time period (gone well/what could be improved/likes and dislikes)
- Problem solving – how can any differences be resolved?
- Objective setting – what actions should be taken, by whom and on what time scale

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There are certain interviewing skills like the appraiser views. So, comments on the last time period it gone well, what could be improved, like and dislikes. Appraiser views like the ask

the questions, offers views and comments. Problem solving, how can any difference be resolved; objective setting, what actions should be taken, by whom and on what time scale. So, these are certain things which needs to be like, you have to nurture these skills, so that you can discuss this properly during interview time.

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**Performance appraisal: interviewing skills**

- Ask the right questions: open, probing, follow up and reflective
- Engage in active, careful listening to all forms of communication
- Provide feedback based on evidence and examples
- Avoid: a focus on failure, control by the appraiser, ends with disagreement

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Also, you have to like ask the right questions; you like open question, probing question, follow up and reflective questions. Engage in active careful listening to all forms of communication; provide feedback based on evidence and examples. Avoid a focus on failure, controlled by the appraiser and which ends may be with a disagreement. So, we need to avoid on all these things.



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**Ideally an appraisal meeting is where...**

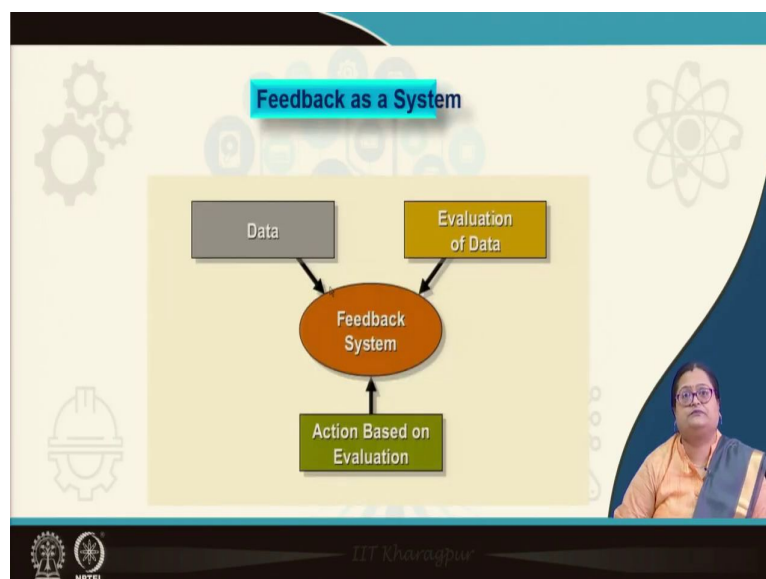
- Appraisees do most of the talking
- Appraisers listen actively and provide feedback
- Scope for reflection and analysis – an exchange of views
- Performance is analysed not personalities
- Whole period is reviewed not just isolated incidents – evidence based
- Achievement is recognised and reinforced
- Identify areas for improvement – set agree objectives
- Ends positively with agreed action plans to improve performance

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Ideally there is the appraisal meeting is where the appraiser does appraisees do most of the talking; appraisers listen actively and provide feedback; scope for reflection and analysis is there, so there is an exchange of views.

Performance is analyzed and not the personalities; whole period is reviewed not just isolated incidents which are evidence based. Achievement is recognised and reinforced; identify areas for improvement and set an agree objectives, then ends positively with agreed action plans to improve performance.

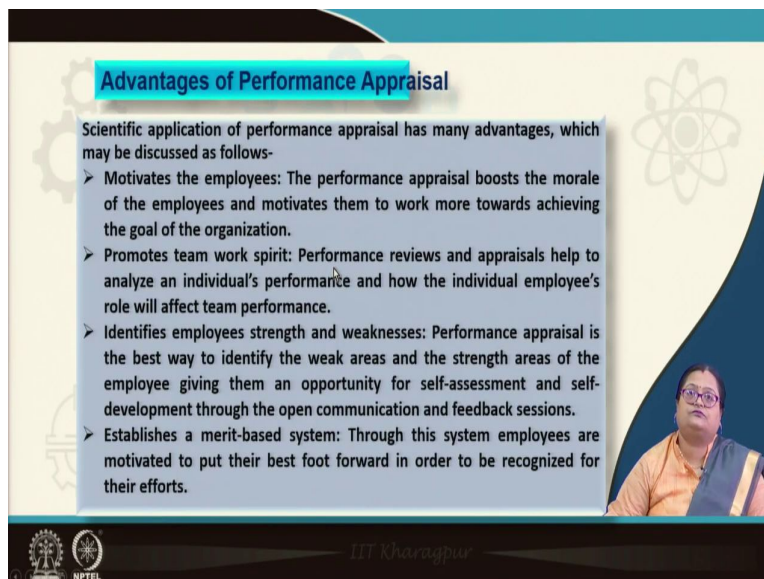
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It is a very important part to get a feedback and feedback as a system is integrated part of performance appraisal system. So, what you get that in the feedback system is the data and the evaluation of the data and what is the action based on the evaluation. So, like what data you get out of the appraisal, how you evaluate it, your interpretation of it and what you need to do to like work on the interpretation; like if you feel like the you are maybe need to develop something, so what are your action plans?

So, if you are already good in something; then also what are your action plans, how you need to flourish in more in that area or you need to nurture yourself in other areas all these taken together will constitute the feedback system.

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**Advantages of Performance Appraisal**

Scientific application of performance appraisal has many advantages, which may be discussed as follows-

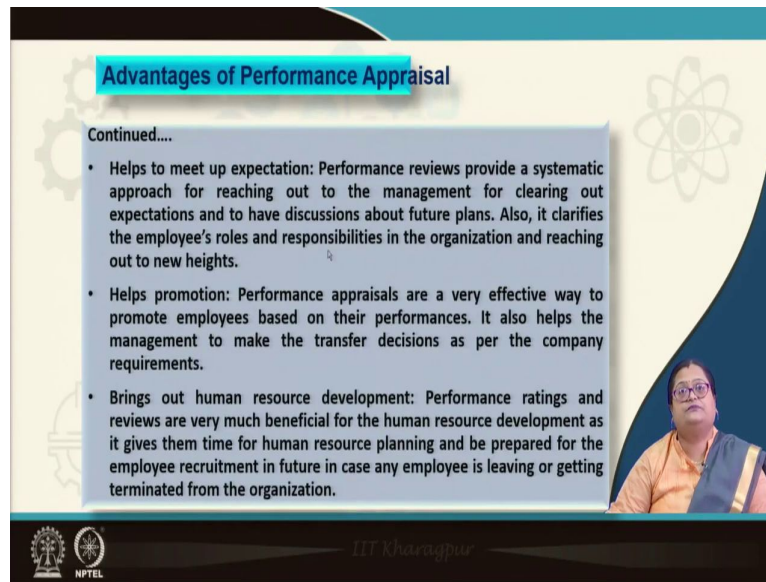
- **Motivates the employees:** The performance appraisal boosts the morale of the employees and motivates them to work more towards achieving the goal of the organization.
- **Promotes team work spirit:** Performance reviews and appraisals help to analyze an individual's performance and how the individual employee's role will affect team performance.
- **Identifies employees strength and weaknesses:** Performance appraisal is the best way to identify the weak areas and the strength areas of the employee giving them an opportunity for self-assessment and self-development through the open communication and feedback sessions.
- **Establishes a merit-based system:** Through this system employees are motivated to put their best foot forward in order to be recognized for their efforts.

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Now, what are the advantages of performance appraisal are scientific application of performance appraisal; it helps to motivate the employees, the performance appraisal boosts the moral of the employees and motivates them to work more towards achieving the goal of the organization.

Then it promotes teamwork spirit and it identifies the employee's strengths and weaknesses. So, specifically weak areas also where the person needs to develop and strength areas which may be that person is going to give them an opportunity to flourish for self assessment and self development. So, develop a merit-based system in the organization for reward and promotion also.

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**Advantages of Performance Appraisal**

Continued...

- **Helps to meet up expectation:** Performance reviews provide a systematic approach for reaching out to the management for clearing out expectations and to have discussions about future plans. Also, it clarifies the employee's roles and responsibilities in the organization and reaching out to new heights.
- **Helps promotion:** Performance appraisals are a very effective way to promote employees based on their performances. It also helps the management to make the transfer decisions as per the company requirements.
- **Brings out human resource development:** Performance ratings and reviews are very much beneficial for the human resource development as it gives them time for human resource planning and be prepared for the employee recruitment in future in case any employee is leaving or getting terminated from the organization.

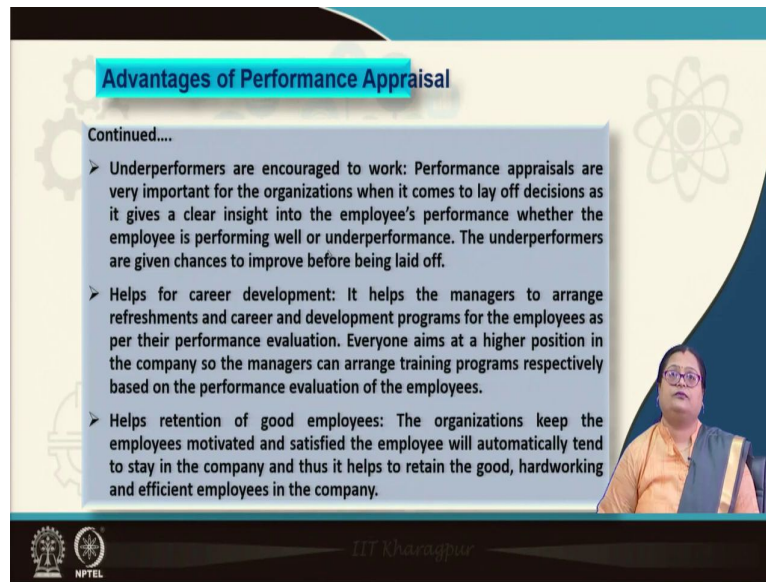
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So, it helps to meet up the expectations, when expectations are clearly defined; it shows these performance reviews shows a systematic approach to finding out whether the performance, the expectations have been met or not in very clear terms and what are the future plans to meet those things, if there are certain deficits over there.

So, it also clarifies the employee's roles and responsibilities in the organization and reaching out to new heights. So, it helps in promotion; because it is the effective way to understanding who has contributed in what way, who has the potential to growth for to the take up the next higher responsibilities in the organization and so, it helps in succession planning also.

So, it brings out the areas for required for human resource development; because you get to see like where training is required, what are the future areas for recruitment, and like who are the possible candidates who will be leaving the organization or may be getting terminated from the work. So, all these kinds of feedback will help you to do your stuffing properly also.

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**Advantages of Performance Appraisal**

Continued...

- Underperformers are encouraged to work: Performance appraisals are very important for the organizations when it comes to lay off decisions as it gives a clear insight into the employee's performance whether the employee is performing well or underperformance. The underperformers are given chances to improve before being laid off.
- Helps for career development: It helps the managers to arrange refreshments and career and development programs for the employees as per their performance evaluation. Everyone aims at a higher position in the company so the managers can arrange training programs respectively based on the performance evaluation of the employees.
- Helps retention of good employees: The organizations keep the employees motivated and satisfied the employee will automatically tend to stay in the company and thus it helps to retain the good, hardworking and efficient employees in the company.

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So, under performance here are also encouraged to work; they are encouraged to develop, motivated to improve their skills. So, they are given chances to improve before they are laid off; then it helps for the career development of employees and it helps in the retention of good employees, because they are the people who may be in the future if they are nurtured properly, they can contribute more to the organizations goal.

And also, they will be also flourishing and enjoying to contribute more. So, underperformers also, if they are given a handholding support and they are given an opportunity to develop that is also motivating for them to maybe improve on their performances.

And they are also going to get engaged with the committed towards the organization; because they will always respect that the organization has taken an effort to like invest on their development, take care like that they grow and like enhance their skills and they will be ready to contribute back to the organization's objectives.

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**Importance of Performance Appraisal**

Performance appraisal serves many purposes for which organisations felt its importance. Major importance of this exercise are as follows:

- Identifies the employees capabilities: A performance review is pivotal as it helps to recognize the abilities and competencies of an employee and also aids the company to find out how an employee's abilities can be used.
- Maintains documentation: The most substantial benefit of the performance evaluation system is that it helps to maintain an employee's performance documentation for the time period he/ she is serving in the organization and even beyond that.
- Makes qualitative assessment: Importance of performance appraisal sessions is the time feedbacks and assessments to identify the quality of the performance, set of expectations of both employee and the employer from each other and also provide an opportunity to work upon weak areas that can be improved.

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Performance appraisals serve many purposes for the organization which are really important. So, the important areas for this contribution are it is one is very important is, like it can identify the employee's capabilities. It helps in maintaining documentation; because it is a very detailed process and it is a continuous process done throughout the year. It helps in maintaining the employee's performance documentation for time periods for which he or she is serving the organization.

So, it also helps in making like the qualitative assessment and quantitative assessments. So, it helps in understanding the not only the performance; but the nature of the performance and it what are the expectations of the employees, what are the expectation of the employers, their mutual expectation from each other and to work on the feedback and then work on the weak areas for development and how they can be improved.

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The slide is titled "Importance of Performance Appraisal" in a blue box at the top. Below the title, it says "Continued...". There are three bullet points in a light blue box:

- Helps to identify training need: Performance reviews also help to identify the type of training requirements needed by the employees in order to improve them.
- Build up relation between management and employee: Performance review sessions open up the communication channel between the management and the employees giving them an opportunity to speak their minds out.
- Helps to identify employee's specialisation: It helps to identify the potential and other areas of expertise of the employee which can be useful for the organization providing them the chance to explore more.

On the right side of the slide, there is a small video feed of a woman with glasses, wearing an orange shirt and a dark vest, speaking. The background of the slide features faint icons of gears and an atom. At the bottom left, there are logos for IIT Kharagpur and NPTEL. The text "IIT Kharagpur" is also visible at the bottom center.

It helps to identify the training needs also. So, like what are the deficiency areas and how the employee needs and hand holding support and what can be done for the employees to improve on it. It helps in building up the relation between management and the employee and it helps to identify employee's specialization. It helps to identify the potential and the other areas of expertise of the employee which can be useful for the organization and provide them a chance to explore more.

So, which is like a win-win situation there; because employee also gets the opportunity to explore more in the areas of interest and specialization, they will be motivated to like go for the try for that area more, find out new things way of doing new things and in the and that ultimately contributes towards the betterment of the organizational performance.

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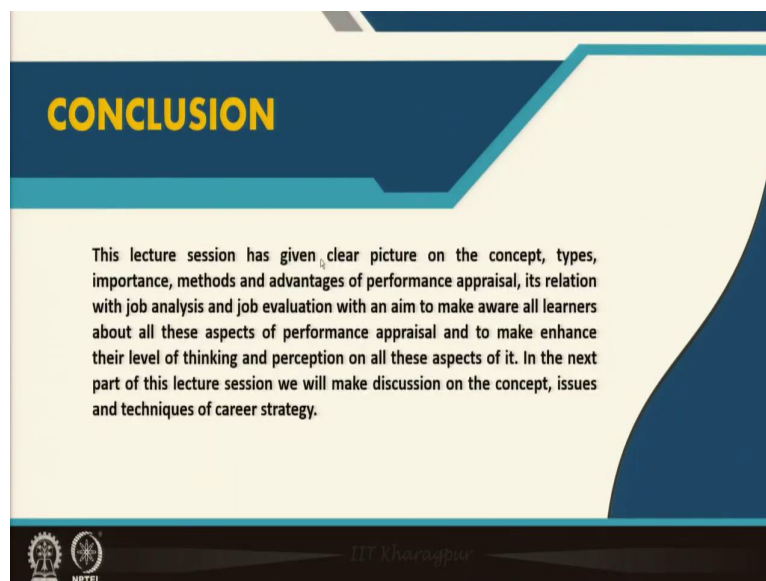


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## CONCLUSION

This lecture session has given a clear picture on the concept, types, importance, methods and advantages of performance appraisal, its relation with job analysis and job evaluation with an aim to make aware all learners about all these aspects of performance appraisal and to make enhance their level of thinking and perception on all these aspects of it. In the next part of this lecture session we will make discussion on the concept, issues and techniques of career strategy.

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So, in this session, we try to give you an overall concept of the types, importance, methods and advantages of performance appraisal. We try to brief you on the relationship of the performance appraisal with the job analysis and job evaluation, so that you get an overall idea of performance appraisal. And you we discussed in details some of the important techniques of performance appraisal and how they are classified under different headings.

We discussed on some of the past oriented techniques and future oriented techniques of which MBO and assessment centers are two very important techniques. We discussed also

about the importance of interviewing and what skills you need to nurture to be a good interviewer appraiser and also how the appraisee needs to be prepared about like going for a performance appraisal interview. We discussed about the advantages also of the, and the importance of the performance appraisal techniques.

In the next part of the lecture session, we will be discussing more on the concepts and techniques of career strategy; because all these things when we talk of the staffing of the organization, recruitment and selection processes, we are talking of performance appraisal, career strategy these are all very interlinked concepts.

And so, in the next phase of the discussion, in the next lecture we are going to focus on career; career development, career management, and career strategy. We will be meeting you next in the next lecture, stay tuned till then.

Thank you.