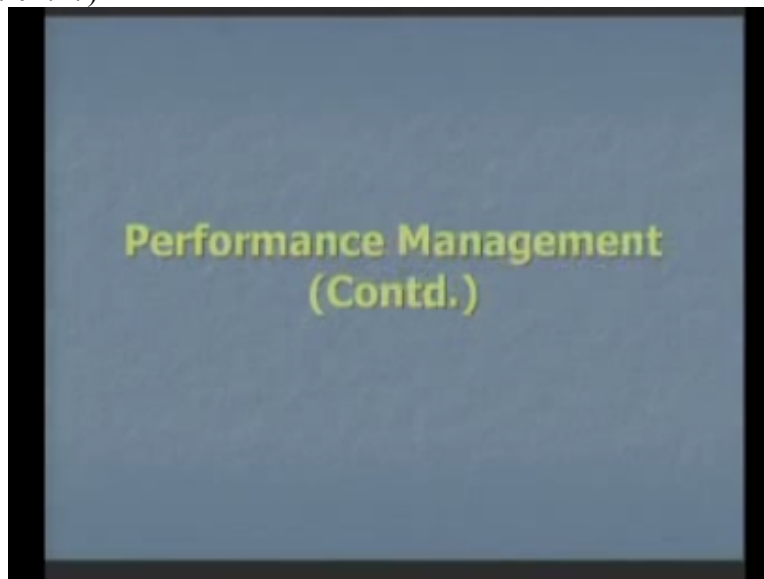


**Indian Institute
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Presents
Under the auspices of
National Program on
Technology Enhanced Learning
NPTEL
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TECHNOVISION
Educational Technology
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PRESENTS
A Video Course
On
Management Science
BY
Prof. Anuradha Sharma
Department of Humanities and
Social Sciences, IIT DELHI
Lecture # 26
Performance Management
(Cont.d)**

We are discussing performance management; this is on second lecture of performance management.

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And last time we are discussing it force in the whole system of a performance management quickly I will give you some more idea that. So first we have the recap of pitfalls.

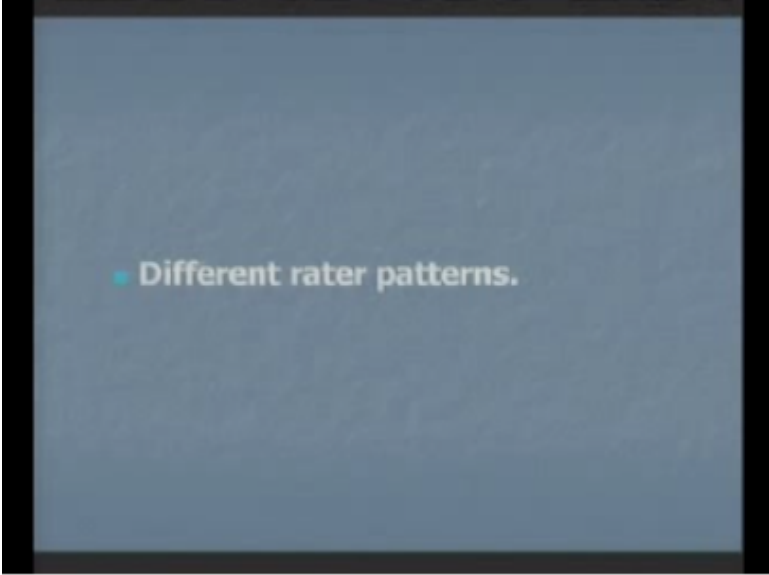
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Pitfalls and Problems of Performance Appraisal

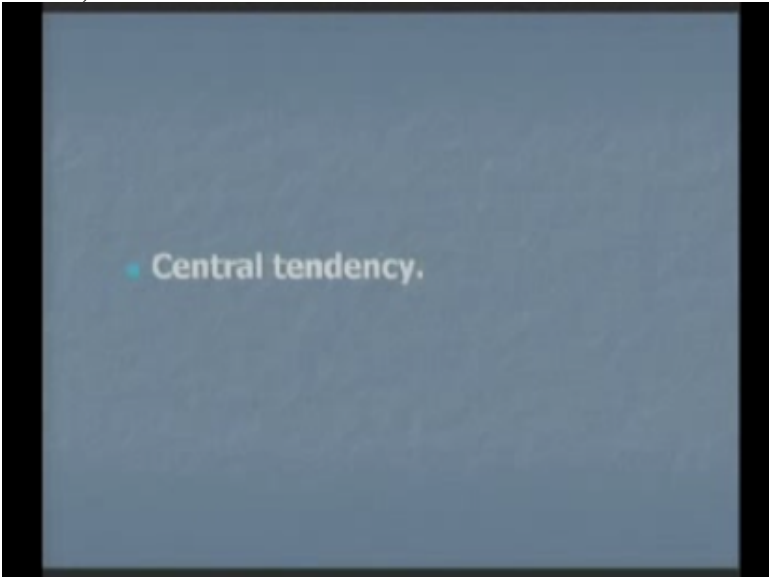
Pitfalls and problems of performance appraisal this we have already discuss last time. So very quickly I will just look at that then we move on so the shifting standards.
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- **Shifting standards.**

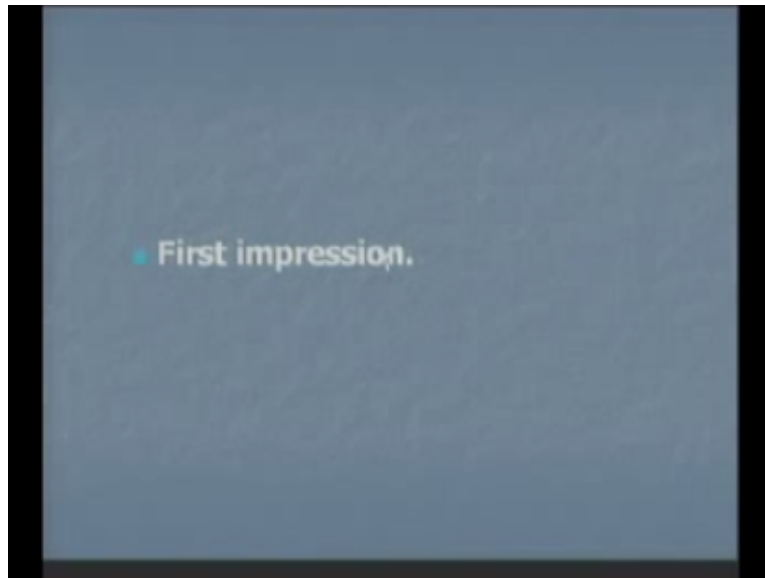
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- 
- Different rater patterns.

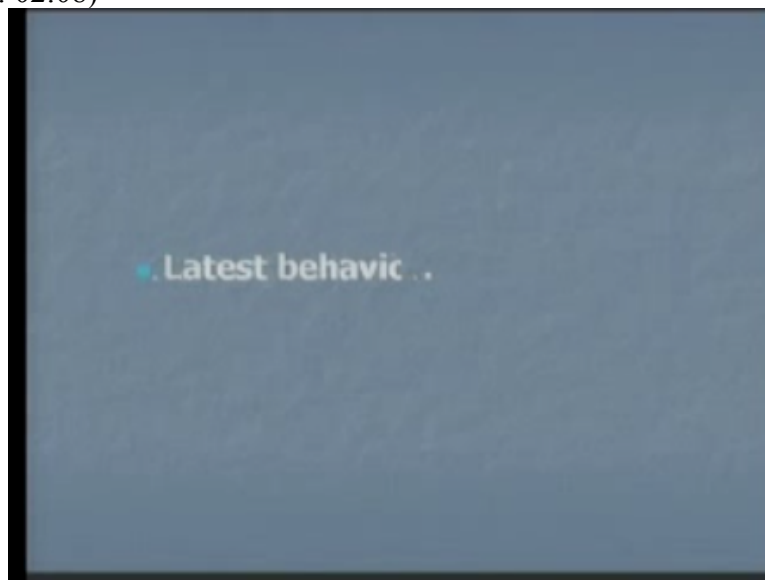
Different rater patterns
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- 
- Central tendency.

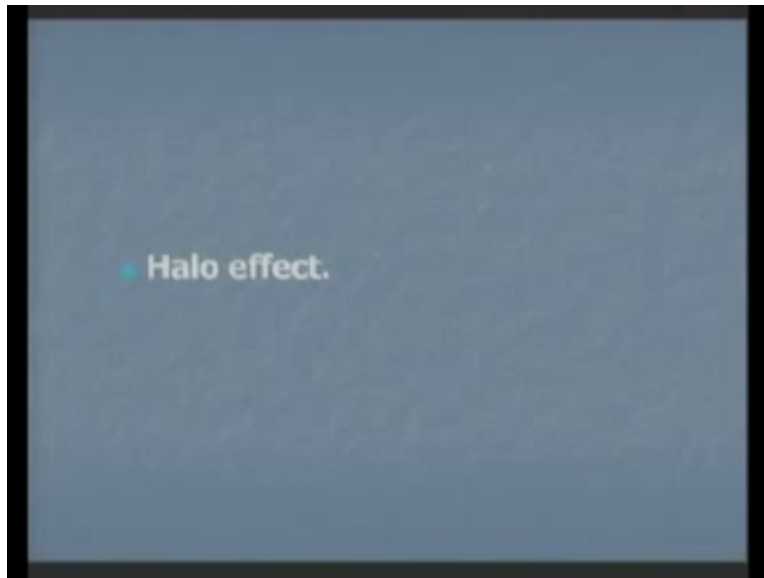
Central tendency
(Refer Slide Time: 02:04)



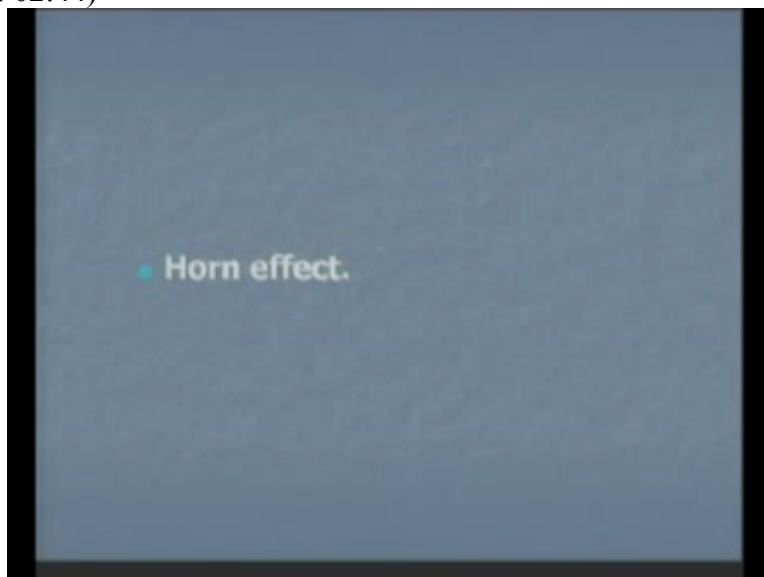
First impression
(Refer Slide Time: 02:08)



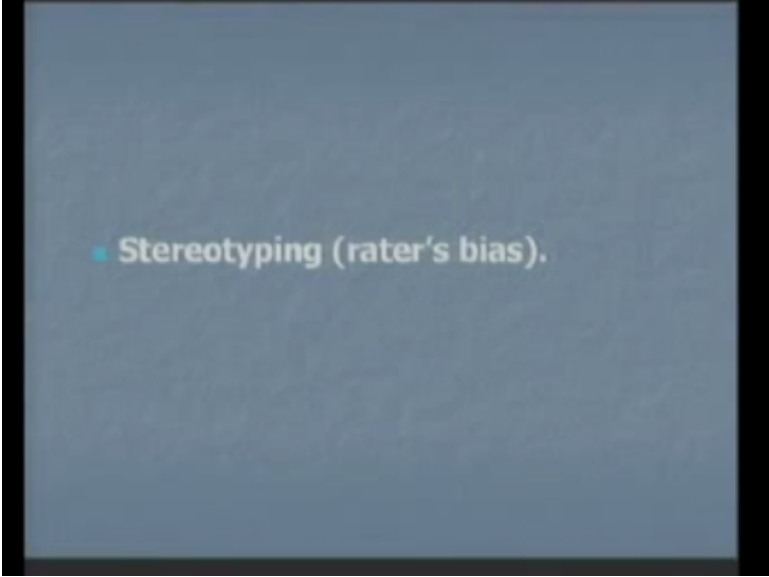
Latest behavior
(Refer Slide Time: 02:07)



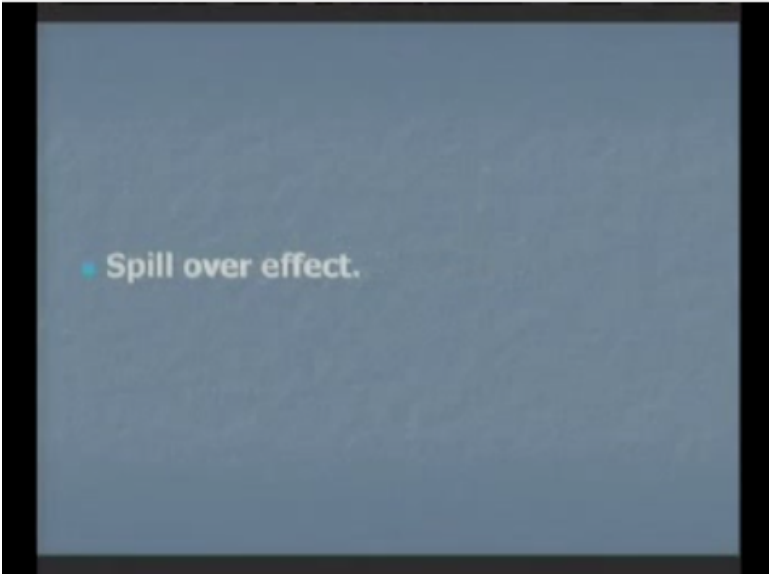
Halo effect this we are not discussing last time when the person who is doing they appraisal he might have you know some ideas about the positive quality of person and this might effect the valuation process. So we might have positive kind of a result in terms of appraisal, similarly a person might have negative idea about certain quality is of the individual.
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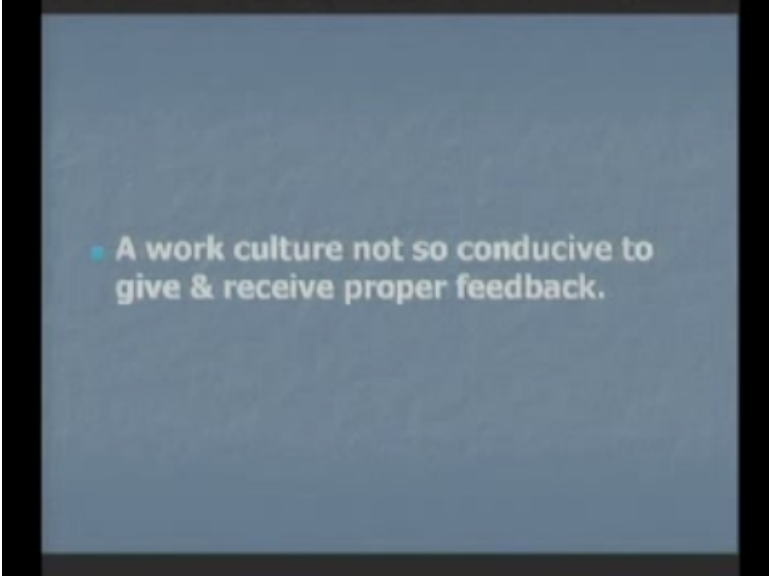
And which may be call has the horn effect and so either of these two situations some kind of a buys escaping in. so when the rater or the person who is evaluating is doing this job he has to do very, very responsible job.
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- A square thumbnail with a dark blue background and a black border. It contains a single bullet point in white text.
- Stereotyping (rater's bias).

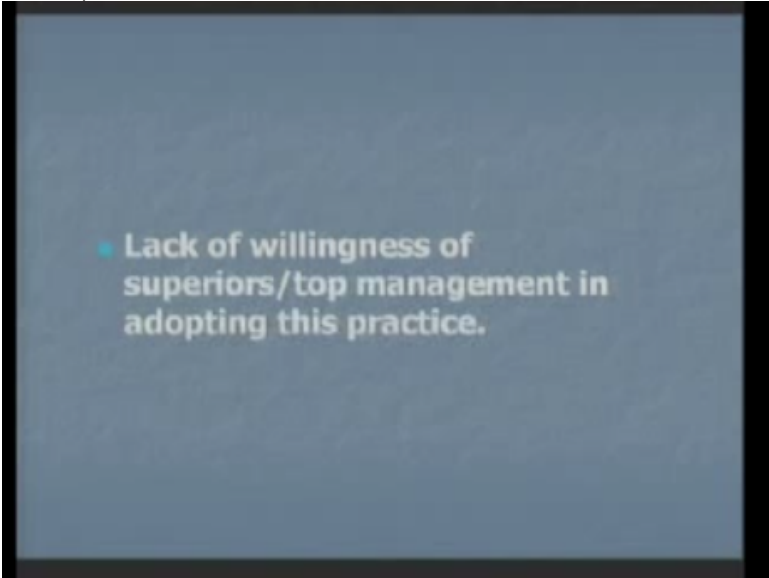
Stereotyping
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- A square thumbnail with a dark blue background and a black border. It contains a single bullet point in white text.
- Spill over effect.

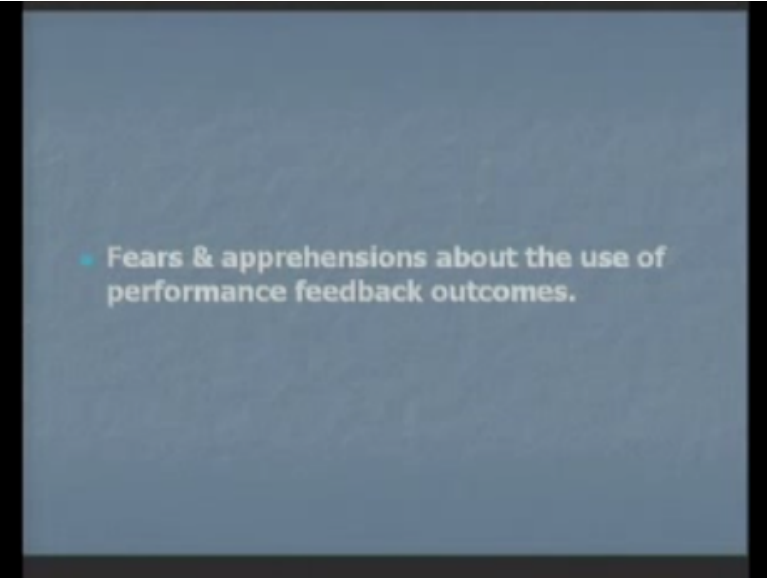
Spillover effect
(Refer Slide Time: 03:09)

- 
- A work culture not so conducive to give & receive proper feedback.

A work culture which we are not discussing last time is so much is unimportant and it has to be so conducive to give and receive proper feedback. Lack of appreciation about the philosophy and benefits of performer feedback
(Refer Slide Time: 03:30)

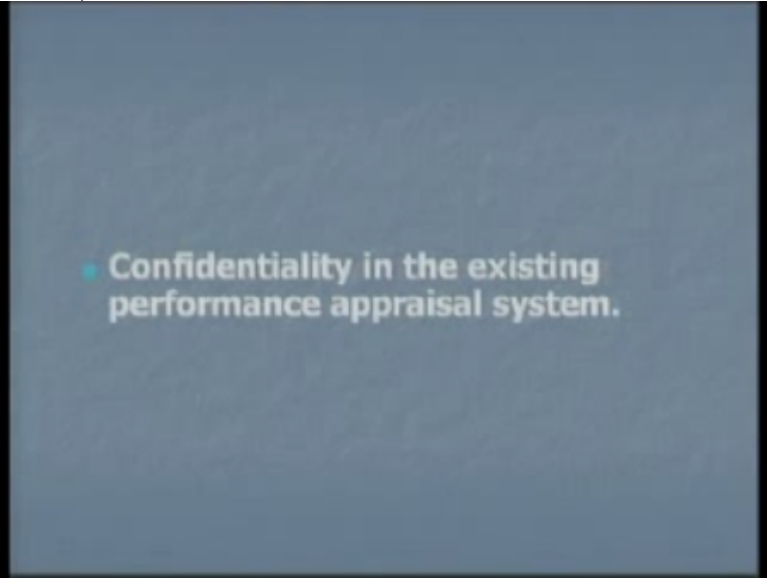
- 
- Lack of willingness of superiors/top management in adopting this practice.

Lack of willingness of superiors and the top management in adopting the process
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- 
- Fears & apprehensions about the use of performance feedback outcomes.

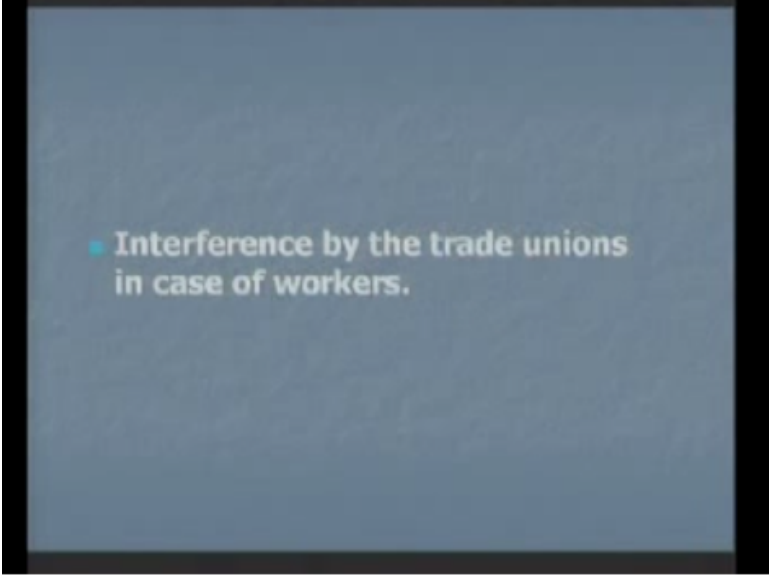
Fears and apprehensions about the use of performance feedback outcomes we discussed these in the last time.

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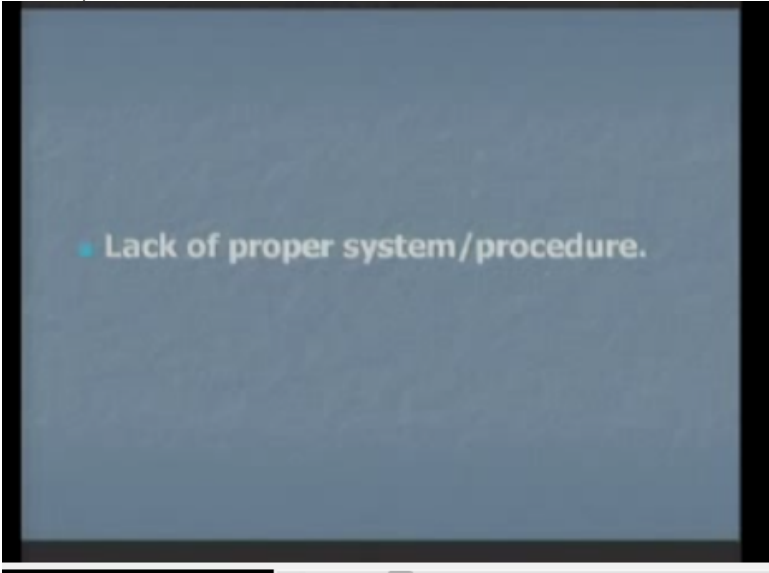
- 
- Confidentiality in the existing performance appraisal system.

Confidentiality in the existing system

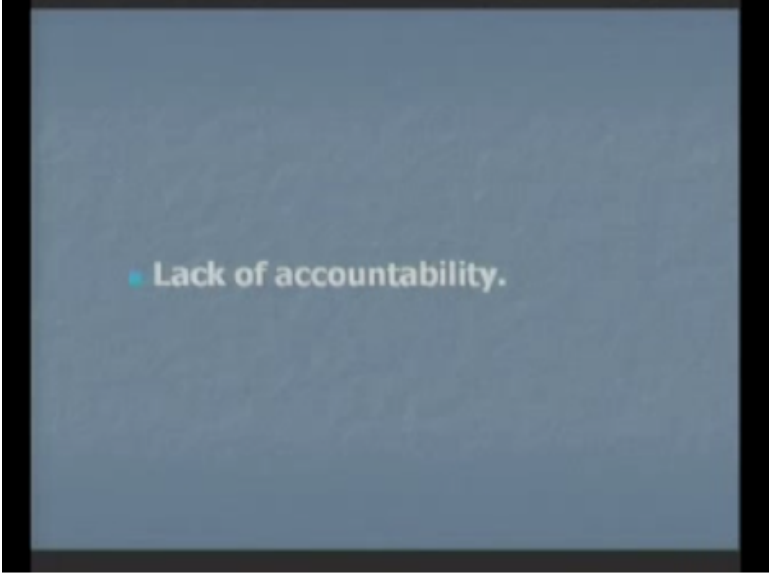
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- 
- Interference by the trade unions in case of workers.

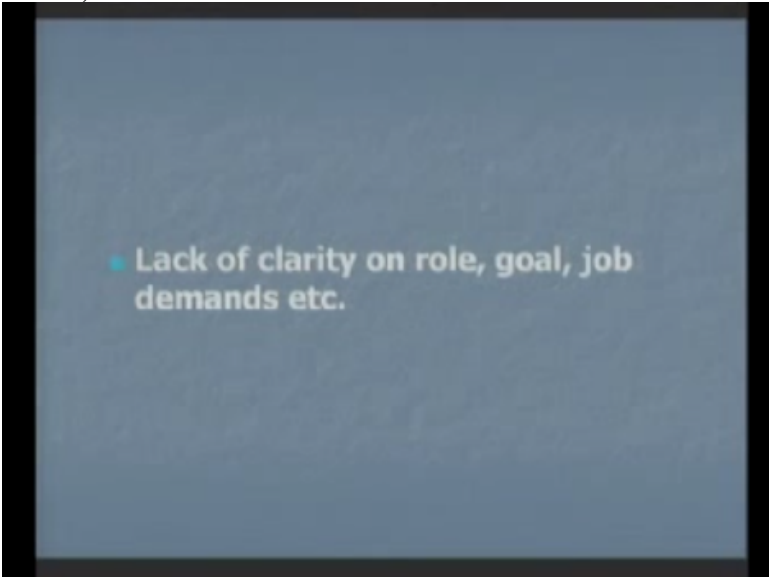
Interference by the trade unions in case of workers trade union is important body id those who might make some impact of the performance of this system. Because the might sometime feel it has it is not a fair performance appraisal so this is taken care of,
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- 
- Lack of proper system/procedure.

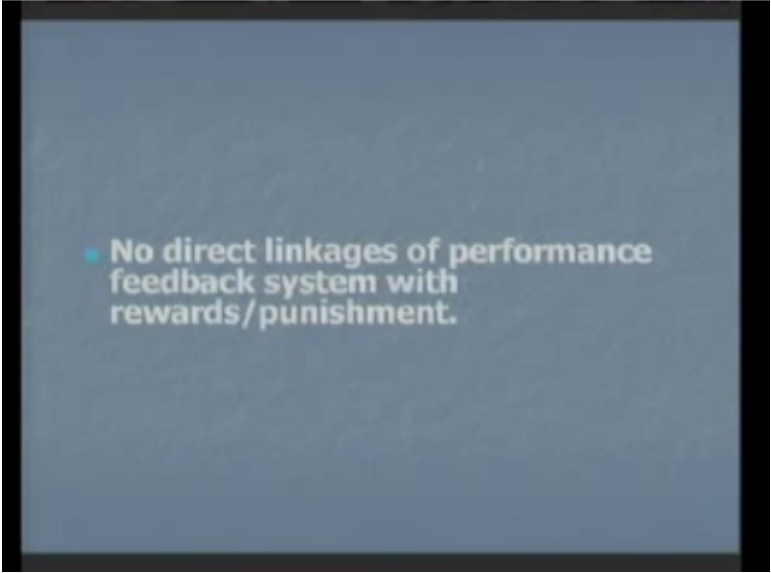
Lack of proper system and procedure in fact in when we are talk about documentation then the issue will come again and in fact are we should look into that documentation process. That the process and procedure has been followed
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- 
- **Lack of accountability.**

Lack of accountability
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- 
- **Lack of clarity on role, goal, job demands etc.**

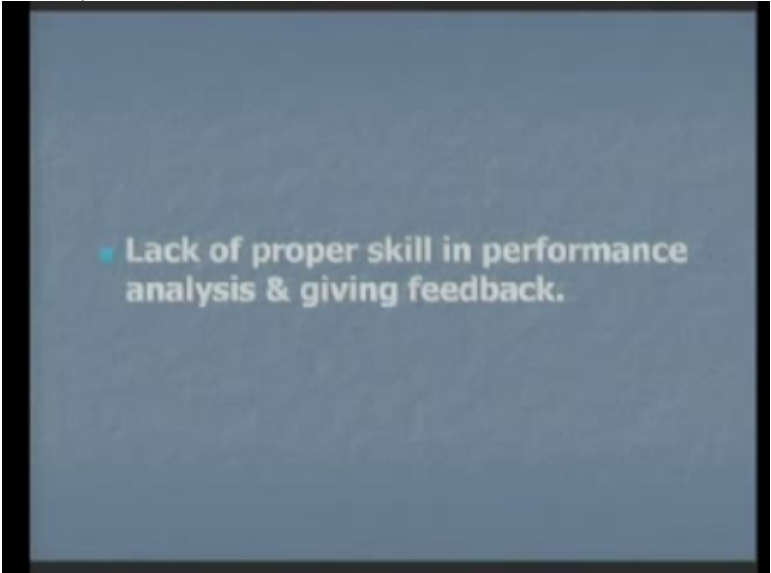
Lack of clarity on role, goal, job demands
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- 
- No direct linkages of performance feedback system with rewards/punishment.

No direct linkage with performance of performance feedback system with rewards and punishment. Because as we understood in the beginning of this course, that when we do performance. Performance is not in just isolation it has to be understood has in some outcome and some actions that we have to take. Which may be in terms of any kind of a rewarded punishment?

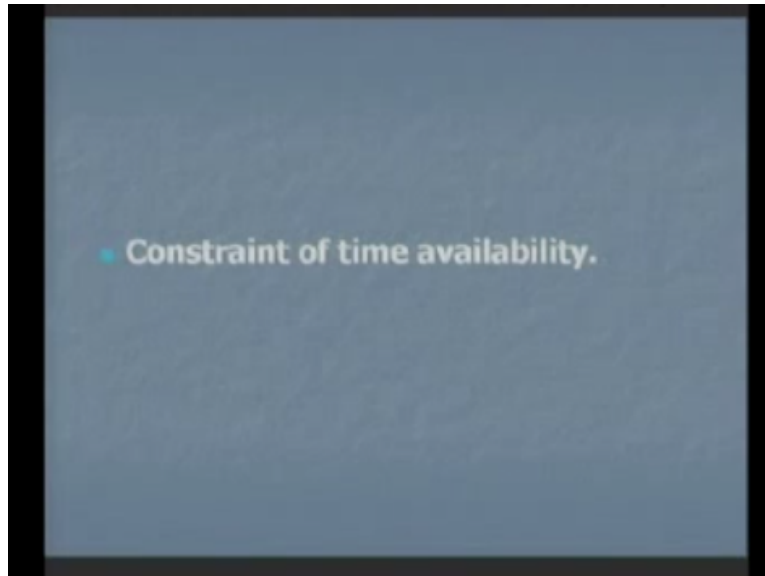
Because the process has to go on so the performance appraisal also we can extend that you know to retraining program, the HRD programs and the also the some kind of a job design strategy shown.

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- 
- Lack of proper skill in performance analysis & giving feedback.

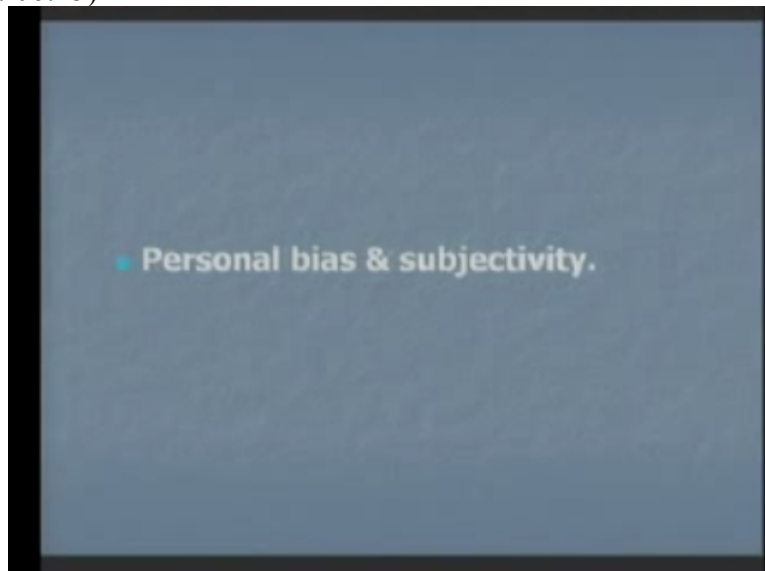
So the lack of skill in performance analysis and giving feedback

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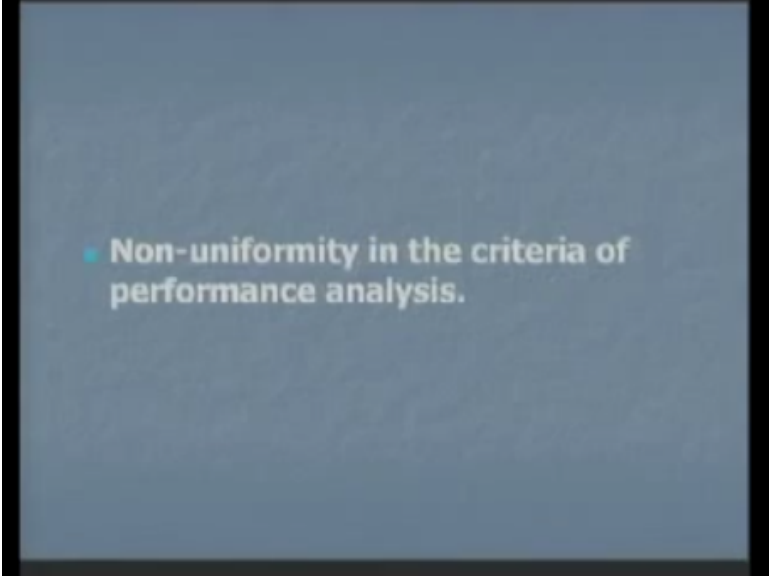
So again and again we talk about the feedback because that is an important component of performance management system. Constraint of time availability this may be on some cases when we are trying to do the performance appraisal but we are doing it so quickly because of short of time. And sometimes we may not do so much justice as it may not be lots of scientific in terms of performance of results.

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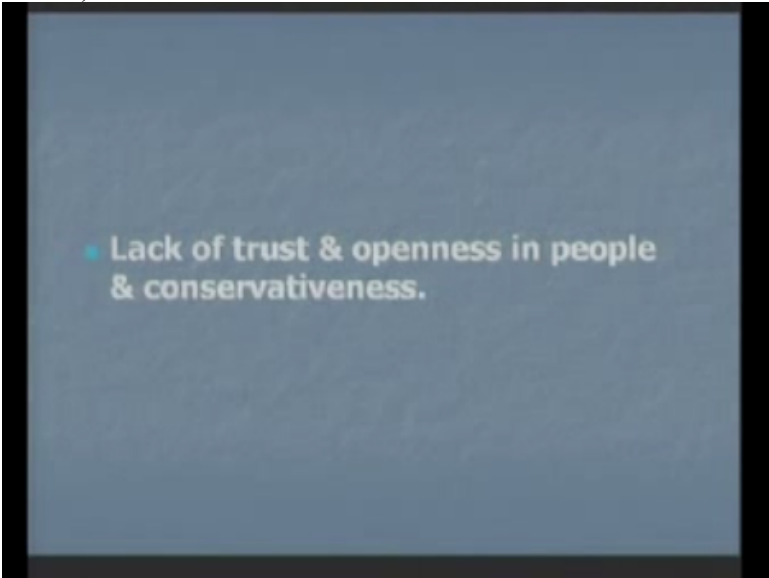


Then if this we are seen in again and again in terms of so many other factor which we are discussed. So we can short of summarize that has a person bio system productivity, which the person who is doing your appraisal might have.

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- 
- Non-uniformity in the criteria of performance analysis.

The non uniformity in the criteria of this performance analysis for some group are some 1, 2, 3 aspect for other groups in you are talking 5, 6, 7 aspect are something of that kind. Then how do we compare, in this becomes very difficult.
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- 
- Lack of trust & openness in people & conservativeness.

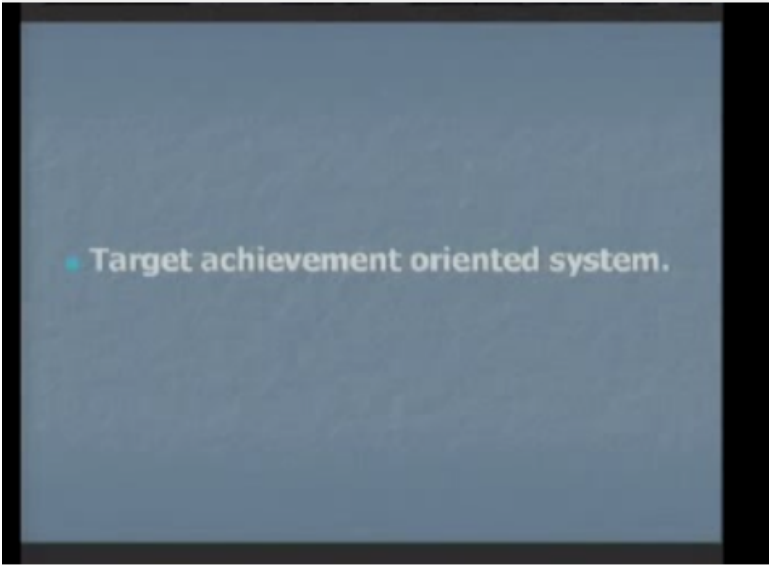
Then lack of trust and openness in people and some sort of a become conservativeness.
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- Heterogeneous interest.

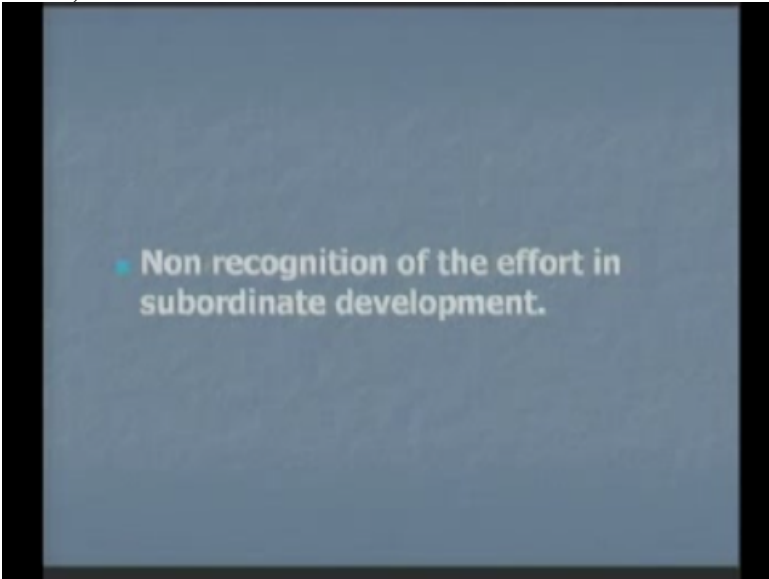
Heterogeneous interest which is different you know again the homogeneous.
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- Low motivation.

Then low motivation.
(Refer Slide Time: 07:26)

- 
- **Target achievement oriented system.**

Target achievement oriented system.
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- **Non recognition of the effort in subordinate development.**

Non recognition of the effort in subordinate development
(Refer Slide Time: 07:38)

Employee appraisal systems

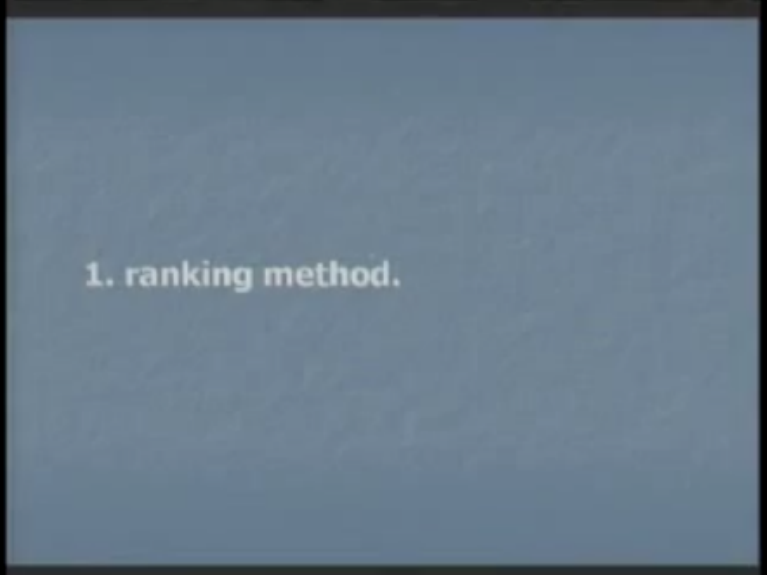
- Rating by superiors: in this system supervisors appraise the performance of subordinates without involving the latter. Used most commonly in government organizations. The various methods used under this system are:

And these were some of the factor which are actually are effecting the overall performance appraisal system. That is why we call in has the pitfalls and problems in the performance of appraisal system. So the manager who is in charge of this has to take care of this and design the system and practice the system in which we can overcome these pitfalls. So these brings has to the employee appraisal system.

Few other aspects let us see rating by superiors traditionally we are looking at the performance appraisal system. Superiors are the first choice for rating your performance are anybodies performance from the matter. So in these system superiors appears the performance of subordinate without involving the rater and the latter. That means there is a superiors and is the person who has to be appeared.

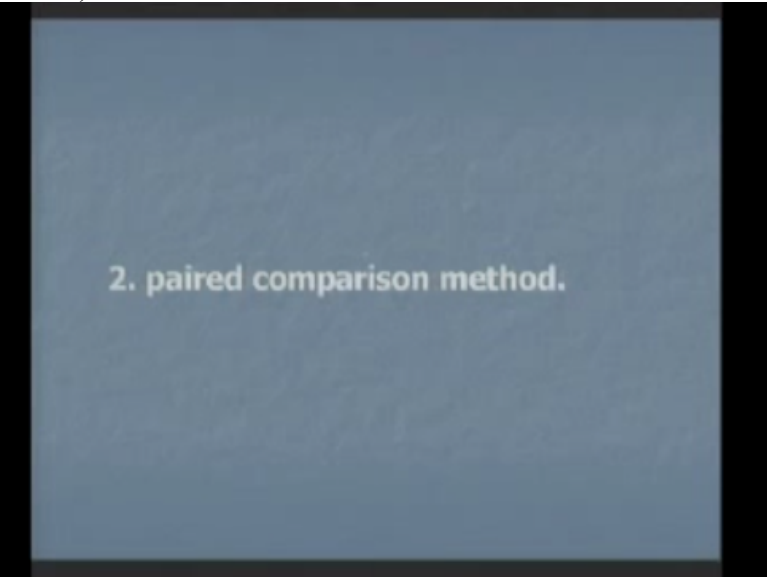
So the superior is trying to do the rating and these later people are to be the person who is performance has to be latte. He is captain has sight, in this process what happens whatever he wants to say he keeps everything confidential to himself. And not involving this person, so this is used most commonly in the government organizations also in our own organization in our country and the various method are used under this are:

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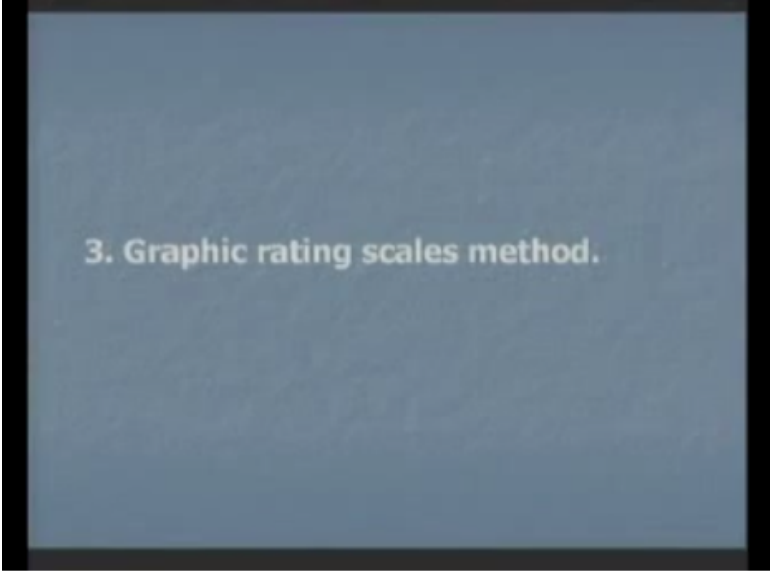
1. ranking method.

The ranking method, you know the first person, the second person, the third person.
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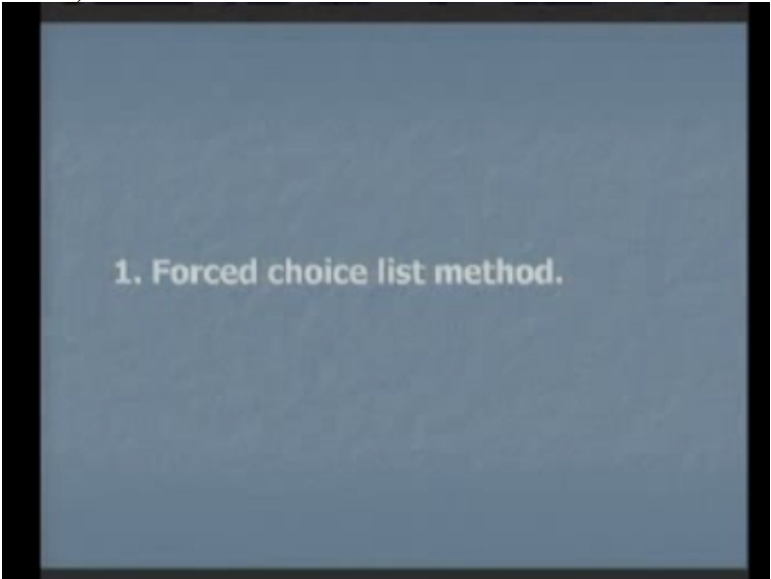
2. paired comparison method.

Paired comparison okay we have to compare the two particular persons, graphic rating.
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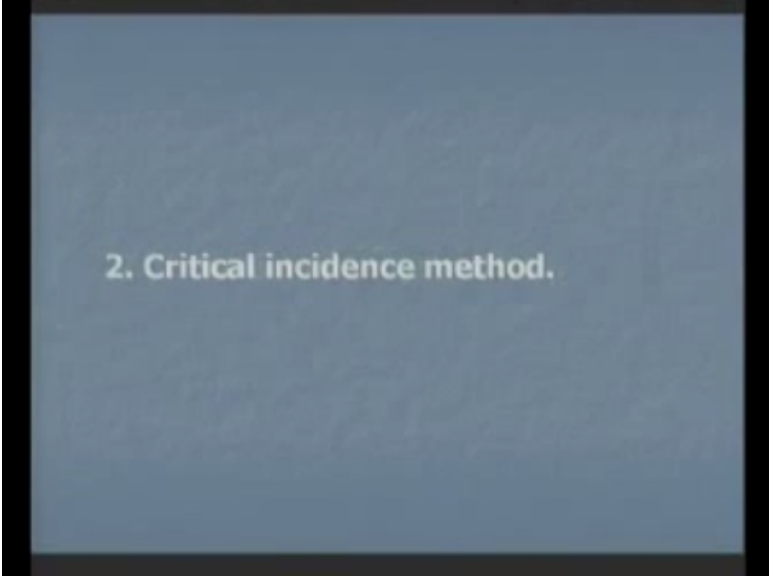
3. Graphic rating scales method.

Scale methods you can go scientific and the graphic rating method.
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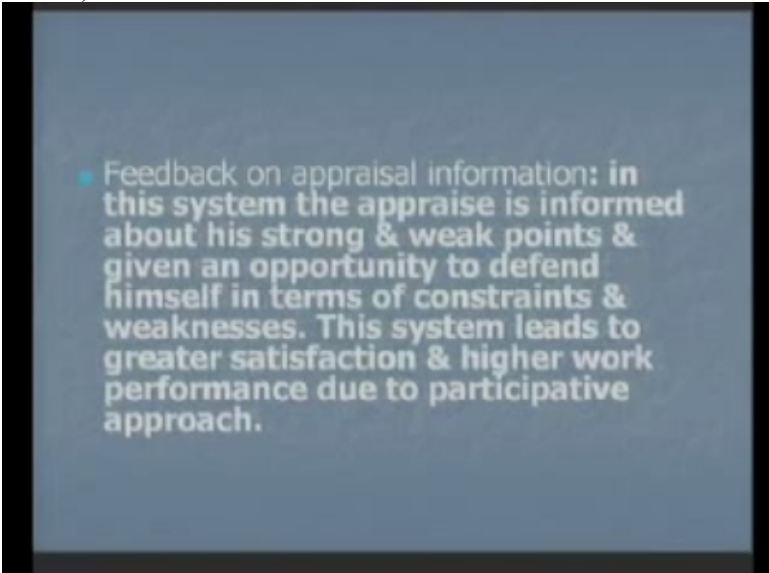
1. Forced choice list method.

Force choice list there is a force choice and out of that you have to select okay this, this.
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2. Critical incidence method.

Then critical incidence then the person put in under particular situations and then the person is has to perform. Ann we look at the performance in that time, then forced distribution method we have the force distribution of people of various kind jobs.
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- 
- Feedback on appraisal information: in this system the appraise is informed about his strong & weak points & given an opportunity to defend himself in terms of constraints & weaknesses. This system leads to greater satisfaction & higher work performance due to participative approach.

Then we come to the feedback on the performance appraisal information, in this system the appraise the informed about his strong and weak points and given to him an opportunity to defend himself. In terms of some kind of a weakness or some constraints whatever he has overcome and this system we lead to great to satisfaction. Because people feel that time in world I am being asked about my difficult that the concern. And this will increase to greater satisfaction high wire performance due to this element of participants approach.
(Refer Slide Time: 11:27)

- Field review technique: in this technique the appraiser goes to the field (e.g. shop floor) & obtains information about work performance of the employees by way of questioning that said individual, his peer group & his superiors. The information received about "how he is performing" helps the appraiser in defining the profile of the employee.

Which we already discussed earlier, so the field review technique is there in this technical of the appraisal goes to the field. Field may be shop floor of field may be the teacher it may be the classroom, classroom situation or any other field whether the person is working in law person is working in the lab. So an obtain information about the work performance of the employees by the way of questioning that said individual, to his peer group and he wants to or superiors. And he was find out about it and the information received about how is performing this helps the appraisal in defining the profile on the employee then rating by self.
(Refer Slide Time: 12:29)

- Ratings by self & the peer group: in this method, the employee appraisal is done independently at three levels- employee, peer group & the superior. HRD department analyzes three appraisal reports & draws a profile based on common aspects.

This is has become very popular these days any fact this is a new I will say concept that has been integrate into the whole performance appraisal system. Earlier we would never give this opportunity to people but now the most of the organization all of the grow they also gives self rating the opportunity the people.

And in this method the employee appraisal is done independently at three levels at the level of employee, at the level of fear group, at the level of superior. And HRD department analysis three

appraisals reports and then draw in this profile, okay base on this common aspect. So we can really that is that is based on some kind of a ladder scale in we can draw a matrixes which will actually help us.

You know in the performance appraisal system, when in the latter part of our discussion we also present you to some case studies and we will talking to you about this performance of present system and the how ratings could be used for performance for the superiors.

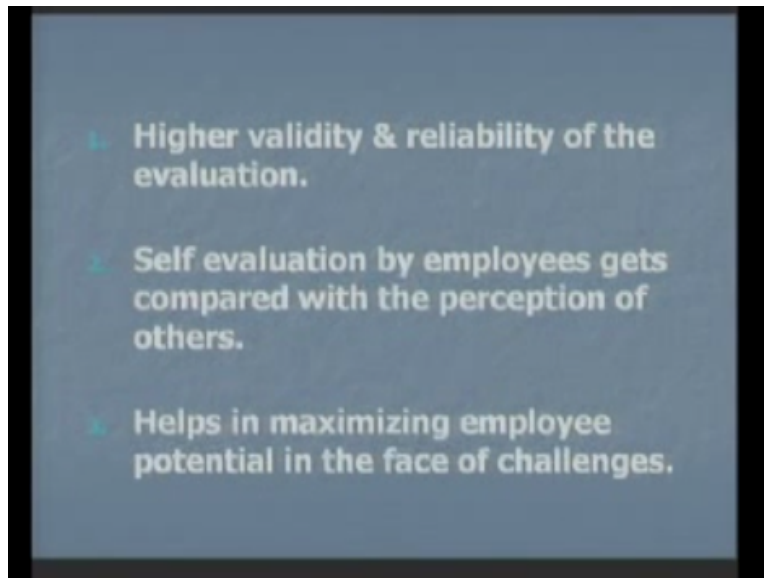
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- 360 degree performance appraisal: new concept in performance appraisal where feedback is collected from all around- the employee, the superior, the subordinates, the peer group & the customers. The evaluation is very comprehensive in terms of employee's skills, abilities, styles & job-related competencies. It has the following advantages:

Then very new concept that has been introduced in the whole system of a performance appraisal is 360 degree performance appraisal system. And 360 degree can you guess? 360 okay you have a 180, 45, 180, 360 can you guess? I am sure you are good to guess. What could be the meaning of 360 performance of appraisal system, obviously this new concept of performance appraisal where feedback is lifted from the entire round.

The employees, this superiors, this subordinates, the peer group, the customer. And the evaluation is done in a very, very comprehensive in terms of employees' skill, abilities, styles and job related competencies, and it has certain advantages. And we see some of the advantages.

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It gives has higher validity and reliability of the evaluation, self evaluation by employees gets I mean this is better in comparison to perception of others. Then helps in maximizing employee for the potential to face set in challenges. Do you understand the validity and reliability of the evaluation? I am sure most of you do but let me just give you idea whenever we are trying to measure something.

It must have these to we can say scientific characteristics any measure that we are using must be reliable must be valued. And if we are using for reliability concept in is scale that using if you talking about reliability that means that scale must be measured the same thing again and again. Here we talking about performance or persons which are again the measurement it will physically not measuring the scale like that.

Or any measuring equipment like that but it is a measurement tool in terms of the HR and we have to look at the reliability for this measurement to. So if you are using this tool again and again then do we get will same at least the similar is very closer results. Then it is a reliable to and if you manure using this tool another concept is validity whether the tool is measuring what it up to measure.

So if you are measurement tool for example this pen you have and this is may be about in inches about say whatever 5 inches or the centimeters okay. So many centimeters okay and if is suppose to measure that okay if it is measuring that by external standard this is a valid measure. Because it is reliable anyway every time I use this it gives me same results, did you getting the different between the two.

So if measurement tool is valid it has to be reliable so here we using these scientific terms also for performance measurement. Okay that every measure must be reliable has well has validity, I think the result would be a watch what is the time in your watch? After every 60 mints you are watch we will say one hour has gone we say reliable watch. But whether a valid watch it well be a valid watched if is gives hour's Indian standard time.

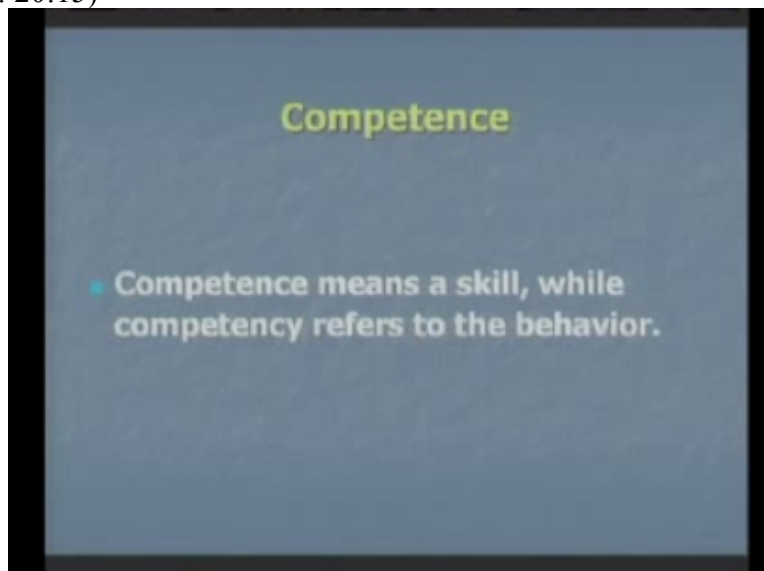
So after 60 mints it gives me one hour is gone but if it is gives me a Indian standard time then it is valid watch. And it is valid so also reliable, are you setting what is the meaning in analogism time to present here. So kind of a measurement that we are following also in the human sciences

we have to see that the measures are resilient valid and when we are looking at 360 degree appraisal.

The results are dependable because normally we find that these appraisals are valid and reliable, because the concept is important at little more time. Then in many other concepts some are there and one can just understand, but one has to understand very, very carefully. So we move on to understand the case of this help in maximizing the employee's position to face the challenges because you are getting in your information very, very valid.

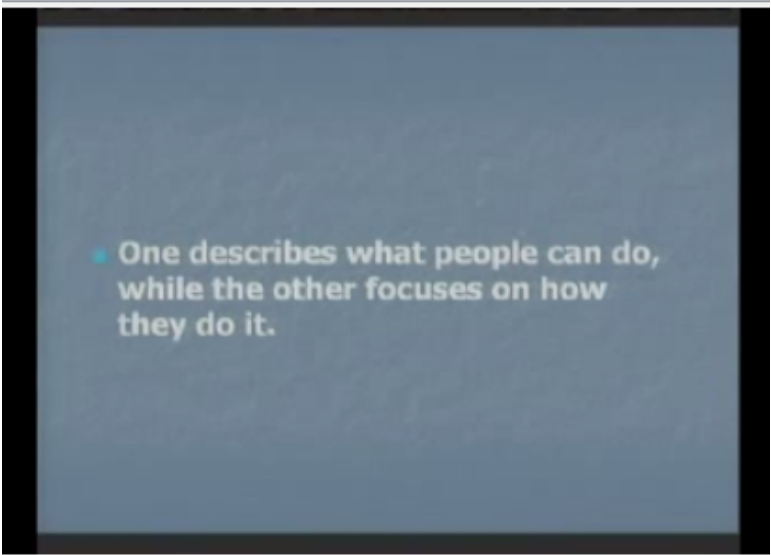
Then the feedback we are getting from here will come to a very special concept of performance management. That is competence in the recent years we have been talking about competency mapping has an important concept in performance management. Because we unless you know we competency mapping for each individual. We will not be able to take in many sets of actions or decisions about the individual.

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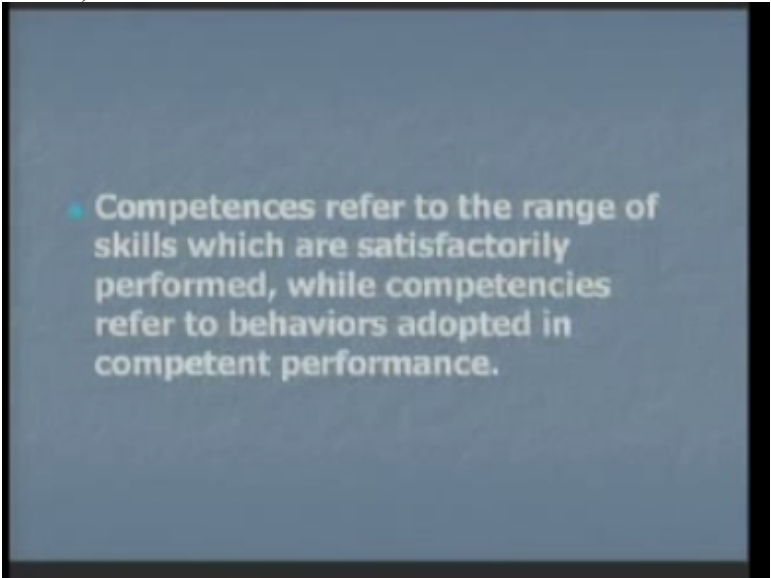
So first we look at this competence and then we move on to competency mapping, competence means a skill while competency perhaps is a behavior based on this skill.

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- 
- One describes what people can do, while the other focuses on how they do it.

You have in some behavior that you are presenting, one this scribes what people kind do? While the other one focus is on how they do it?

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- 
- Competences refer to the range of skills which are satisfactorily performed, while competencies refer to behaviors adopted in competent performance.

It is clear so we are making this little bit distinguish between the two, so competencies refer to the range of skills which are satisfactorily performed while the competencies competence and competencies refer to behaviors adopted in competent performance.

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Definitions

- Competency has been defined as characteristics of managers that lead to the demonstration of skills & abilities, which result in effective performance within an occupational area.

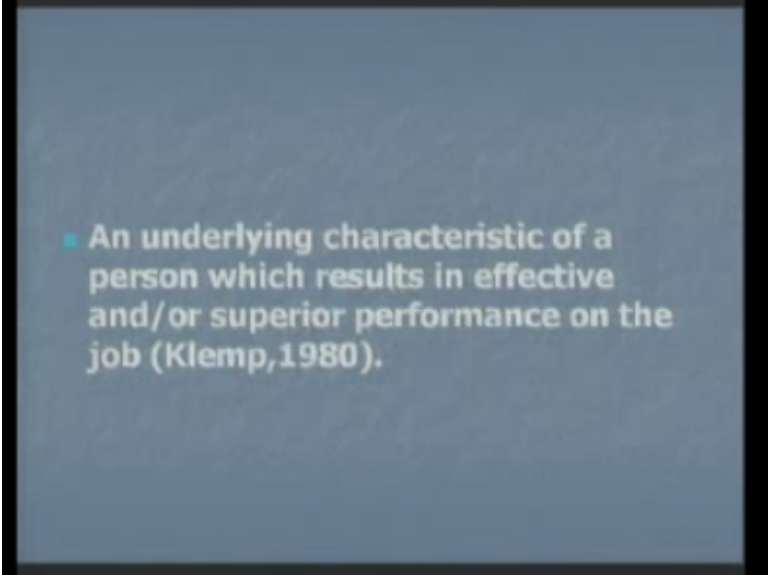
Competency has been defined as the characteristics of managers okay those lead to the demonstration of skills and ability which results in effective performance within an occupational area.

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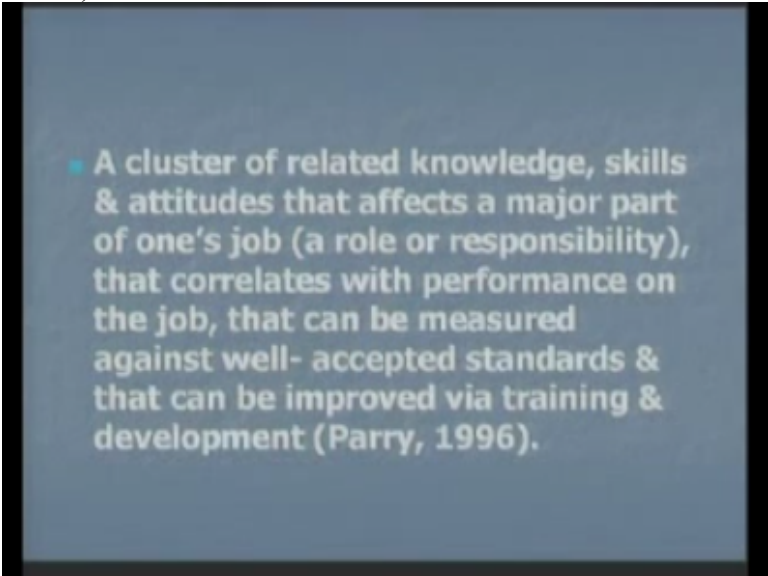
- It also embodies the capacity to transfer skills & abilities from one area to another.

It also embodies the capacity to transfer skills and ability from one to another.

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- 
- An underlying characteristic of a person which results in effective and/or superior performance on the job (Klemm, 1980).

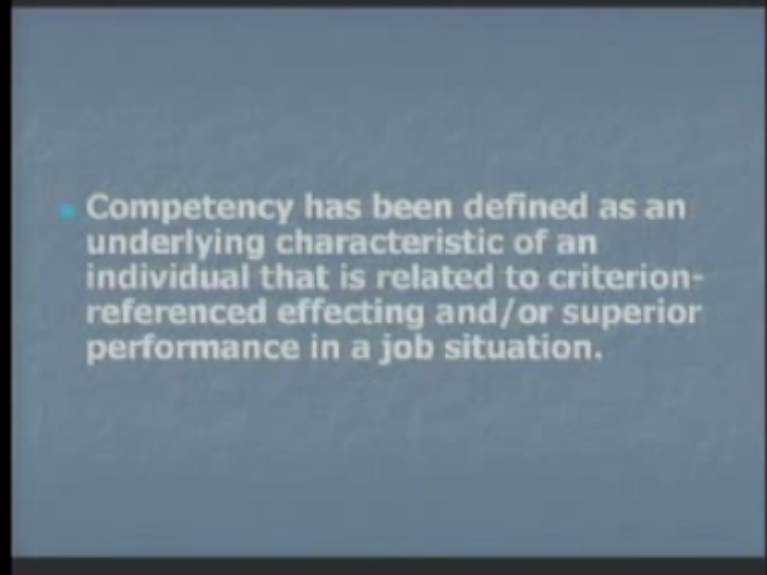
And underline characteristics of a person which results in effective and or superior performance on the job that is also defined has the competency. This is the definition by clam.
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- 
- A cluster of related knowledge, skills & attitudes that affects a major part of one's job (a role or responsibility), that correlates with performance on the job, that can be measured against well- accepted standards & that can be improved via training & development (Parry, 1996).

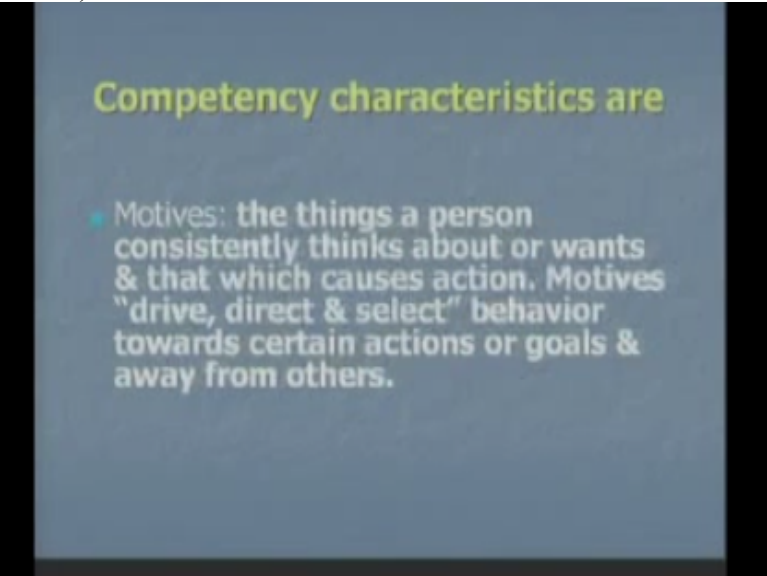
Competency also refers to cluster of related knowledge skills and attitude that effect a major part of once job. You understand a role or responsibility we seen earlier at the people might play some roles and place of work, and you are planning at the movement the role of a student. And you will become a manager you will start the role of the manager and perhaps the manager who has to do performance of appraisal.

Okay so you have also the responsibility while planning that role, and so this correlated with these planning this roles and responsibilities these correlates with the performance at the job that could be measured against well accepted standards and that could be improved via training and deve4lopment.

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- Competency has been defined as an underlying characteristic of an individual that is related to criterion-referenced effecting and/or superior performance in a job situation.

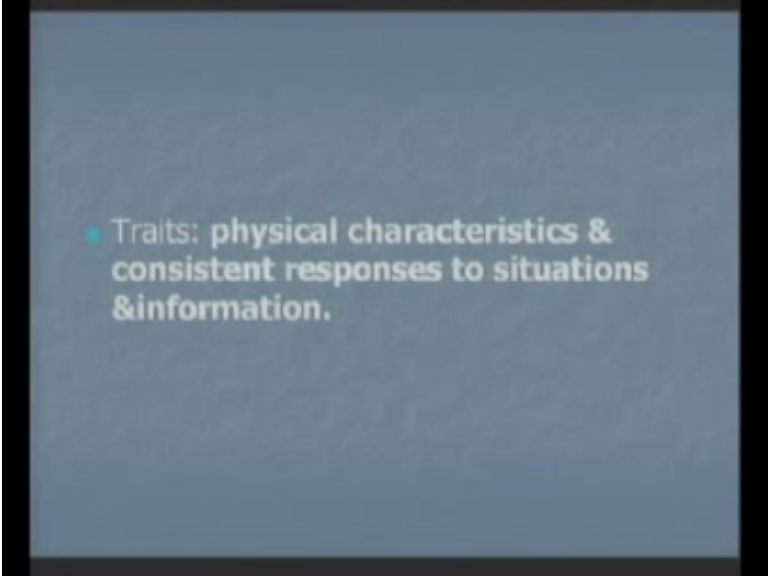
So competency has been defined as underlying characteristic of an individual that could be related to criterion reference effective and the superior performance in a job situation.
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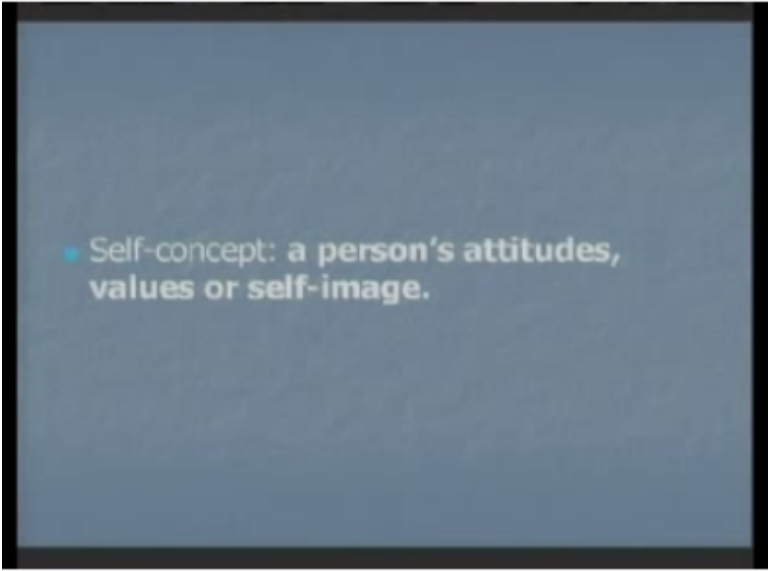
Competency characteristics are

- Motives: the things a person consistently thinks about or wants & that which causes action. Motives "drive, direct & select" behavior towards certain actions or goals & away from others.

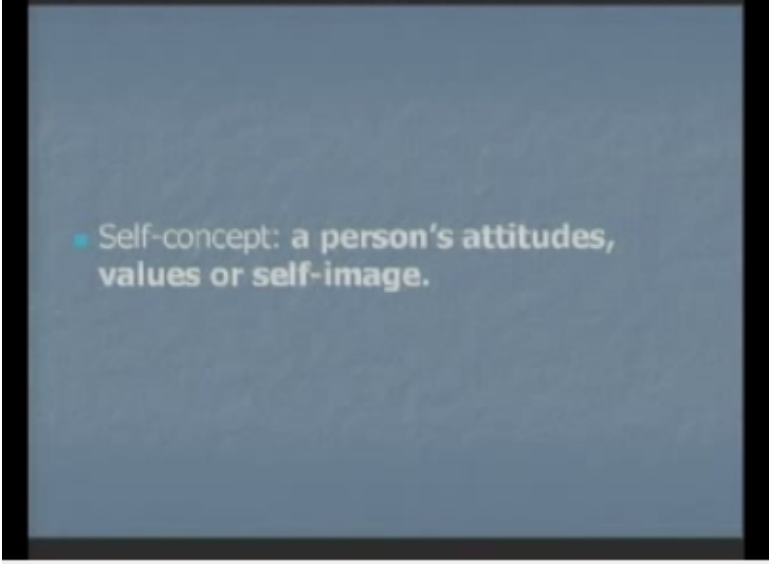
Some of the competency characteristics, motives, there are number of characteristics let us see one by one motives. The things a person's consistently thinks about or wants and that which causes action. Motives and drives, direct and select behavior towards certain action or goals and away from others.
(Refer Slide Time: 24:14)

- 
- Traits: **physical characteristics & consistent responses to situations & information.**

Traits we must here the words traits/ perhaps the earlier discussion we are talking about traits the personality traits. So here we are talking about the traits physical characteristics and consistent response to situations and information.
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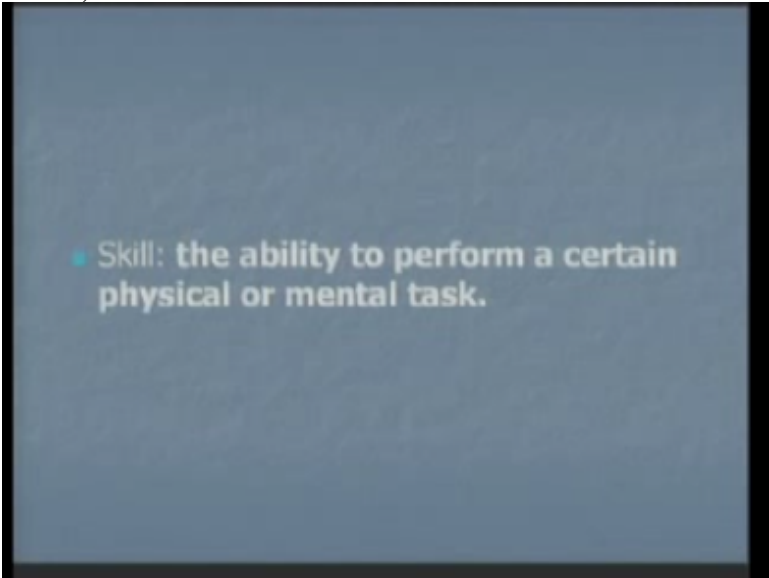
- 
- Self-concept: **a person's attitudes, values or self-image.**

Self concept a person's attitude, values or self image, have you understood the meaning of self concept? The interesting term when you are making at yourself in early in the morning in the mirror what we do? You are trying to evaluate your self concept. And in fact the looking last theory says that a person this is IT perhaps is the looking close for you and you keep evaluating yourself in that mirror of society.
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- 
- A presentation slide with a dark blue background and a black border. It contains a single bullet point in white text.
- **Self-concept: a person's attitudes, values or self-image.**

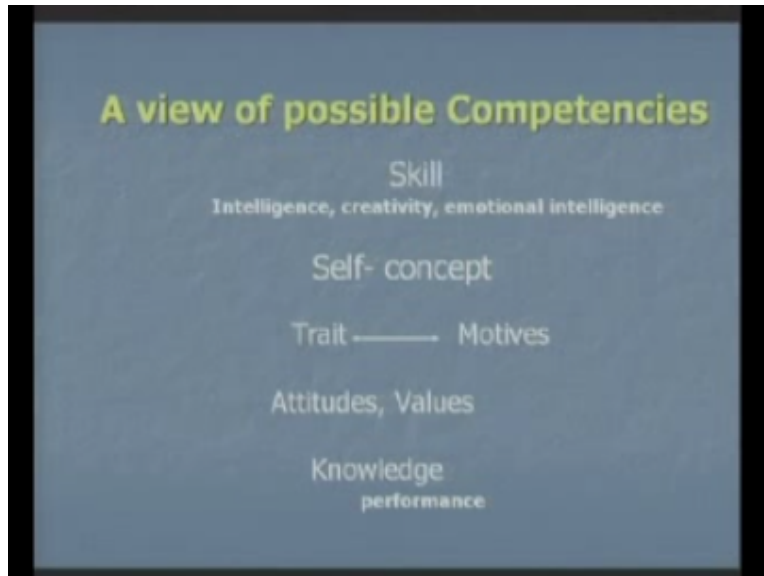
And so you develop your concept is in that very interesting so self concept become very important. And there is one of the important perhaps factors, so the basically self image how does you see in yourself. But where do you see in the mirror of society, knowledge that is the information a person's has in specific content areas.

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- A presentation slide with a dark blue background and a black border. It contains a single bullet point in white text.
- **Skill: the ability to perform a certain physical or mental task.**

The ability to perform has certain physical or mental task.

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So we now to come specific view of possible competencies and skills and we are some more information may be I can I will share with you one aspect here. That in the preparation for the performance management and competency management, the two perhaps the publications which are very important this about competency management is about by and the other one also well many others have written the other one also.

In this about the performance management. That is also important so books is very important to in this particular context so the view of personal competencies when we see this effects to this skill in which is intelligent, creativity, emotional intelligent and factors like that. Self concept traits and motives and attitudes, values, knowledge, and performance. So these are some og the possible ways and the competencies.

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Competencies: What is Observable

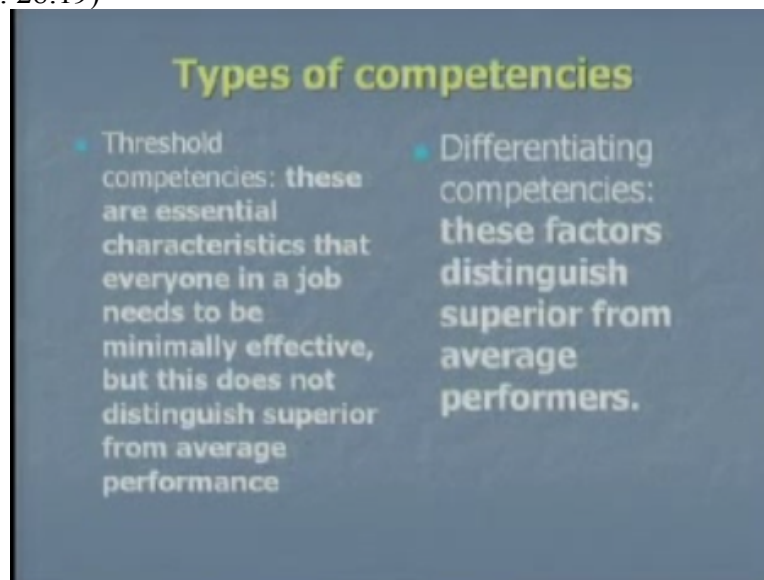
| Hidden | Visible |
|--------------|---------------------------------|
| Traits | Attitudes/Emotions/Intelligence |
| Motives | Skill |
| Self concept | Knowledge |
| Values | Performance |
| Creativity | |
| Intelligence | |

Most observable and few may be observable few may be hidden, so the hidden are the traits, motives, self concepts values creativity, intelligent were observable may be attitudes emotions Attitude intelligent skills knowledge performance.

(Refer Slide Time: 28:10)



So the types of competitions are with threshold competencies and differentiating competencies.
(Refer Slide Time: 28:19)



Then when we are look at the thresholds competencies let us see what are the threshold competencies these are the companies which are essential characteristics such as which are needed to be a job many effective but this does not really distinguished superior from the average performance threshold you understand okay that threshold were you know it may be some times the that , that threshold may be there it may be difficult for you so find out the person where , where she is okay that kind of thing whereas there are competences where you can really have the , the different set of a parameters and this could distinguished supervisor you know from the average performance.

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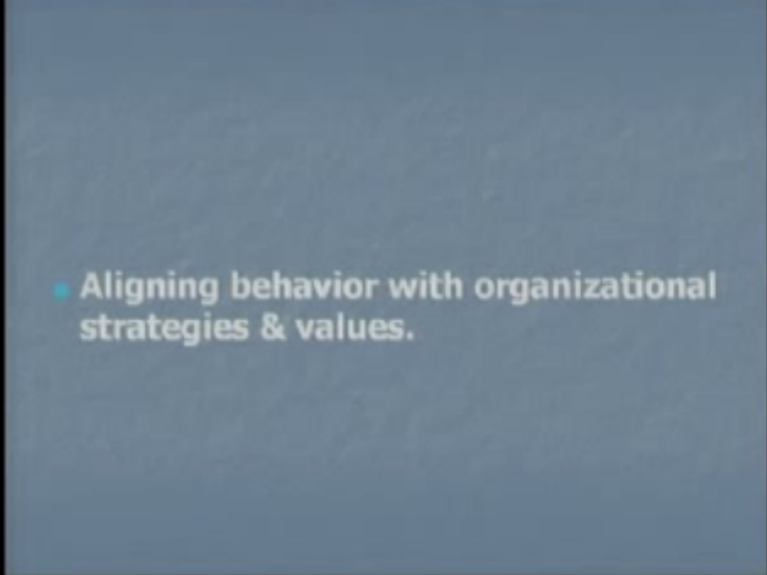
Why are competency models needed?

And so the competency models there are number of competency models and this may be needed because if you understand about the competency model.
(Refer Slide Time: 29:37)

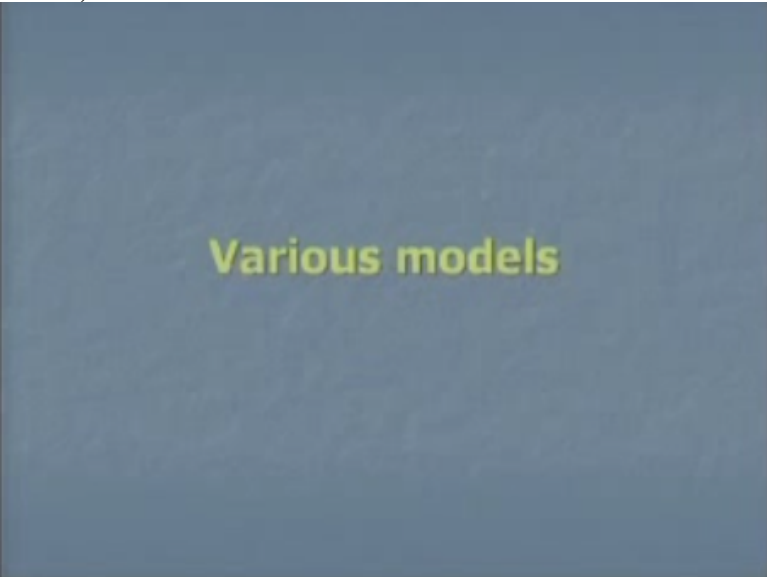
- Hiring the best available people.

Then hiring the best available people in fact you will recollect that in our chapter on the section requirement and training we were talking about selecting people and in this selection we have talking about number of factors and number of methods of selecting people so the competency management also becomes very important because once you have this parameters with you , you may be in a better position to select people right person for the right kind of a job so we move on hiring the best available person as people to productivity maximization and enhancing 360 feedback process adopting to change a lining behavior.

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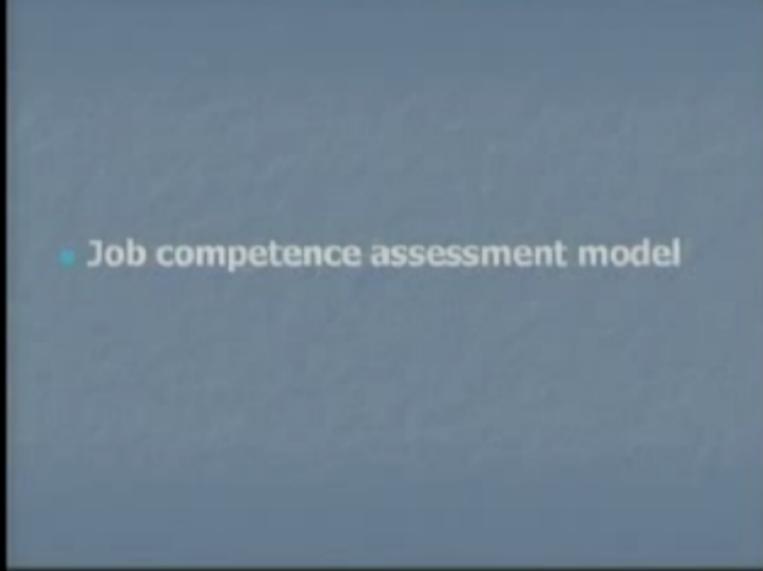
- 
- Aligning behavior with organizational strategies & values.

With organizational strategies and values
(Refer Slide Time: 30:39)



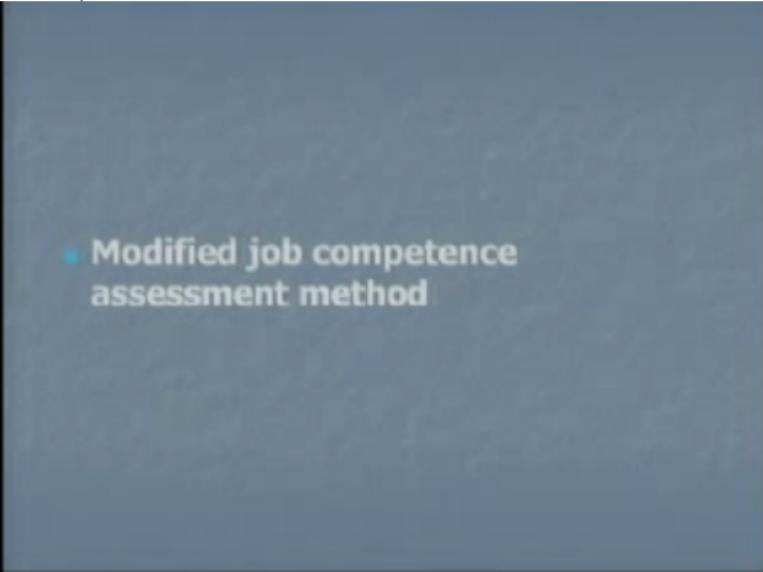
Various models

And so there are number of models which are explaining the competency process and of course there are number of models.
(Refer Slide Time: 30:54)



- **Job competence assessment model**

That we have in the literature we are just discussing the job competence assessment model.
(Refer Slide Time: 31:03)



- **Modified job competence assessment method**

Modified job competence assessment methods
(Refer Slide Time: 31:07)

- Generic model overlay methods

Generic model.
(Refer Slide Time: 31:11)

- Customized generic models method

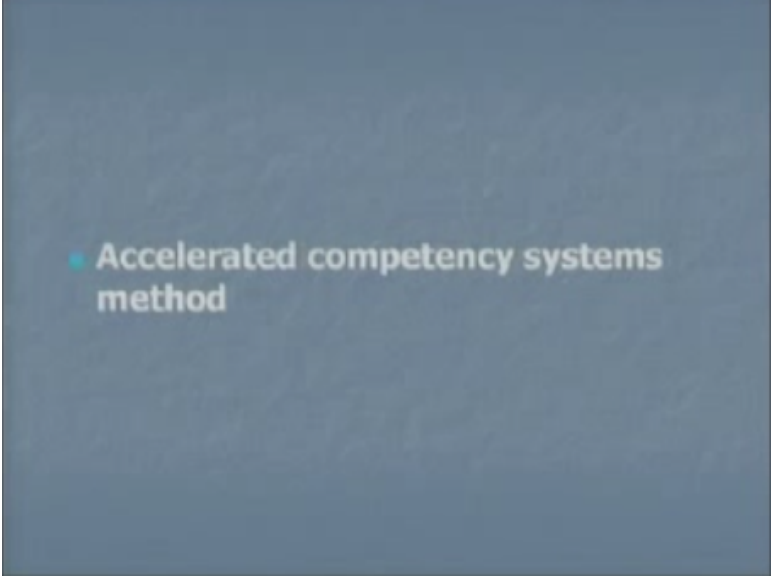
Customized genetic models.
(Refer Slide Time: 31:13)

- Flexible job competency model methods

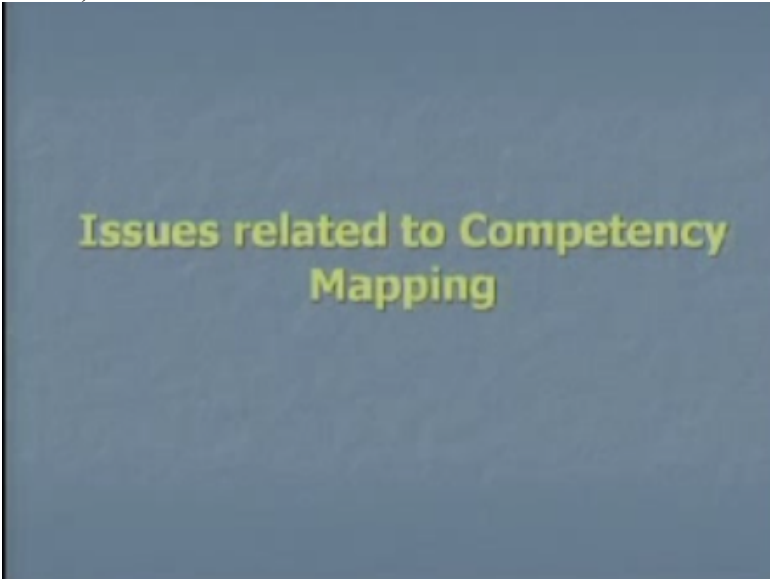
Flexible job competency model.
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- Systems method

Systems method.
(Refer Slide Time: 31:20)

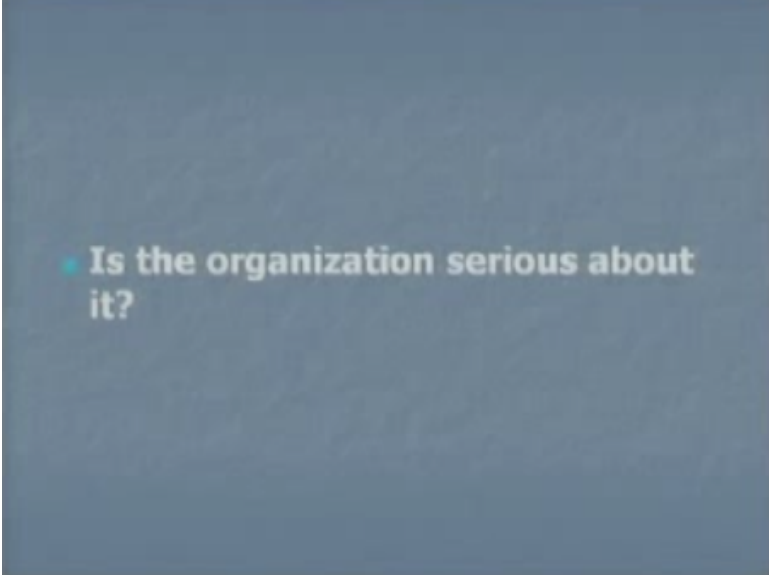
- 
- Accelerated competency systems method

Accelerated competency systems methods.
(Refer Slide Time: 31:26)

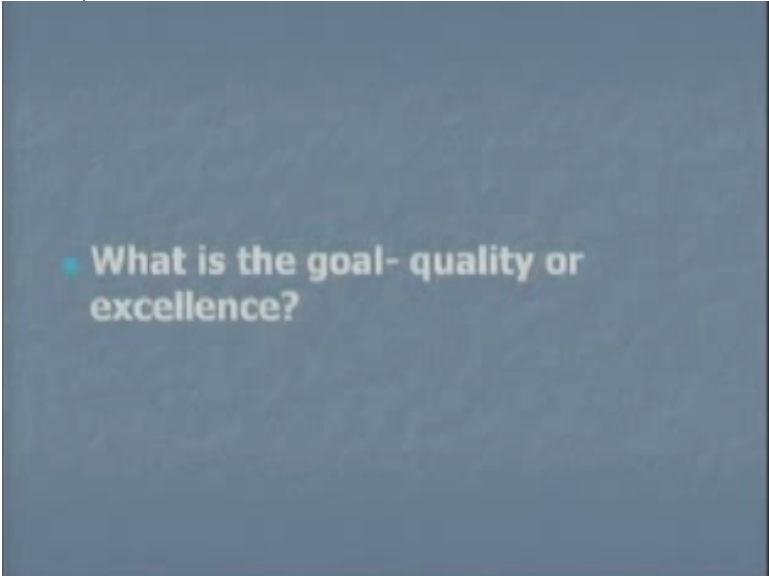


Issues related to Competency Mapping

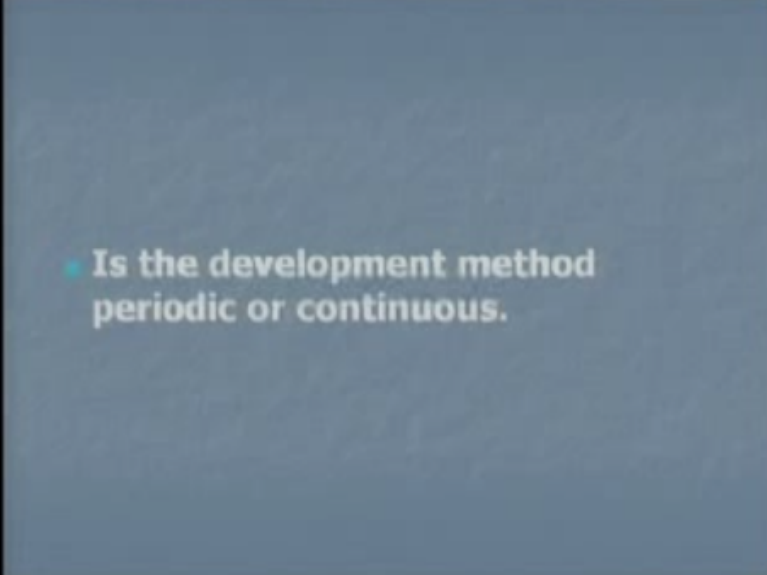
All these so what we are seeing these are number of models which we have use all this have given and published in many books related to competency we are not getting into this details right now maybe some other time and so the issues related to competency mapping.
(Refer Slide Time: 31:52)

- 
- **Is the organization serious about it?**

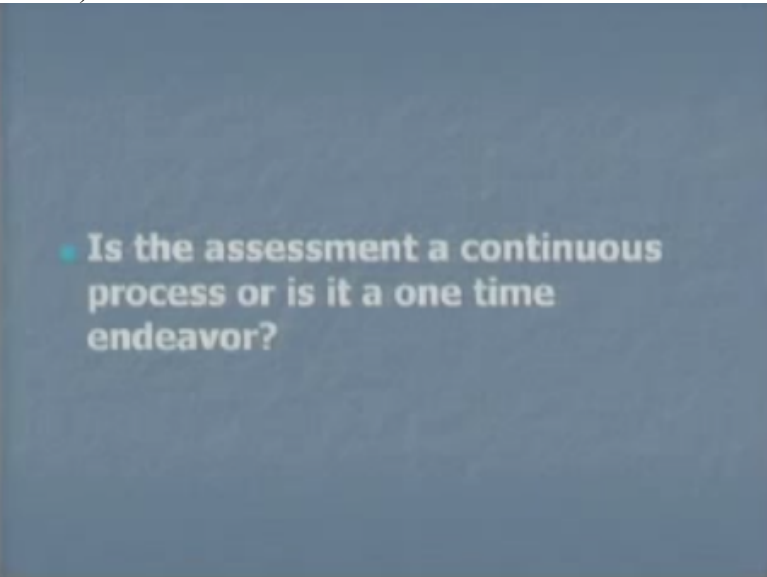
Are basically related to some of the discussion that we have already have so let us see we will organize a some of those issues into the understanding of the competency mapping so in when you want to do competency mapping we have to measure is the organization serious about it.
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- 
- **What is the goal- quality or excellence?**

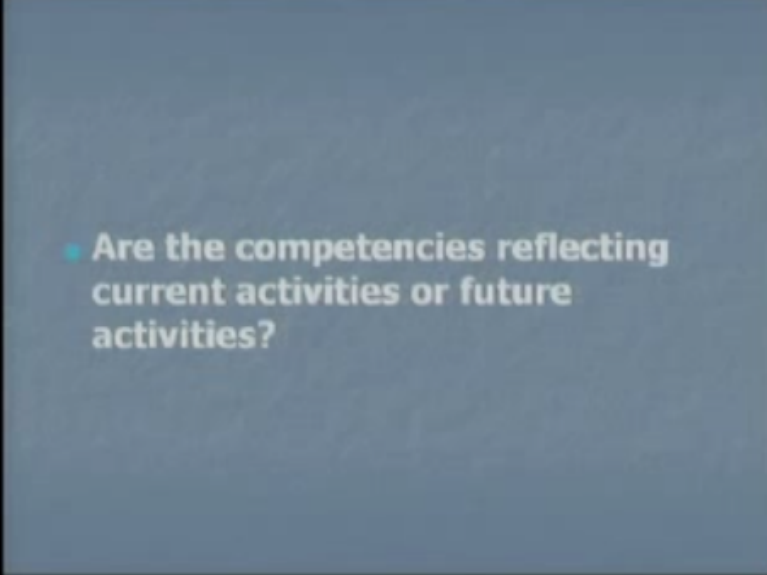
What is the goal quality or excellence?
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- 
- **Is the development method periodic or continuous.**

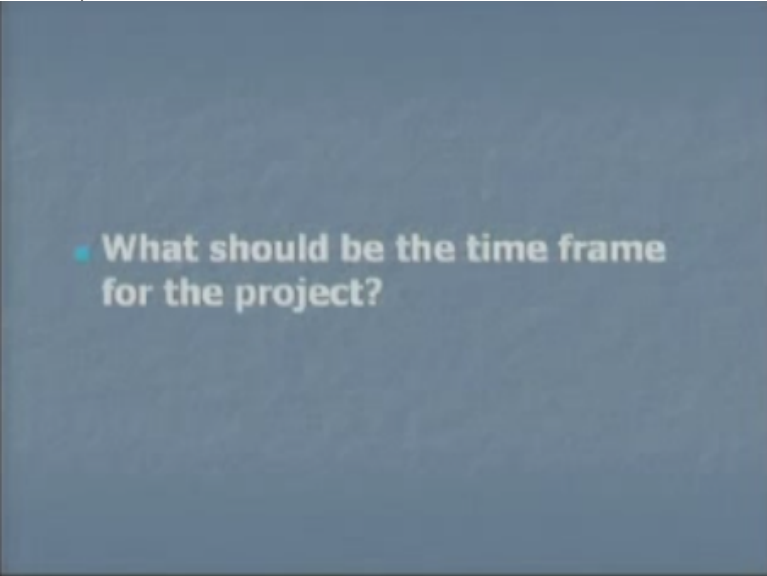
Is the development method continuous or periodic?
(Refer Slide Time: 32:33)

- 
- **Is the assessment a continuous process or is it a one time endeavor?**

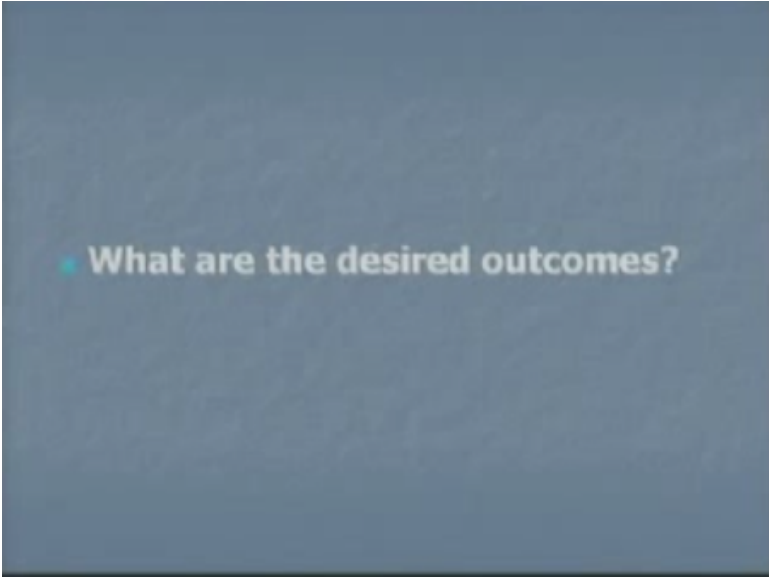
Is the assessment a continuous process or is it a onetime endeavor see some cases or some organizations they have a continuous assessment process which goes are in a after particular time and for some people let maybe either at the end of the year or sometimes not even, not even end of the year it maybe, maybe even you know the next promotion next perhaps comes so, so what is the practice in a particular organizations.
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- 
- **Are the competencies reflecting current activities or future activities?**

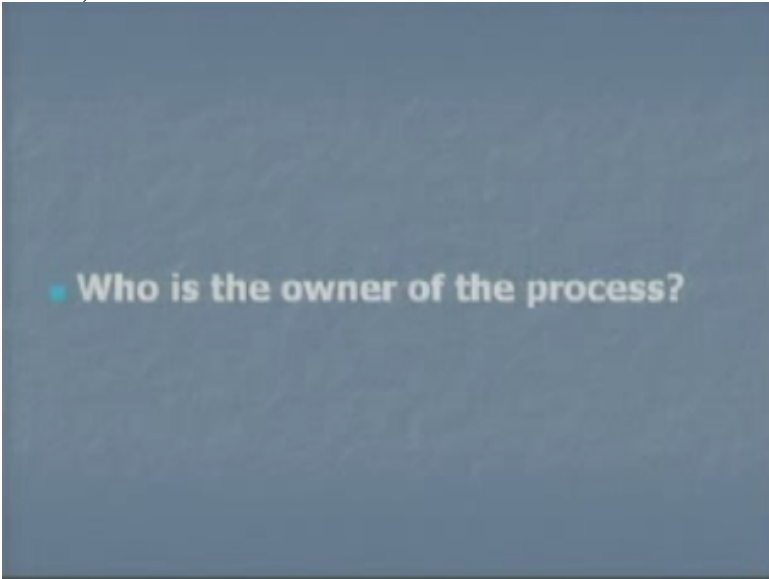
Then are the competencies reflecting current activities or future activities we have to make sure a and answer this question.
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- 
- **What should be the time frame for the project?**

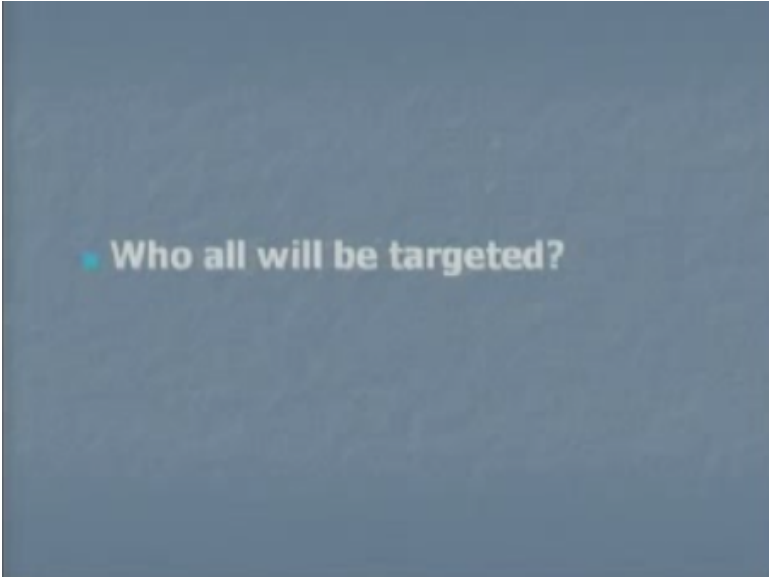
What should be the time frame from the project any project or any work performance it has been given to an individual how will the determinacy of the success being measured how do you we have to 1st design that how work will be expected out of this at the end of completion of this project.
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- 
- **What are the desired outcomes?**

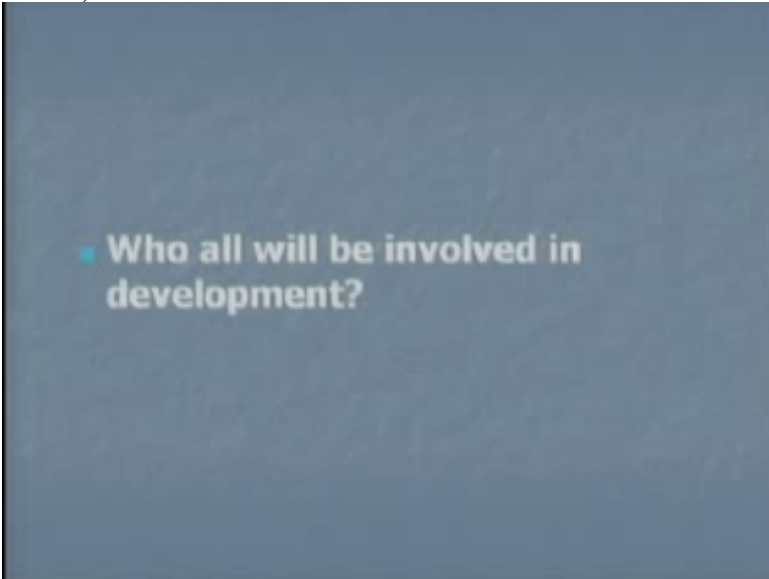
What are the desired outcomes?
(Refer Slide Time: 34:02)

- 
- **Who is the owner of the process?**

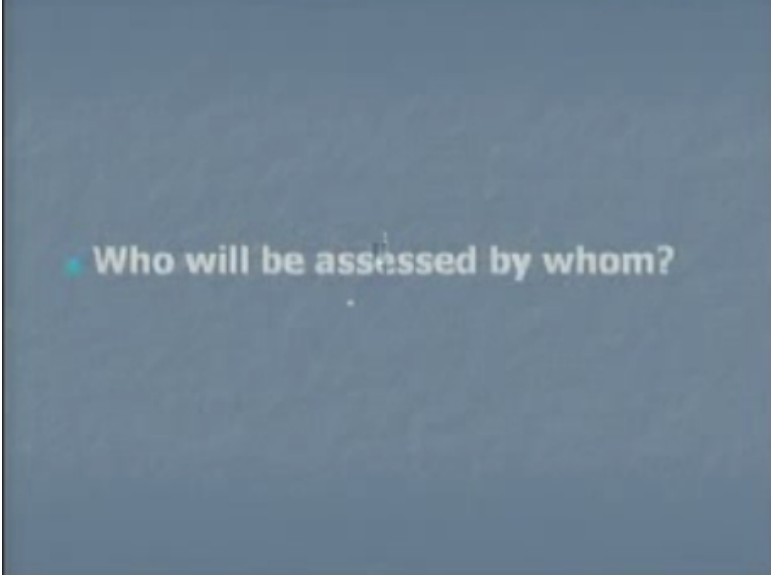
Who is the owner of the process?
(Refer Slide Time: 34:08)

- 
- Who all will be targeted?

Who all will be targeted?
(Refer Slide Time: 34:16)

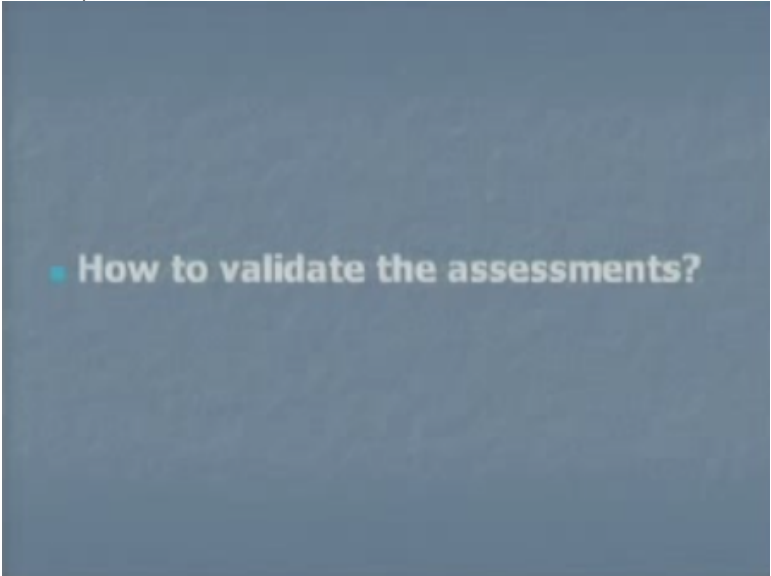
- 
- Who all will be involved in development?

Who all will be involved in this development?
(Refer Slide Time: 34:22)

- 
- Who will be assessed by whom?

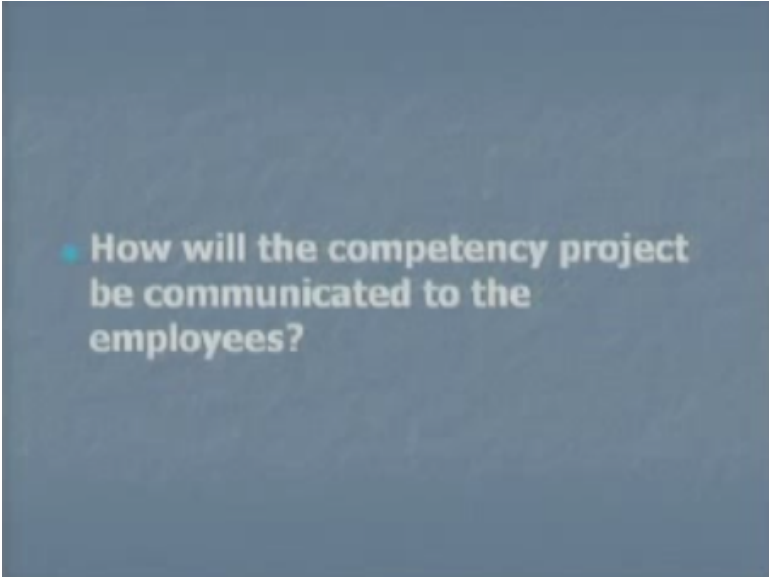
Who will competency mapping process and what are at the things that we have to look into then only we can design what competency mapping we are going to do so who will be assets by whom.

(Refer Slide Time: 34:38)

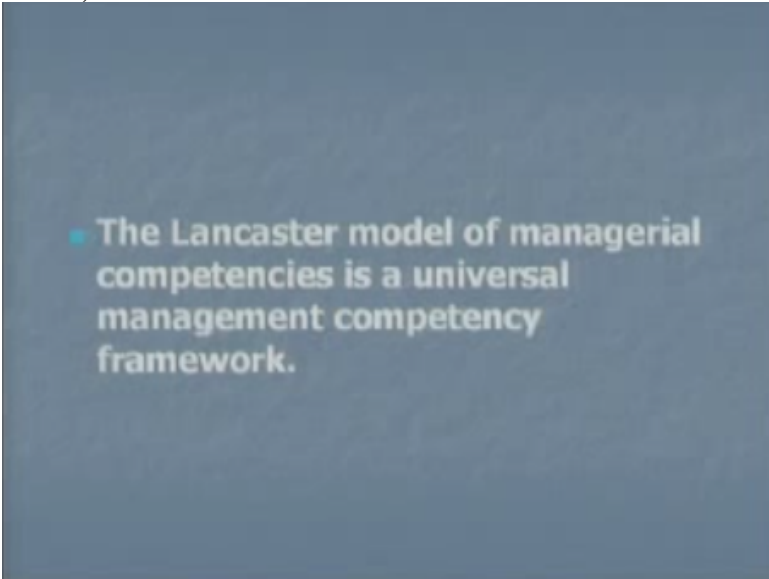
- 
- How to validate the assessments?

How to validate the assessments?

(Refer Slide Time: 34:42)

- 
- How will the competency project be communicated to the employees?

How will the competency project be communicated to the employees?
(Refer Slide Time: 34:50)

- 
- The Lancaster model of managerial competencies is a universal management competency framework.

And in this context will what will that may like to discuss the Lancaster model of managerial competency which is a universal management competency framework and most of the books related to the competency as a concept in as competency mapping perhaps you know they have presented the Lancastrian model and will see that what are the aspects that the model has, has given to us.

(Refer Slide Time: 35:30)

- It has eleven (11) qualities separated into three (3) groups, which represent three different levels.

The model has 11 qualities separated into 3 groups which represent 3 different levels are you getting? 3 groups into 3 separate levels.
(Refer Slide Time: 35:52)

- Performance appraisal could be informal or formal.

And these are the performance appraisal could be informal or formal is it possible inform an appraisal yes or no? see one thing is formal performance appraisal you can have the performer and the people will okay you can stand here something of that kind and informal performance appraisal you do not have a standard questioner or any ratings scale but you have just asking people about that particular about that particular individual and you may find that sometimes.
(Refer Slide Time: 36:40)

- Performance appraisal could be informal or formal.

Formal appraisal gives you lot of information about the individual and so.
(Refer Slide Time: 36:49)

- Informal performance appraisal system is a continuous process of feeding back to the subordinates information about how well they are doing their work in the organization. It is conducted on a day-to-day basis.


Maybe you combine to both or you may sue in a either of this to so the informal performance appraisal system is a continuous process of feeding back to the subordinates information about how well they are doing their work in the organization and it is conducted on a day to day basis assume that you have not be aware of it but actually you are informal performance appraisal is going on all the time.
(Refer Slide Time: 37:30)

- The formal performance appraisal system usually occurs annually on a formalized basis & involves appraiser & appraisee sitting down together & finding answers to the following questions:

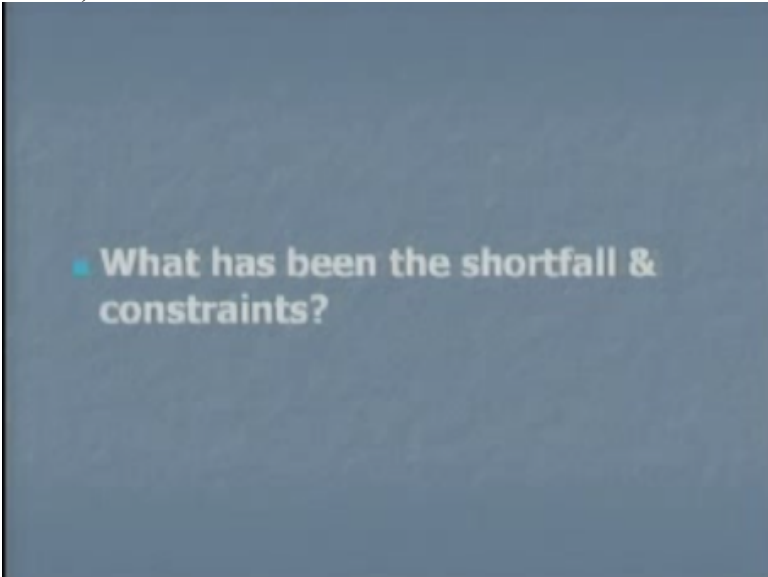
And the formal appraisal system usually occurs annually on a formalized basis and involves appraiser done together and then finding answer to some of the questions.
(Refer Slide Time: 37:50)

- What performance was set out to be achieved during the period?

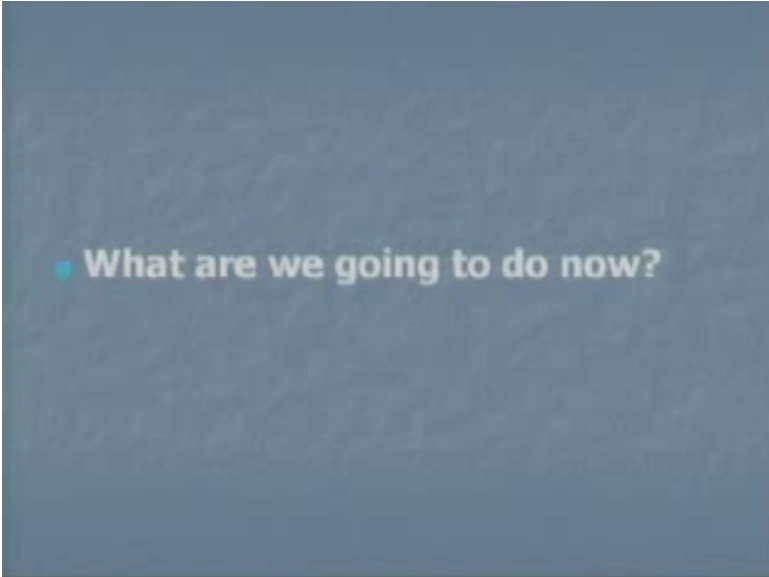
Which could be as follows what performance was set out to be achieved during the period?
(Refer Slide Time: 37:57)

- 
- **Has it been achieved?**

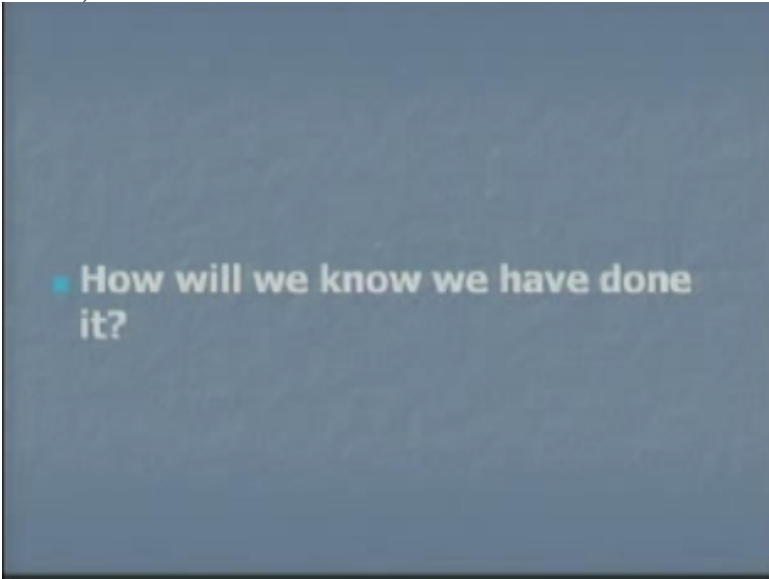
Has it been achieved?
(Refer Slide Time: 38:01)

- 
- **What has been the shortfall & constraints?**

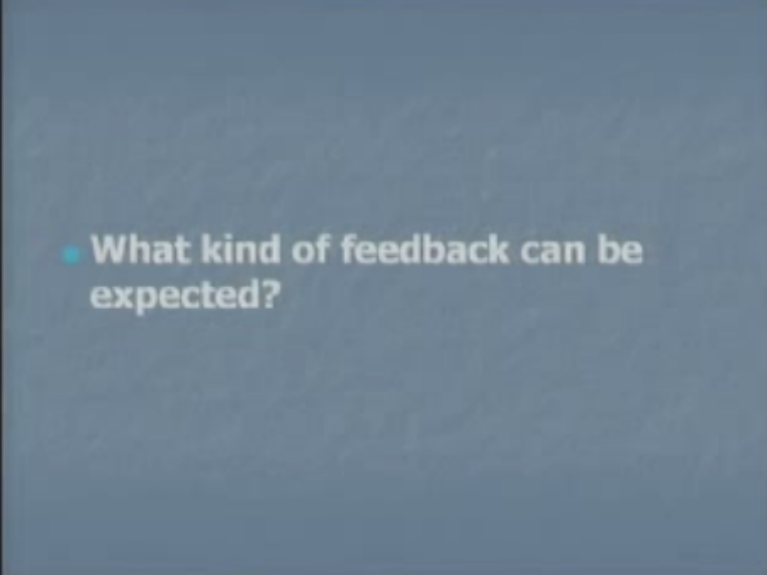
What has been the shortfall and constraints?
(Refer Slide Time: 38:08)

- 
- What are we going to do now?

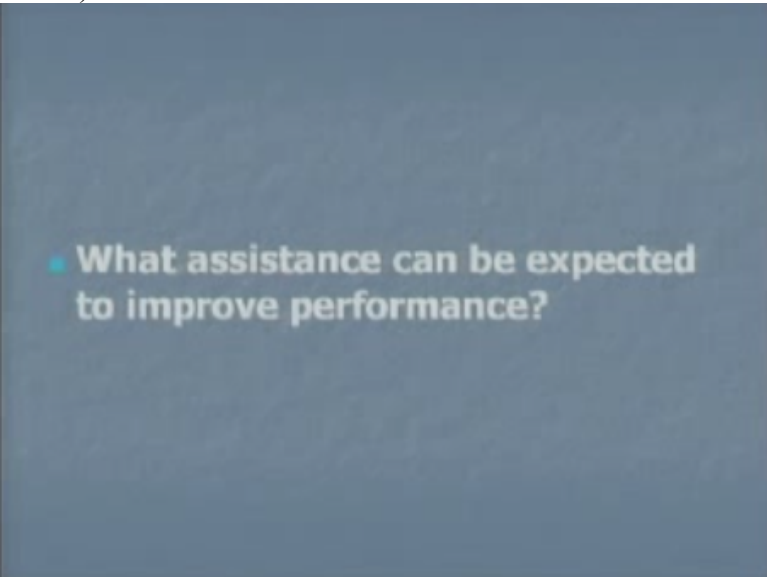
What are we going to do now?
(Refer Slide Time: 38:13)

- 
- How will we know we have done it?

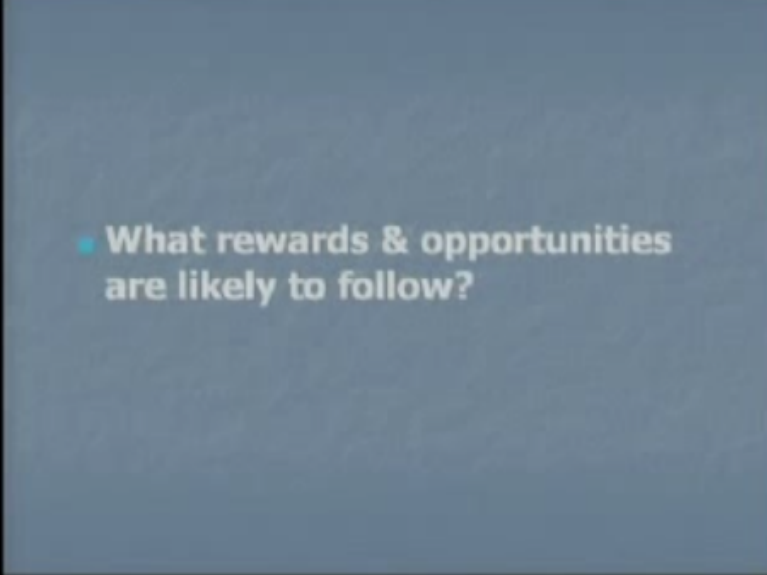
How will we know we have done it?
(Refer Slide Time: 38:19)

- 
- What kind of feedback can be expected?

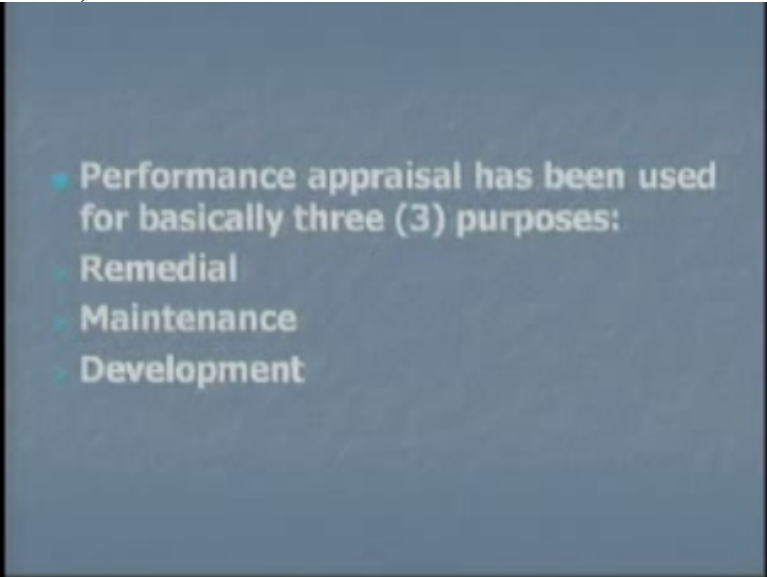
What is the feedback that could be expected?
(Refer Slide Time: 38:25)

- 
- What assistance can be expected to improve performance?

What assistance can be expected to improve performance?
(Refer Slide Time: 38:33)

- 
- What rewards & opportunities are likely to follow?

What rewards and opportunities are likely to follow?
(Refer Slide Time: 38:39)

- 
- Performance appraisal has been used for basically three (3) purposes:
 - Remedial
 - Maintenance
 - Development

Performance appraisal has been used for basically 3 purposes remedial, maintenance, development so when we are looking remedial you can understand any kind of a council if needed any of kind of a training is needed so to the performance appraisal perhaps you know we can do that and then the maintenance and then the development of the individual as well as or the organizations performance.

Appraisal is at the individual level but over all if we find the that the performance management development is a not that satisfactory then perhaps some organization development strategy over all development strategy also we may fallow in our next discussion we are going to have an idea about what is meaning of an organizational development? And how do we go about it in our next discussion.

(Refer Slide Time: 40:00)

Approaches of performance appraisal process

| ELEMENTS | TRADITIONAL APPROACHES |
|------------------|---|
| Purpose | Organizational, legal Fragmented |
| Appraiser | Supervisor, managers |
| Role of appraise | Passive, recipient |
| Measurement. | subjective Concerned with validity |
| Timing | Periodic, fixed, administratively driven |

So the approaches to performance appraisal system the this 2 again you know there are Any be certain reputations when we are teaching performance management certain, certain ideas have been given an different forms but that will make you understanding better and so the elements one the one hand way return over side way to elements and the, what are the traditional approaches on the other side.

So the elements you can see that we are talking about the purpose it could be organizational legal and some kind of a fragmented then the appraisal supervisor manager when this some of this earlier role of appraiser this was in the earlier time this was a passive rule okay as to this day then active rule and they recipient so in the earlier traditional time or any today the organizations using the traditional method.

Of performance management for then and the parameters like the traditional rules they will actually apply the traditional approaches the organizational level and this supervisor the role of appraisal again is passage and recipient when the measurement in the traditional way we have subjected and concern with, with validity and the timing is the periodic fixed and administratively driven the I may talking about the traditional approaches to performance management.

(Refer Slide Time: 42:10)

Approaches of performance appraisal process

| ELEMENTS | HIGH-INVOLVEMENT APPROACHES |
|------------------|---|
| Purpose | Developmental Integrative |
| Appraiser | Appraise, co-worker, & others |
| Role of appraise | Active participant |
| Measurement. | Objective & subjective |
| Timing | Dynamic, timely, employee or work-driven |

Now coming to the as against the traditional approaches we had high involvement approaches in which we can see that the purpose is developmental and integrative the appraisal is the appraise the co worker and others the rater the role of on the appraise active participant then the ,measurement is objective as well as subjective we have seen that and the timing is it is a dynamic activity okay.

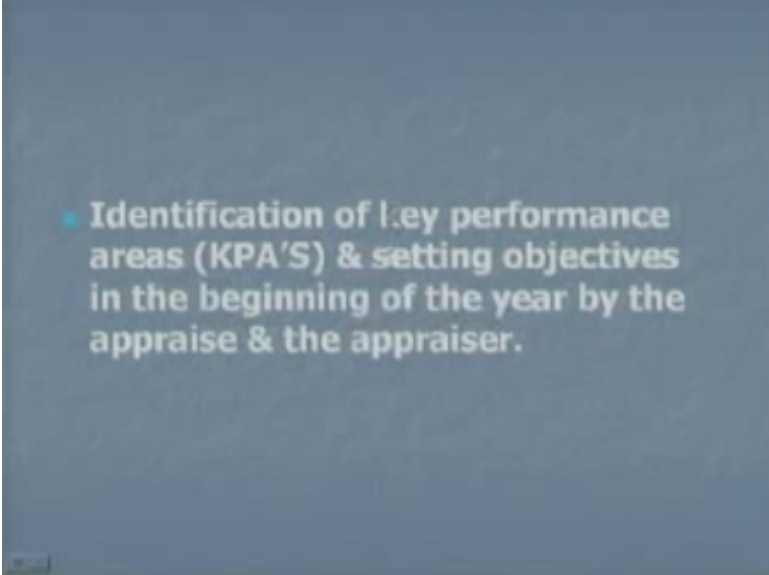
And it is dynamic timely employee and work driven so not necessary at the end of the year okay it goes on and on and at the end of certain activity perhaps you know so, so the key term you know we can say that the is a very dynamic kind of a appraisal system so can you see now the difference between the traditionally fallowed performance management system and the high involvement based management system in which everyone become every one becomes of participant whole process so designing this performance appraisal systems.

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Designing of performance appraisal systems

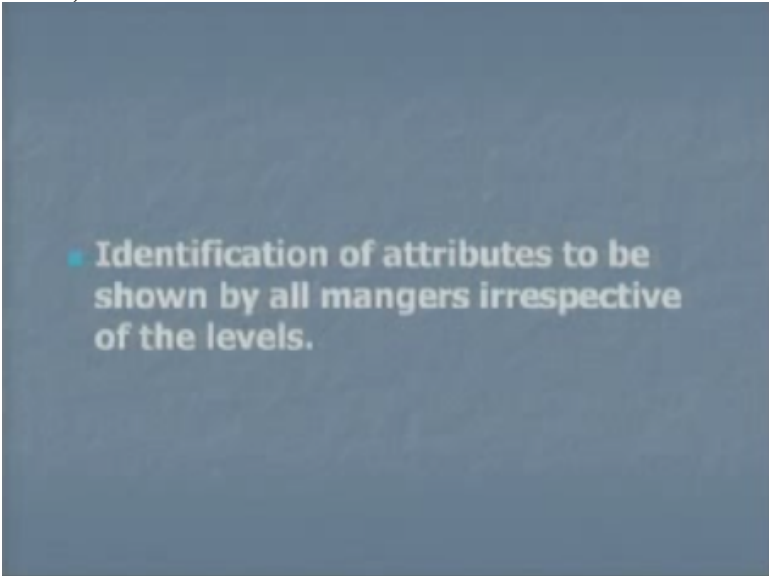
That what to be have discussed in so far.

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- 
- Identification of key performance areas (KPA'S) & setting objectives in the beginning of the year by the appraisee & the appraiser.


Becomes very important for any organizational identification of key performance areas and setting objectives in the beginning of the year by the appraisee and the appraiser. Identification of key performance areas and setting objective in the beginning of the year by the appraiser and the appraiser is becomes very important.

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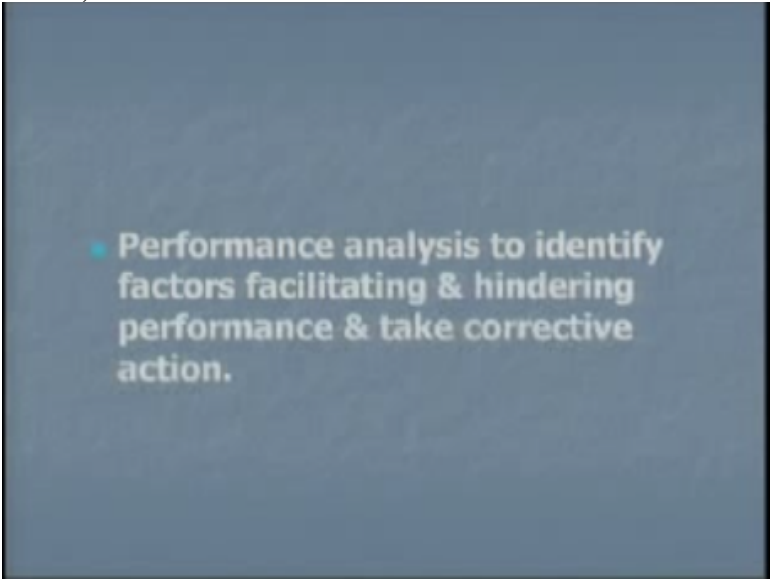
- 
- Identification of attributes to be shown by all managers irrespective of the levels.

Then the identification of the attributes to be shown all managers irrespective of whatever levels that they might have.

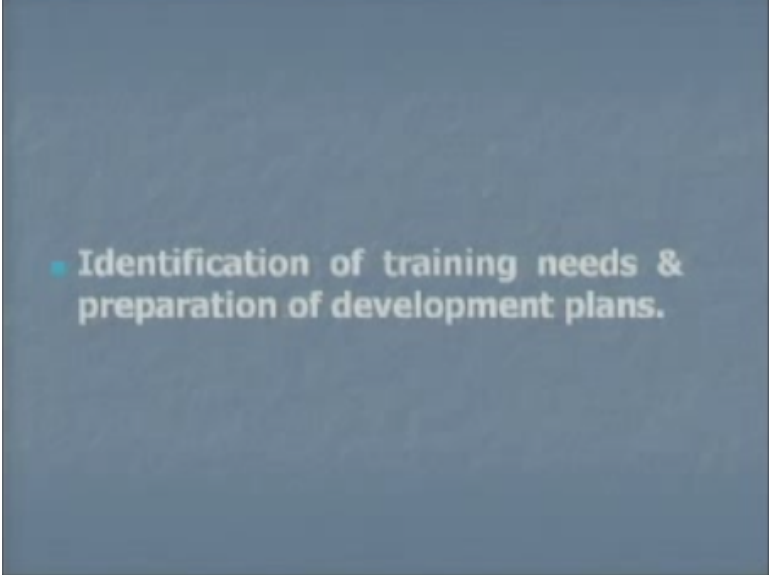
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- 
- Self-appraisal.

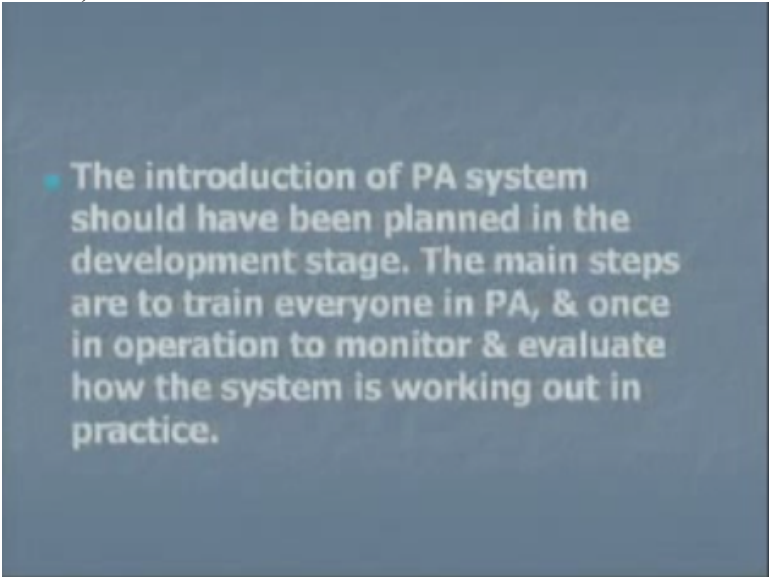
Self appraisal.
(Refer Slide Time: 44:29)

- 
- Performance analysis to identify factors facilitating & hindering performance & take corrective action.

Performance analysis to identify factors facilitating and in during performance and what kind of a corrective measures or actions we might take.
(Refer Slide Time: 44:44)

- 
- Identification of training needs & preparation of development plans.

Then the identification of training needs and preparation of development plans.
(Refer Slide Time: 44:53)

- 
- The introduction of PA system should have been planned in the development stage. The main steps are to train everyone in PA, & once in operation to monitor & evaluate how the system is working out in practice.

So the introduction of performance appraisal system should have been planned in the development stage and the main steps to train everyone in the performance appraisal in office and operation to monitor and evaluate how the system is working out in practice so we performance appraisal system.

We cannot you know just let it go as a , as a very simple issue overall performance management and in fact in the whole process so of managing itself because in once you know we have we are employing people we want you know certain goals to be achieved which in turn will become organizational input to the organizational performance we can say so, so it becomes extremely important that we design the system very, very carefully.

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Relevance of Training in Performance Appraisal system

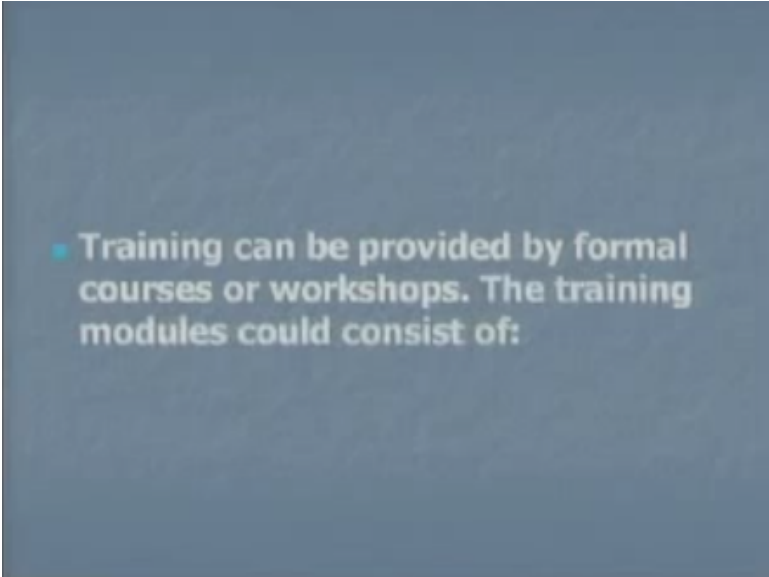
And so the relevance of training in performance appraisal system is important because once if you get the results so what, what do you may do okay you do not get promotion to someone or you do not give you know rewards to someone look that is not enough because we need to improve the lot of people working with our organization and so training becomes in heritable and so both appraiser and the appraisee.

(Refer Slide Time: 46:47)

- **Both the appraiser & the appraisee need guidance & training in the preparation of performance agreements & plans, conduct of performance reviews & the completion of review forms.**

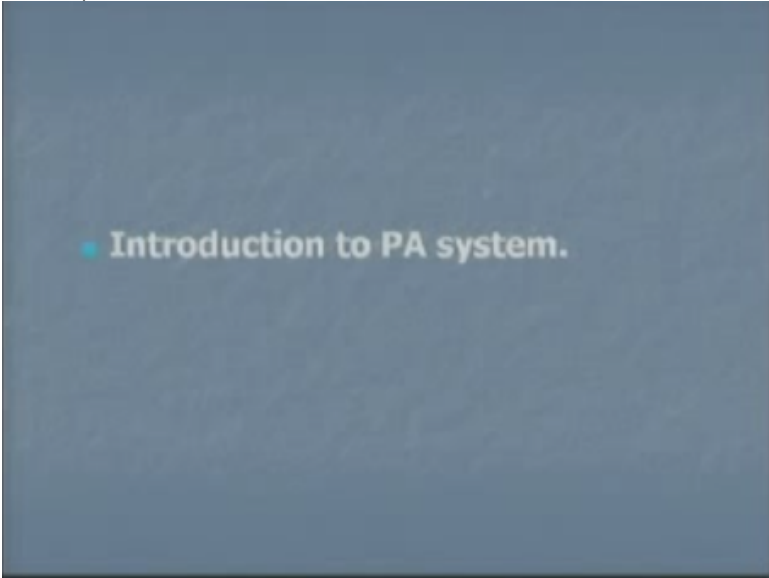
Need comes and training in the option of the performance agreement and plans and the conduct performance reviews and the completion of the review forms.

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- 
- Training can be provided by formal courses or workshops. The training modules could consist of:

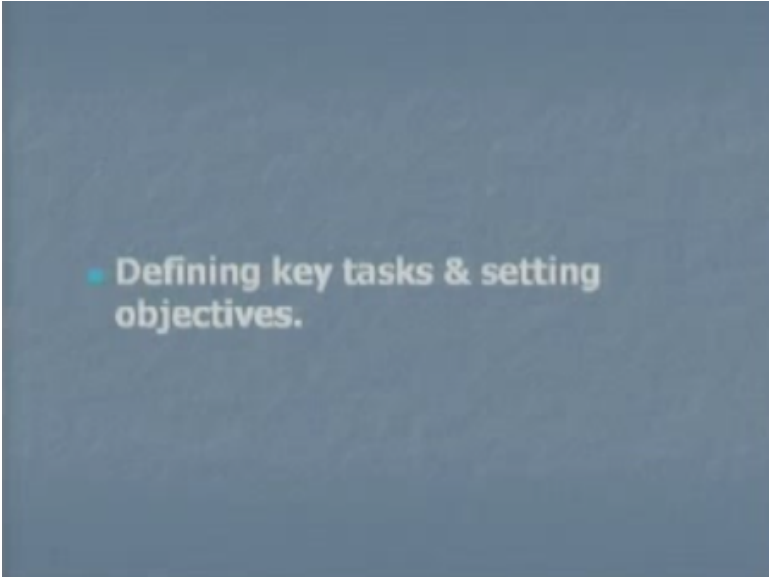
Training can be provided by formal courses or workshops and the training modules could be designed.

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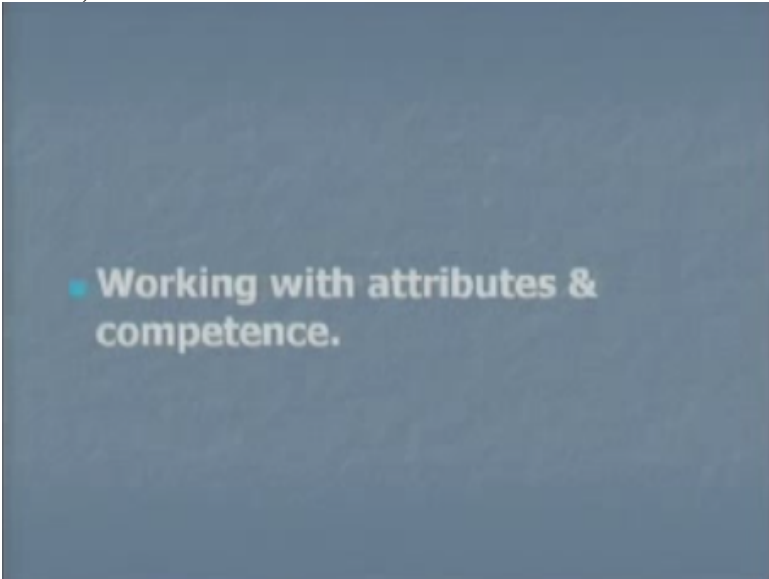
- 
- Introduction to PA system.

Which may consists of the some of the will I think getting into the details how to design this very quickly and skip to this entire let see the introduction to in the trailing programs schedule introduction to performance appraisals system.

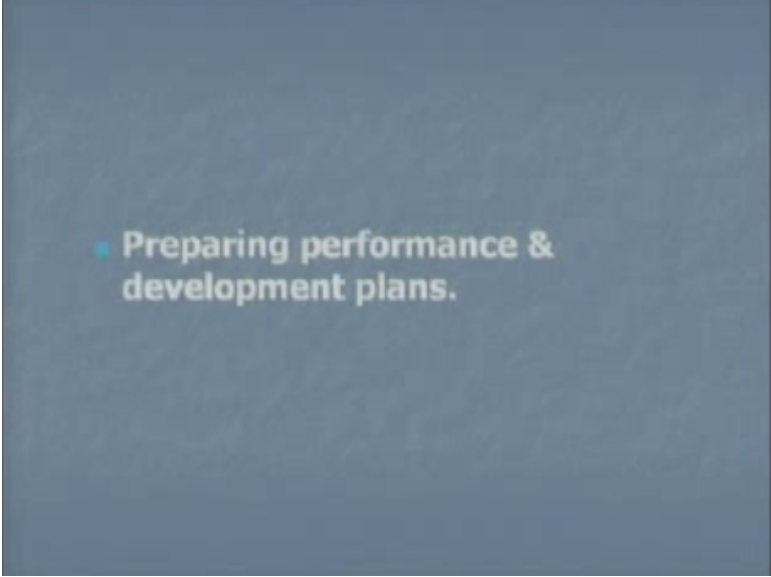
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- 
- **Defining key tasks & setting objectives.**

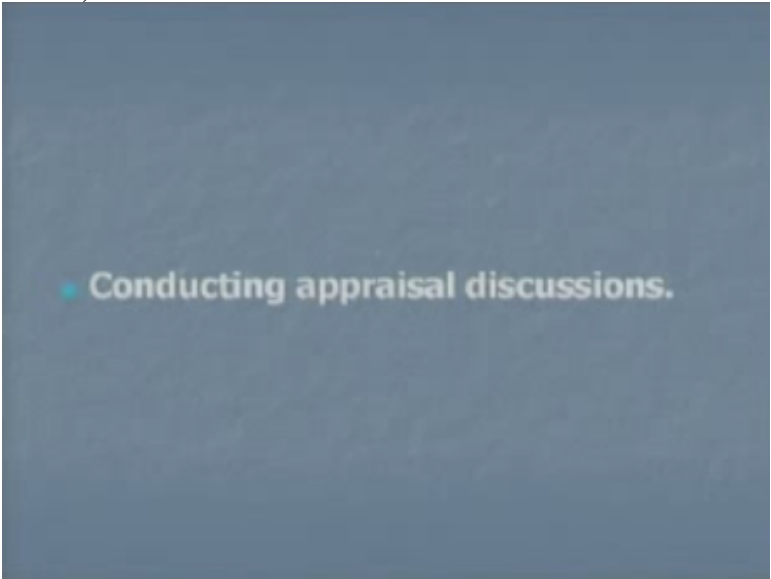
Defining the key tasks and setting objectives.
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- 
- **Working with attributes & competence.**


Working with attributes and competence.
(Refer Slide Time: 47:40)

- 
- **Preparing performance & development plans.**

Preparing performance and development plans.
(Refer Slide Time: 47:45)

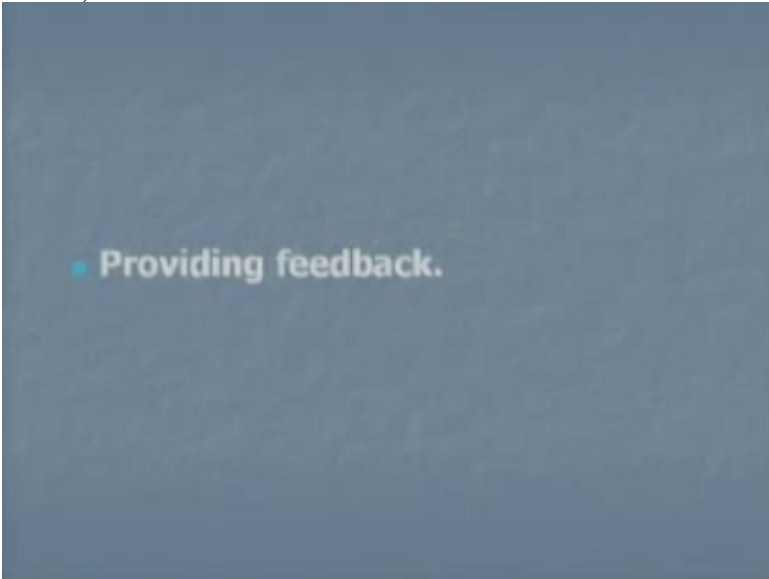
- 
- **Conducting appraisal discussions.**

Conducting appraisal discussions.
(Refer Slide Time: 47:50)



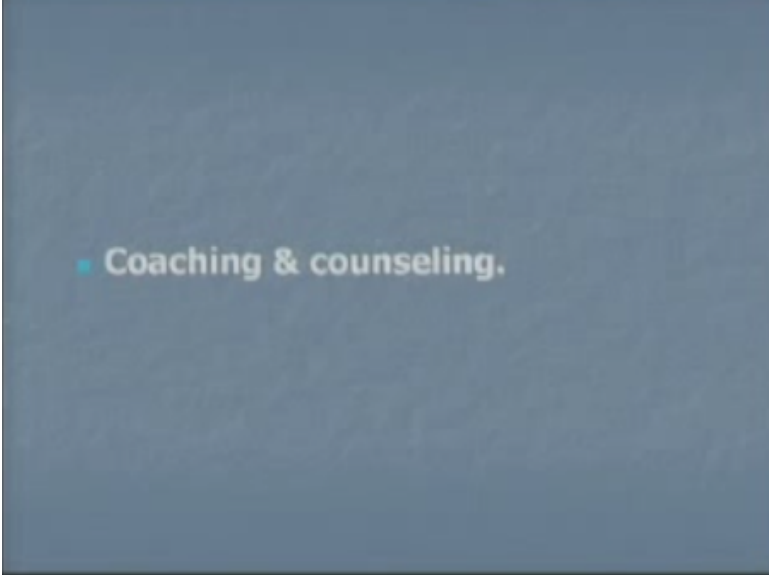
- Rating.

And Ratings.
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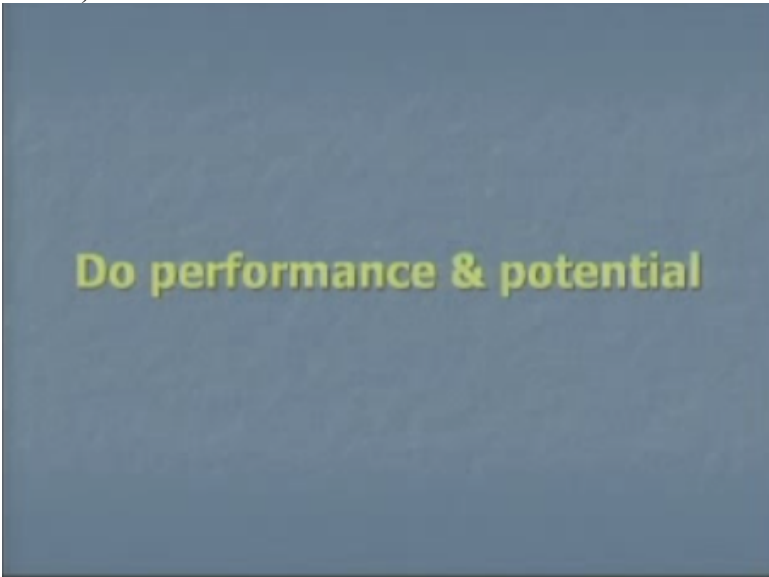


- Providing feedback.

Providing feedback.
(Refer Slide Time: 47:55)

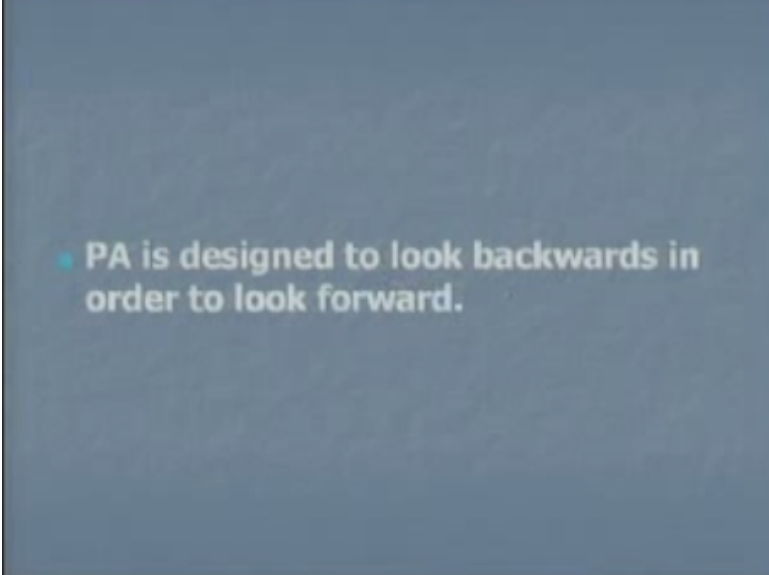
- 
- Coaching & counseling.

Coaching and counseling.
(Refer Slide Time: 47:59)

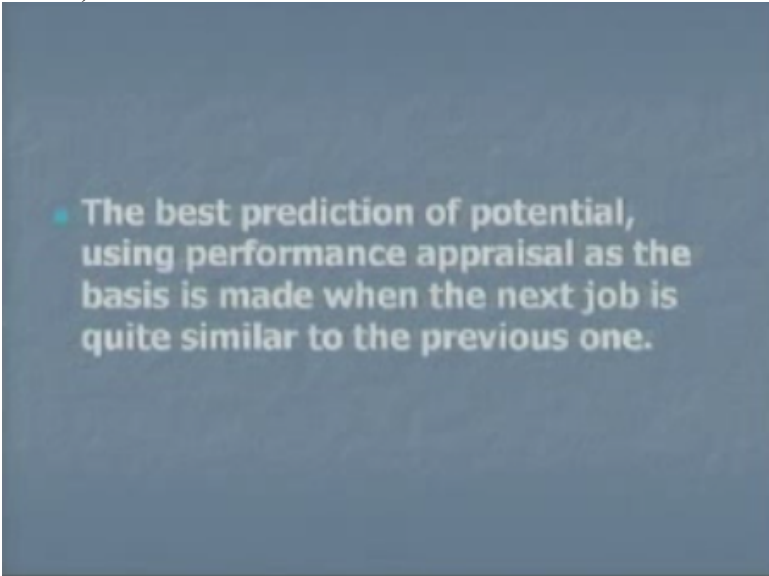


Do performance & potential

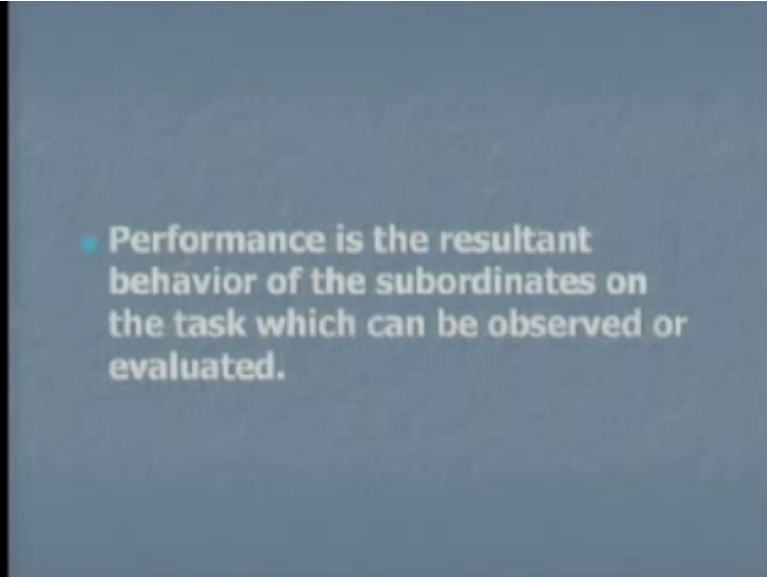
Okay these are the some of the aspects so this brings us the issue that whether performance and potential are the same at these interchangeable and these synonyms each other.
(Refer Slide time: 48:24)

- 
- PA is designed to look backwards in order to look forward.

What they think performance appraisal let us see whether they differ or that we say performance appraisal is designed to look backwards in order to look forward.
(Refer Slide Time: 48:46)

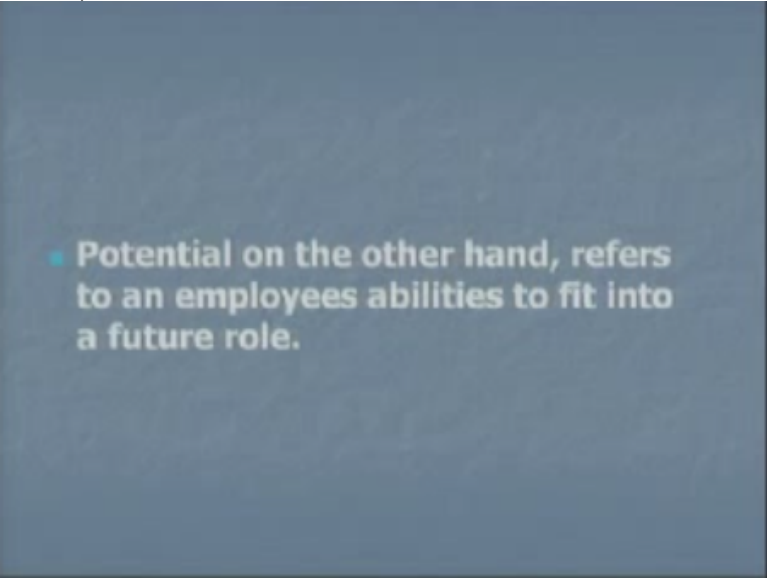
- 
- The best prediction of potential, using performance appraisal as the basis is made when the next job is quite similar to the previous one.

The best prediction of potential using performance appraisal as the basis is made when the next job is quite similar to the previous one.
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- 
- **Performance is the resultant behavior of the subordinates on the task which can be observed or evaluated.**

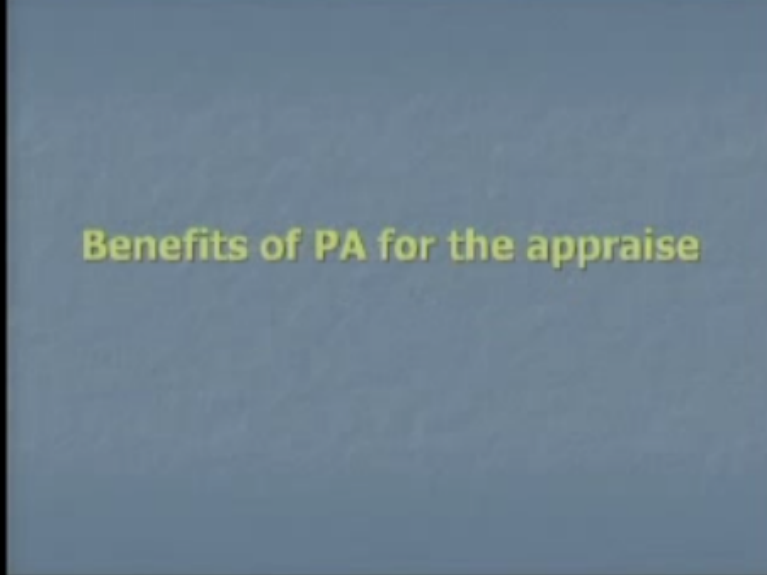
Performance is the resultant behavior of the subordinates on the task which can be observed and evaluated.

(Refer Slide Time: 49:19)

- 
- **Potential on the other hand, refers to an employees abilities to fit into a future role.**

Potential and the other hand refer to an employee's ability to fit into future roles.

(Refer Slide Time: 49:30)

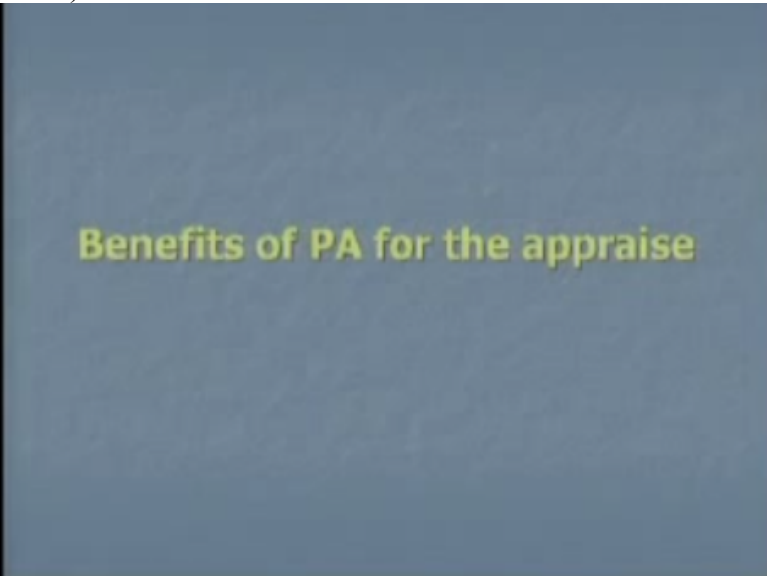


Benefits of PA for the appraise

How we seen that performance appraisal and the potential of the individual these a inter related a different so we have to see the, see the this specialty of this 2 aspects to say the potential that individual has and then the how is performance gets reflected because of a so many reasons and we have seen earlier in some of our lecture that motivation might be great to owned one may have potential but the performance.

May be poor because there is lack of motivation so in fact this reminds me that one of the books that I wrote about maybe you maybe interest in this, this is on the work case maybe you can see this the book is on the management and job performance so the whole idea that is given in this book is about that have the potential of the person that effects performance they have motivation becomes an important factor in the whole idea of performance management.

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Benefits of PA for the appraise

So from here we move on to benefits of performance appraisal for the appraise.

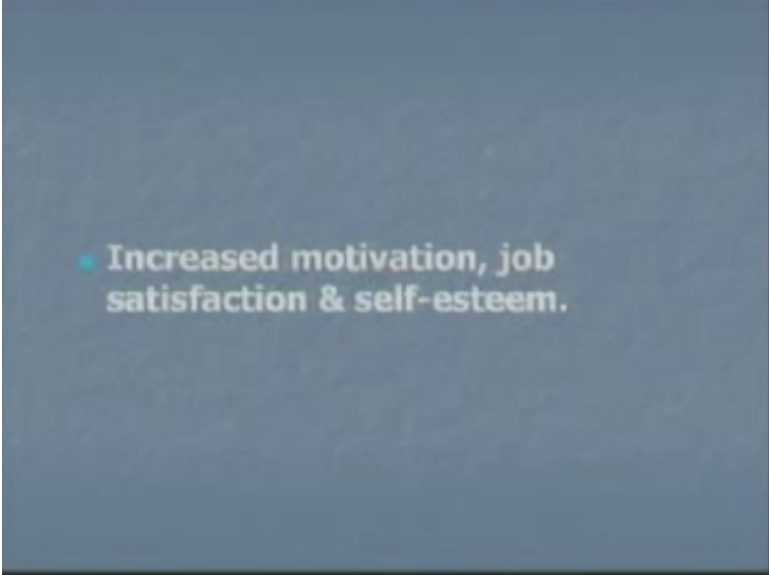
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- Better understanding of his role in the organization- what is expected & what needs to be done to meet those expectations.

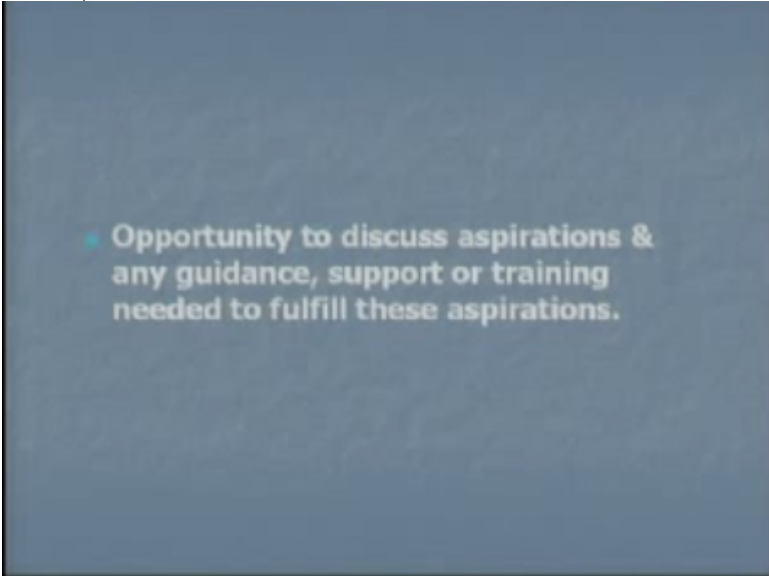
Better understanding his role in the organization and what is expected and what needs to be done to meet these expectations is in that.
(Refer Slide Time: 51:24)

- Clear understanding of his strengths & weaknesses so as to develop himself into a better performer in future.

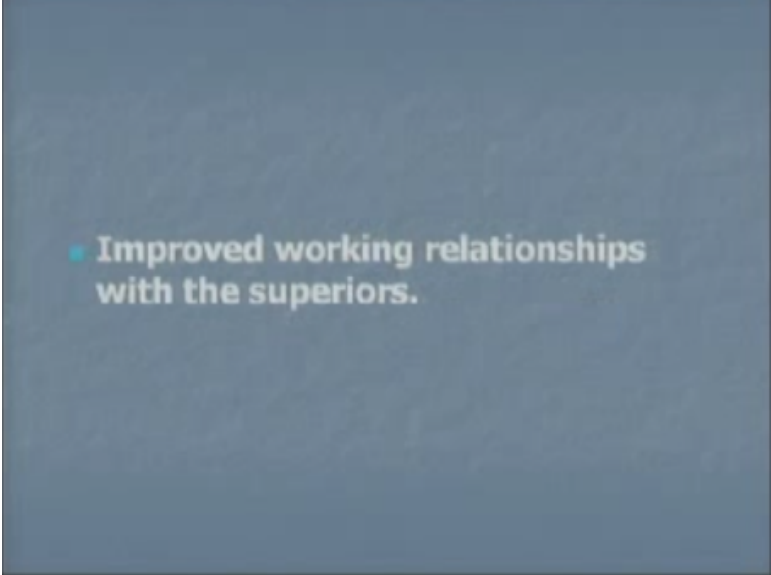
So we have to understand that clear understanding of this strengths and weaknesses of performance appraisal system so as to develop him into a better performance in future.
(Refer Slide Time: 51:41)

- 
- Increased motivation, job satisfaction & self-esteem.

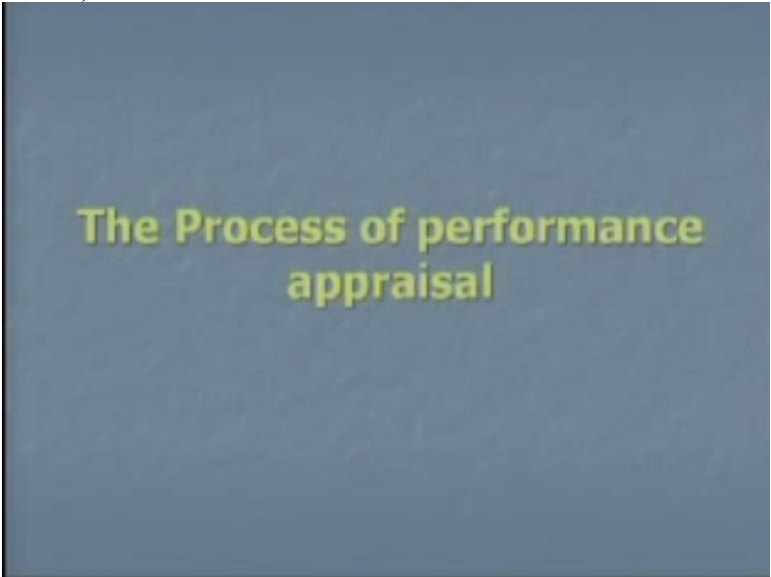
Increase motivation job satisfaction and job esteem this was a , this was a study are in fact the analysis which was publish in and this particular book is that my book I thought I will show that to you then opportunity to discusses work problems in how they can over come to this.
(Refer Slide Time: 52:13)

- 
- Opportunity to discuss aspirations & any guidance, support or training needed to fulfill these aspirations.

Opportunity to discuss aspirations and guidance, support or training needed to fulfill these aspirations.
(Refer Slide Time: 52:26)

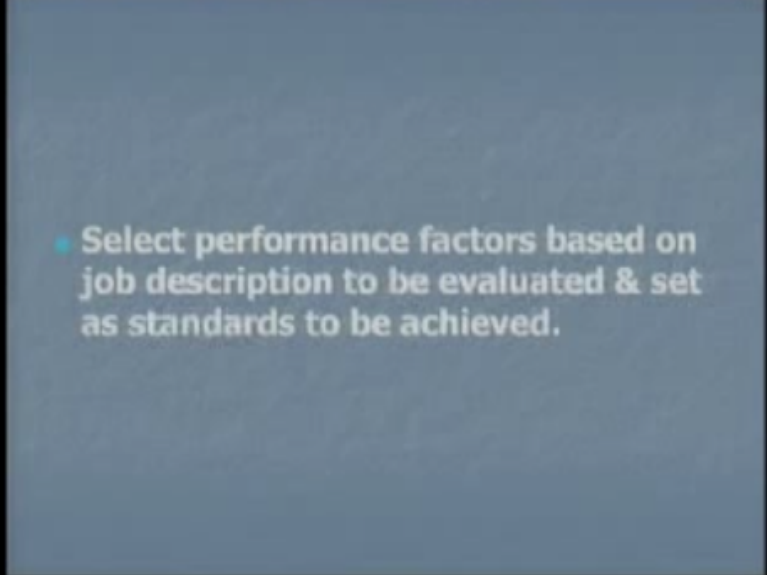
- 
- Improved working relationships with the superiors.

Improved working relationships with supervisors.
(Refer Slide Time: 52:32)



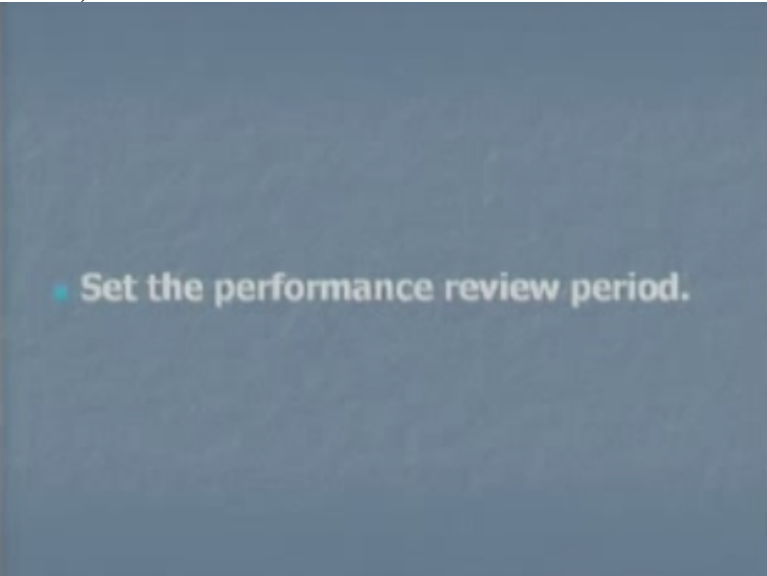
The Process of performance appraisal

And from here we move on to the process of performance appraisal let us see.
(Refer Slide Time: 52:45)

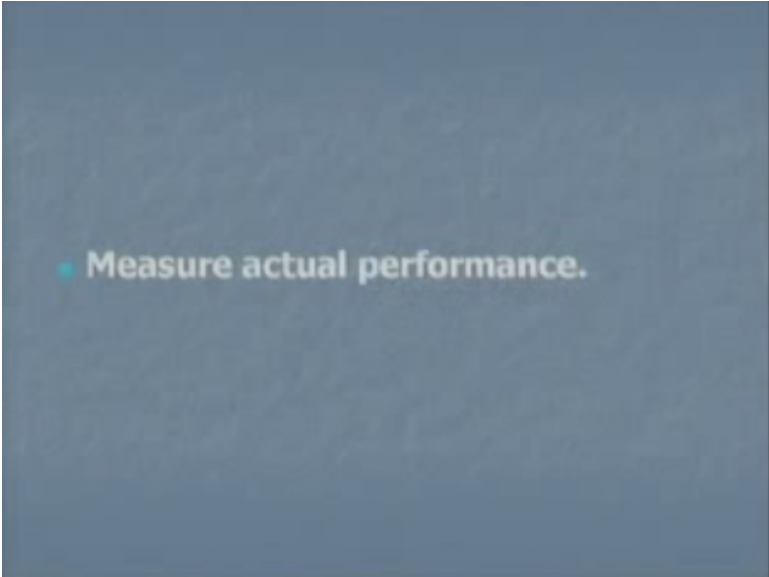
- 
- Select performance factors based on job description to be evaluated & set as standards to be achieved.

Now I am sure that with the discussion that we had in more than one and hours now you have half early good idea about what is performance appraisal system now let me repeat perhaps put that in the final prospective select performance appraisal is for the select people and so the select performance factors based on job description to the evaluated and set as standards to be achieved.

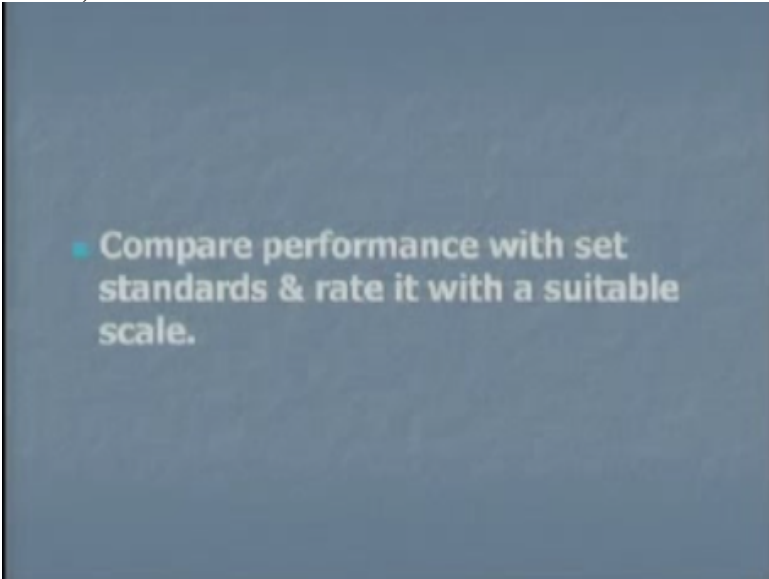
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- 
- Set the performance review period.

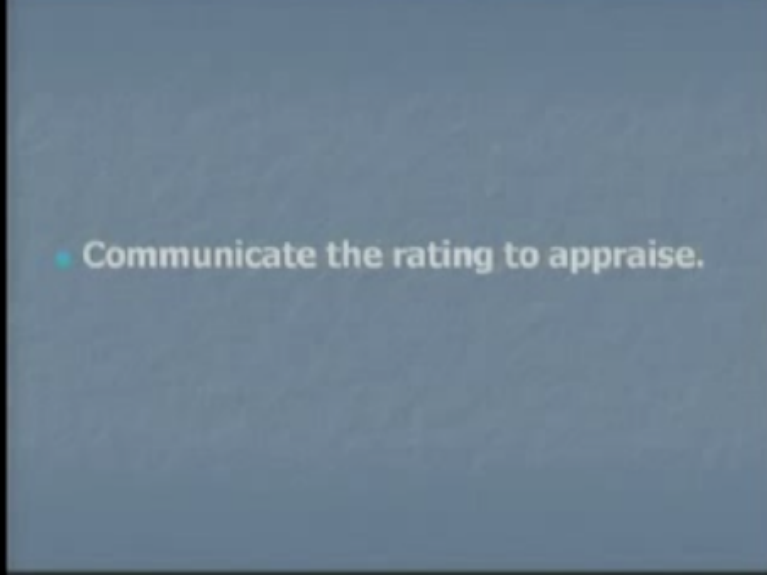
So what we do saying that once again in different words said the performance review period.
(Refer Slide Time: 53:26)

- 
- **Measure actual performance.**

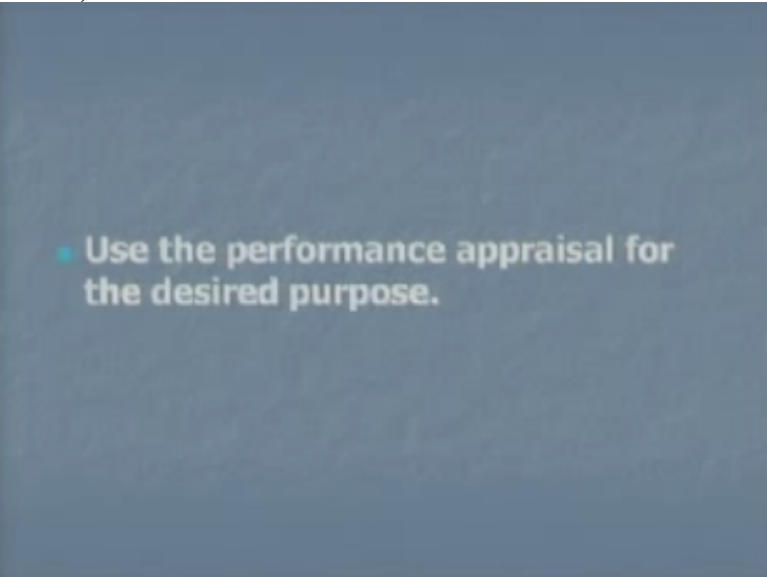
Measure actual performance.
(Refer Slide Time: 53:30)

- 
- **Compare performance with set standards & rate it with a suitable scale.**

Compare performance with set standards and rated with a suitable scale.
(Refer Slide Time: 53:41)

- 
- **Communicate the rating to appraise.**

Communicate the rating to the person to appraise.
(Refer Slide Time: 53:49)

- 
- **Use the performance appraisal for the desired purpose.**

Use the performance appraisal for the desired purposes.
(Refer Slide time: 53:58)

Benefits of PA for the organization & management

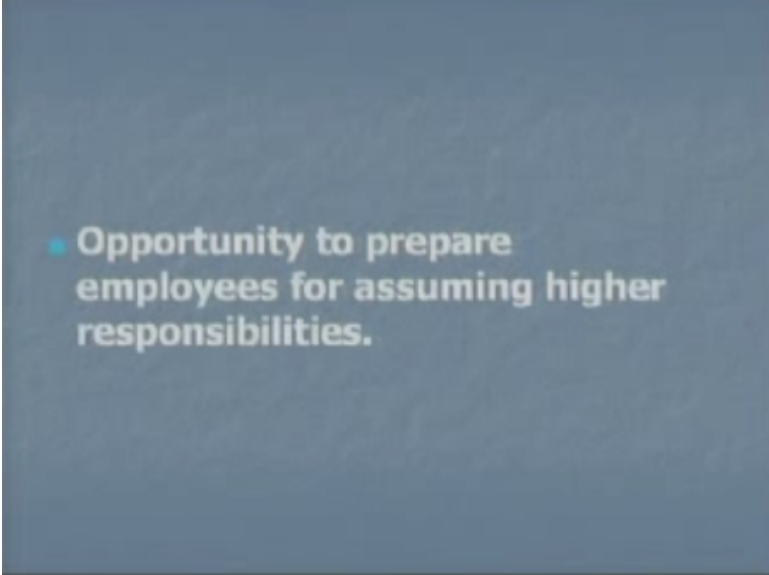
And so the benefits of performance appraisal for organization management are as follows any questions you have? yes in most of the organizations in India they are looking at the performance appraisal system in fact you know in very seriously now because we have to achieve the competitive advantage and we cannot just let it go you know as a very careful process and also the process which has any wise okay so we have to really identify people those who are the good performers so the benefits of a performance appraisal.

(Refer Slide Time: 54:43)

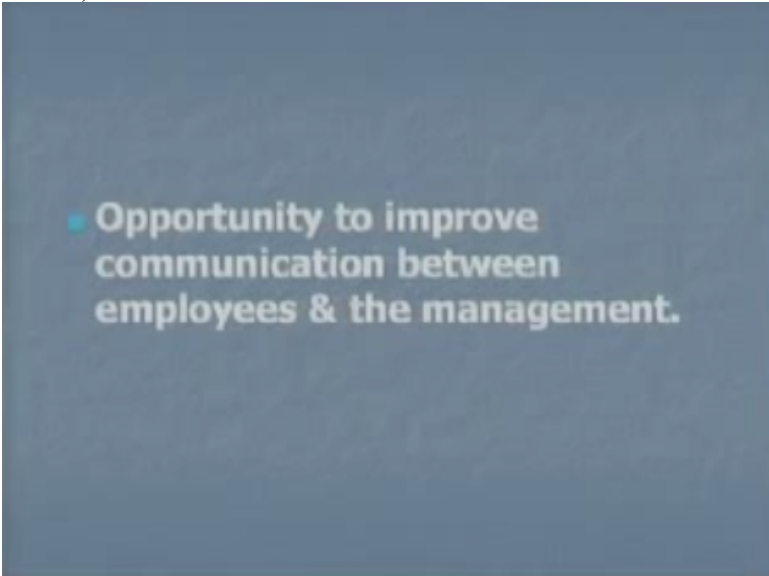
- **Identification of performers & non-performers & their development towards better performance.**

As we see the identification of performers and non performers and their development towards better performance.

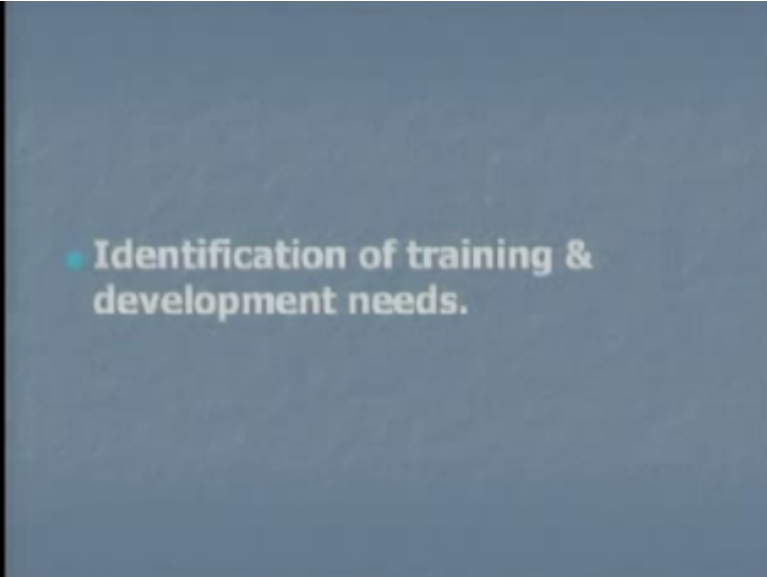
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- 
- **Opportunity to prepare employees for assuming higher responsibilities.**

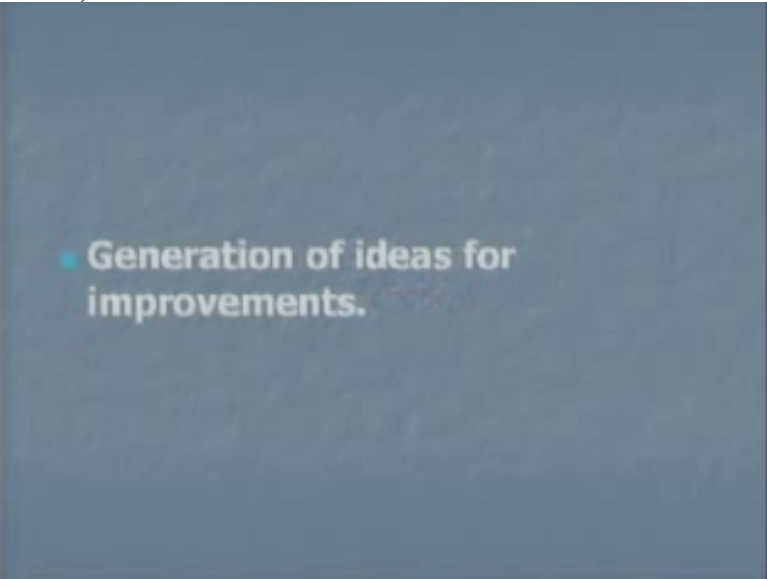
In fact to the non performer cannot really be in or can survive in a competitive world one has to be a performer maybe an average performer good performer, less performer or whatever so the opportunity to prepare employees from assuming higher responsibilities.
(Refer Slide Time: 55:19)

- 
- **Opportunity to improve communication between employees & the management.**

Opportunity to improve communication between employees and management.
(Refer Slide Time: 55:27)

- 
- **Identification of training & development needs.**

Identification of training and development needs.
(Refer Slide Time: 55:32)

- 
- **Generation of ideas for improvements.**

Generation of ideas for improvements.
(Refer Slide Time: 55:48)

- Performance management looks at a number of factors such as competency, organizational culture & performance appraisal systems.

Performance management looks at number of factors such as competency, organizational culture and performance appraisal systems.
(Refer Slide Time: 55:51)

- These factors may depend on a number of factors such as emotional makeup of the managers, his/her personality, emotional intelligence & perceived stress. This in turn may be related to his background & culture of the organization.

And these factors may depend on a number of factors such as emotional makeup of the managers his/ her personality, emotional intelligence, perceived stress all this factors become very important and this in turn maybe related to his background and culture of the organization so from her we have to know see that what are the performance management issues that we will take up and in this continuation.

I will apart I will discuss with you then, the next part the next lecture discusses with you some of the issues which we relate to the studies which we have conducted on performance management in some of the Indian industries so we move on to the next lecture and there you will get to know that what are the aspects of performance management when we have looked at the Indian industries.

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