



---

## PERFORMANCE APPRAISAL AND HUMAN RESOURCE MANAGEMENT: A CHALLENGE BEFORE INDIA

Dr. Ravindranath N. Kadam\*

---

**Abstract:** *Proper and efficient management of every aspect leads to achieve great success in all the fields. In the globalised and competitive world India has to prove its right existence. She is facing so many challenges performance appraisal and human resource management is one among them. It has become inevitable to face them and come out as a successful nation. Human beings constitute human resource in the country. The term human resource refers to the size of population of a country along with its efficiency, educational qualities, productivity, organizational abilities and farsightedness. The human resource in other words is human capital which implies the abilities, skills and technical knowhow among the population of the country. The development and management of human resource is a very important issue. Mahatma Gandhiji rightly opined that, the healthy and good cultured people are the real wealth of the nation.*

*Economic development envisages increased production in diversified area as which may remain blue print of skills, unless there are proper persons in proper number being available at proper time. A large number of educated manpower in technical and educational field in India is either unemployed or mis-employed. Hence proper planning of human resource is necessary in order to put them in proper order of economic advancement of the country. The study is based on secondary data. The paper includes objectives of the study, methodology, measuring the actual performance, need for better technique of performance-appraisal, multisource feedback, and conclusion.*

**Keywords:** *Efficient, management, performance, appraisal, successful, manpower.*

---

\*Associate Professor, Dept. of Studies & Research in Economics, Kuvempu University, P G Centre, Kadur, Dist: Chikkamagaluru, Karnataka State, India.



## **INTRODUCTION:**

India, the human capital rich country has thrown the challenge of Human Resource Management before managers and organizations. Proper and efficient management of every aspect leads to achieve great success in all the fields. In the globalised and competitive world India has to prove its right existence. She is facing so many challenges performance appraisal and human resource management is one among them. It has become inevitable to face them and come out as a successful nation. Human beings constitute human resource in the country. The term human resource refers to the size of population of a country along with its efficiency, educational qualities, productivity, organizational abilities and farsightedness. The human resource in other words is human capital which implies the abilities, skills and technical knowhow among the population of the country. The development and management of human resource is a very important issue. Mahatma Gandhiji rightly opined that, the healthy and good cultured people are the real wealth of the nation.

## **NEED AND IMPORTANCE OF THE STUDY**

Economic development envisages increased production in diversified area as which may remain blue print of skills, unless there are proper persons in proper number being available at proper time. That is development of human power to fit in the process of economic gearing is the task of management of human resource. A large number of educated manpower in technical and educational field in India is either unemployed or mis-employed. Hence proper planning of human resource is necessary in order to put them in proper order of economic advancement of the country. Utilization of available human resource is the first and ultimate aim, thus the human resource of India is necessary.

Thus careful integration and co-ordination of the various institutions educating and/ or training human power for employment into various occupations, for economic, technological, intellectual and socialistic growth is need of the hour.

Human beings are both ends and means. Hence, the development and management of human resources are the important challenges before India. Hence the study is essential to find ways for better assessment and effective management of human resource.

An appraisal is a strong means to evaluate, develop and reward staff and it is a crucial aspect of an employee's professional life .performance appraisal is a systematic evaluation



of an employee by some other qualified person who is familiar with the employee's performance.

### **OBJECTIVES OF THE STUDY:**

The study has following objectives,

1. To know the human resource and human resource management.
2. To study the factors contributing to human performance,
3. To study the process of performance appraisal,
4. To find out the better techniques of performance-appraisal.

### **METHODOLOGY:**

The study is based on secondary data.

### **PROCESS IN HUMAN RESOURCE MANAGEMENT**

For the realization of the vision every organization works. It is the responsibility of the Human Resource department to formulate the strategies and execute them for achieving the goal. The strategy formulation by the HR department has a process. The effectiveness of the strategy lies in the careful design of the process. All processes are essential for the survival and success of Human Resource strategic plans. Working of all the processes is interdependent one cannot work properly without another. Hence the necessary co-ordination between all is essential.

The Human Resource process include following,

- Human Resource Planning which includes recruitment, selecting, hiring, training, induction, orientation, evaluation, promotion, layoff, etc.
- Employee remuneration and benefits administration which includes, the process of deciding salaries and wages, incentives, fringe benefits and essentials, etc. In the today's monetary economy money is very important motivator in any employment and situation hence, the administration of this aspect is very important. Every better doing worker seeks better salaries and remunerations.
- Performance Management process includes performance of the department, employees, product, service or customer process, etc. The organization needs good performance management for achieving expected goals. The performance management is required for helping the organization to train and motivate the employees. In these days the Automated Performance Management System (PMS) is



being used. This provides the necessary information to the manager to help him to evaluate the performance of the worker and evaluate and judge them accordingly on their training and development needs.

- Employee relations include Labor Law and Relations, working atmosphere, worker health and safety, employee- employee dispute management, employee- employer dispute management, quality of work life, workers compensation, workers welfare and assistance programmes, counseling for job-related stress. All these are critical to employee retention apart from the money which is only a hygiene factor.

## **MEASURING THE ACTUAL PERFORMANCE AND Its MANAGEMENT A KEY OF SUCCESS**

Performance management is the method of reviewing an worker's performance during the previous year or cycle and deciding where he or she stands as far as their peers in the same band are concerned. The performance management is concerned with the process of reviewing results, arriving at a rating and then deciding the bonus or increasing salary. This process begins from one or two months before the appraisal cycle ends. Depending on the policies of the business organization, the appraisal cycle varies and it may be half yearly or yearly and also may be based on financial year i.e April to March or calendar year i.e January to December. Different rounds are there in the appraisal process. In the first round of an employee's appraisal the employee and his or her manager will participate. In this round, after giving a chance to the employee to self-assess, the manager gives a candid evaluation of the employee's performance. The second round is mostly for deciding the group in which the worker falls post the rating and in comparison with his or her peers. In this round the manager and the manager's manager will be there. This method of rationalizing the worker's performance with others is called 'normalization'. Deciding the salary and wages based on the performance evaluation gives good result to the organization. Hence the performance management is the key of success to any organization.

## **FACTORS CONTRIBUTING TO HUMAN PERFORMANCE:**

Dr. S.C. Saxena has given factors contributing human performance in the following equations:-

$$\text{Skill} \times \text{Knowledge} = \text{Ability.}$$

$$\text{Situation} \times \text{Attitude} = \text{Motivation.}$$



*Ability X Motivation = Human Performance.*

The proper selection and training can increase ability. Time-study can facilitate management to have a quantitative measure of it. But it is more willingness than ability on which human performance depends. To create this willingness needs motivation. In this power driven machine motivation is the power while ability is the machine. Money is one of the important instruments of motivation. But fully, human is not an economic man. He has both psychological and social needs. Good health (reduces absenteeism at work place, proper education and training (increases confidence and ability to work), good working conditions, good employer-employee relations, provision of other facilities and human treatment, etc. are other factors which improve the human performance.

### **NEED FOR BETTER TECHNIQUE OF PERFORMANCE-APPRAISAL:**

Various writers like Blakey 1993, Kulik and Ambrose 1993, Salvemins, Reilly and Smither 1993 argued for the explore the substitute and better methods of performance appraisal. There has been greater stress on the following norms for a suitable performance appraisal system:

- Performance appraisal should be linked to the philosophy, culture, approach and goals of the business organization.
- Performance appraisal should be applied to all levels of workers in the organization.
- Various measures should be used with the jobs.
- Assessment may be applied to an individual or group of workers depending on the distinctiveness of the work.
- Appraisal should include both long and short term aspects of performance.

### **MULTISOURCE FEEDBACK:**

In this system the boss periodically rates an employee on factors such as judgment, initiative, leadership decisiveness, ability to work as part of the team and so on. The process of adding perspectives of direct reports colleagues, and sometimes customer is enriched by multi source feedback. Multisource feedback is a better system of performance appraisal. It is more effective than the traditional system. However, this system of appraisal too suffers from two weaknesses. Firstly if the rater believes that others will be hurt by what they say they are not going to be honest. Hence the quality of the data will not be good. Secondly if people resist the data then change of people through appraisal will not be possible.



## **CONCLUSION:**

India, the human capital rich country has thrown the challenge of Human Resource Management before managers and organizations. Proper and efficient management of every aspect leads to achieve great success in all the fields. In the globalised and competitive world India has to prove its right existence. An effective performance appraisal system must raise or at least maintain the morale of the employee by fairly recognizing and rewarding their contribution and ability. It evaluates methods applied to achieve targets, reveals strength and weaknesses in managing styles, it forces inflexible managers to initiate self-change, it creates an atmosphere of team work and empowerment and it unearths truths about organizational culture. The aim and objective of India is to develop fast. Hence India has the great challenge of managing its huge Human Resource.

## **REFERENCES:**

- [1] A. J. Jaffe & Charli D. Stewar(1992), 'Manpower Resources & Utilization' Austin J. T. The Criterion Problem Journal of Applied Psychology.
- [2] Blakely. G L (1993), "The Effect of Performance Discrepancies on Supervisors and Subordinates Organization Behavior and Human decision processes.
- [3] Bretz, Milkovich and Read (1992), "The Current State of Performance Appraisal Research and Practice Concerns, Directions and Implications", Journal of Management.
- [4] Dr. S. C. Saksena –Business Administration and Management, p. 562.
- [5] Kulik CT and Ambrose M L (1993), "Category based and Feature based Processes in Performance Appraisal- Integrating Visual and Computerized Sources of Performance Data- Journal of Applied Psychology.
- [6] P. F. Driker –The Practice of Management, p. 263.
- [7] Rao V. K. R.V. – The Human Factor in in Economic Growth.
- [8] S. P. Agrawal- 'Man Power supply-and methodology'.
- [9] Salvemini. N.J. Reily R.R and Smither J.W (1993), The Influence of Rater Motivation on Assimilation Effects and Accuracy in Performance Rating-Organizational Behavior and Human Decision Processes.
- [10] Wayne. F. Cascio- (1987), Applied Psychology in Personnel Management Engle Wood Cliffs N.J Prentice Hall Inc.