

## 2.4 Motivation – Appraisal Summary Notes



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### PERFORMANCE APPRAISAL



**Performance appraisal:** Staff appraisal the process of assessing the effectiveness of an employee judged against pre-set objectives.

This should be a continuous process. Development might take the form of new challenges and opportunities, additional training courses to learn new skills, promotion with additional delegated authority and chances for job enrichment. To enable a worker to continually achieve a sense of self-fulfilment, the HR department should work closely with the worker's functional department to establish a career plan that the individual feels is relevant and realistic and in line with corporate objectives. In this way, an individual's progress and improvement can also be geared to the needs of the firm.

Appraisal is often undertaken annually. It is an essential component of a staff development programme. The analysis of performance against pre-set and agreed targets combined with the setting of new targets allows the future performance of the worker to be linked to the objectives of the business. Both appraisal and staff development are important features of Herzberg's motivators (see HRM topic 2.4: Motivation) – those intrinsic factors that can provide the conditions for effective motivation at work. An appraisal form is often used which will comment on the worker's ability to meet certain criteria and may suggest areas for action and improvement or recommendations for training or promotion.

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### REASONS FOR HAVING AN EFFECTIVE APPRAISAL SYSTEM:

- An employee's performance can be assessed and recorded against his or her targets and job description
- It is a useful tool for staff self-reflection on work-based performance
- Facilitates management in being able to commend staff for work well done
- It can assist in identifying barriers that may be impeding employee performance
- It can assist in identifying training and development to advance employee performance
- New goals and targets for continuous improvement can be established
- Professional development needs identified can assist employee career planning
- A useful tool for gauging the suitability of staff for promotions, pay increases and bonuses.

### TYPES OF APPRAISAL

#### FORMATIVE

This type of appraisal is both a **planned and continuous process** where appraisal evidence is used to inform employees about ways they can improve their workplace practices. Its main purpose is to enable managers and employees to have conversations about workplace performance, encouraging staff to think constructively about their own contributions to the organisation within their job roles. This, in turn, assists the appraisee to change practices and improve their overall levels of attainment.

#### SUMMATIVE

This type of appraisal is usually a written description of a staff member's annual achievements and personal performance. A summative appraisal is likely to have recommendations and new targets and there is a degree of employee accountability inherent in the final document. The goal is to evaluate the relative contribution and performance of employees by using a predetermined set of standards or benchmarks. Areas of competency will be identified as will areas that may need development and improvement.

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### 360-DEGREE APPRAISAL

360 degree appraisal involves feedback of the manager, supervisor, team members and any direct reports. In this method of appraisal, employees complete profile has to be collected and assessed. In addition to evaluating the employees work performance and technical skill set, an appraiser collects an in-depth feedback of the employee. However, such appraisals can often be based on opinions rather than factual evidence so care must be taken.

### SELF-APPRAISAL

Employee self-appraisal, within a performance management or annual performance review system involves asking the employee to self-evaluate his or her job performance. Typically, prior to meeting with an employee, the manager will ask the employee to complete an evaluation form on his or her own, to be used as a basis for discussion during the annual performance review meeting. Then at the meeting, the manager and employee discuss the self-appraisal results, and negotiate final evaluations based on both the manager's perceptions and those of the employee. It is rare that self-appraisal or self-evaluation results are used without discussion and negotiation and they should not be. Actual self-evaluations as part of performance management can take the form of evaluating progress towards pre-defined annual objectives and performance standards, involve the employee in rating him or her self using the same rating form the manager uses, or even involve self-ranking.