

BUSI524 - Human Resource Management

Assignment Three:

Performance Appraisals



Prepared by:

Jorit Nühs

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1. Executive Summary

This report discusses the pros and cons of performance appraisal systems to finally conclude that this management task is essential for every organization. The main benefits are that the strategy and vision can be communicated throughout the whole organization and that the employees are tightened to the common goals by letting them contribute their issues, critiques and ideas.

For managers this task is sometimes hard when they have to deal with poor performance but this is also a very important task for them. They can deal and correct poor performance and as a result they can increase the organizations success by continually replacing the poorest performers. The organization also has to up skill their managers, if necessary, for this demanding task as there can be made a lot of mistakes.

The critics of performance appraisal mostly focus on older and not up to date techniques like the number scale rating technique. It is important for an organization to use the new approaches like Management by Objectives (MBO) and techniques like the balanced scorecard to get the desired results.