

ONLINE PERFORMANCE APPRAISAL SYSTEM

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ABSTRACT : *Online Performance Appraisal systems enable you to track and monitor the performance of individual employees, departments, and the organization overall. This project is mainly based on Performance Appraisal. It involves the management of employee performance details and submitting report by rating their performance. This paper proposes a new and enhanced system for employee performance appraisal by using various modules and latest framework in Dotnet. This paper emphasis on the 360 degree feedback technique for performance evaluation of the employees. Performance appraisal systems are quite useful in understanding & assessing the skills, potential and productive output of an employee. Online Performance provides a tailored staff performance evaluation and employee review form for conducting an objective staff review process, including reporting of employee evaluation and participation in the Performance review process. The proposed system has the features like flexibility, accountability and monitoring the performance of the employees.*

Keywords : *Performance appraisal, Performance evaluation, 360 degree feedback technique, appraisee, appraiser, Employee mapping.*

I. INTRODUCTION

Online Performance Appraisal System is a functional, practical and effective performance appraisal system. It guides managers through the entire performance appraisal process, maintaining records and timelines. Online Performance Appraisal System is structured around the performance and professional development of employees focusing on feedback and developmental suggestions. It is customisable and flexible allowing companies to tailor questions to a specific industry format as well as the ability to choose from a range of pre-existing performance templates. Feedback is obtained directly from the

of goals are linked together within an online appraisal system, allowing managers to ensure employees are held accountable for goals set. Employees can record progress on the goals listed within the online system and their managers can review the status at any time. This convenient access keeps everyone accountable and on track for success. This boost in employee productivity naturally leads to increased profitability for the company. Aligning individual goals and company goals is key to establishing a true pay-for-performance culture at your company by providing the foundation for closely linking reward systems with both individual and team performance.

II. PERFORMANCE MANAGEMENT

The performance management system is an important tool to help organization to achieve its goal. Both Individual skills and contributions and organizational objective measurement is needed to develop the important element of the organization, which is human capital. Staffs are the critical factor in performance management system, where well designed model of system will result strong management commitment and better employees' performance which lead to organization's success. With to proper use, performance management system will remarkably beneficial to an organization, particularly in the management practices in public organization in the developing countries.

One of the important elements in the organizational orderliness of human resource management is performance management. These following are some definition of performance management:

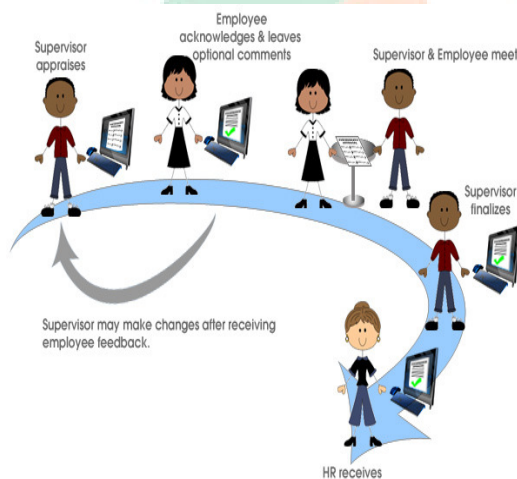
1. "Performance management is the means through which managers ensure that employee' activities

and outputs are congruent with the organization's goals."

2. "Performance management is a set of deliberate policies & practices design to maintain or improve the performance of individual staff and through them, work group and organizations"

3. "Performance management is the process of creating a work environment or setting in which people are enabled to perform to the best of their abilities"

4. "Performance management system as a strategic and integrated process that delivers sustained success to organization by improving the performance of the people who works in them and by developing the capabilities of individual contributions and fears"



As seen above, the management performance stresses the individual and personnel's abilities to perform the activities within organization as the major element, in order to achieve the organization objectives as a unit of work, as Harper and Vilnikas suggest that in order to improve the performance of individual in an organization, the organization should connect the performance management's factors like performance review or appraisal into human resource planning, including job design, recruitment, and selection. There are some reasons why the performance management is considered important to be applied in the organization; the existence of the performance management will help the organization to face the dynamic and competitive environment in the globalization and free trade era; with implemented the management of performance, the organization performance and

management will be improved. Other scholars suggest that the performance management will facilitate the organization in increasing the financial condition, employees' satisfaction will increase, and become one preference to organizational control strategy

III. METHODS OF PERFORMANCE APPRAISAL

Over the years, the scholars and experts find any tools to measure and manage the performance management, and as result, some of them as points out such as the performance pyramid The result and determinant Matrix. The Balance Scorecard, The Consistent performance measurement system and the integrated performance measurement system, which are incorporated to Performance Management System. Generally, there are several goals of Performance management system, like provide the clear staff's expectation, improve the dual communication among the personnel and employer, identify the specific training and career development needs for personnel and manager, provide the base of review of rewards, and develop the better organizational culture based on performance to increase the performance of the personnel and organization. Below is several techniques that can be used in the performance management as quote in Roy

a. **"Balanced Scorecard:** The Balance Scorecard is a strategic performance management framework that has been designed to help an organization monitor its performance and manages the execution of its strategy. It develops specific performance areas where employees are expected to succeed,

b. **360 Degree Performance Appraisal:** It is a method that employees will give confidential and anonymous assessments on their colleagues. It is also known as "multi-rater feedback" or "multi-source feedback" where feedback about the employees' performance comes from all the sources that come in contact with the employee on his job. Six parties are involved in 360-degree appraisal. The parties are – top management, immediate superior, peers/co-workers, subordinates, self-appraisal, and customers,

c. **Six Sigma:** It is a business management strategy, originally developed by Motorola in 1986. It seeks to improve the quality of process outputs by identifying and removing the causes of defects

(errors) and minimizing variability in manufacturing and business processes. This methodology provides the techniques and tools to improve the capability and reduce the defects in any process. It is a valuable tool for data analysis and measurement of performance and improvement.

d. **Employee Recognition System:** It helps for motivating employees and makes them involved in more responsible projects.

e. **Performance Ranking Method:** It is used to assess the working performance of employees from the highest to lowest levels. Managers will make comparisons of an employee with the others, instead of making comparison of each employee with some certain standards.

f. **Management by Objectives:** This is a method of appraising performance of employees through setting goals jointly by managers and subordinates in terms of company goals. The concept is based on participation of each and every individual”

As the concept of the performance management is continues growing through the years, Armstrong and Baron (1998), highlight the *Paradigm Shift*, which suggested the movement from the system that organization applied to the process orientation, where the organizations choose their own framework to be applied in their management system. With this development, the developing countries started to introduce the performance management system called New Performance Management. The small number of studies conducted and the requirement of the change perspective to market based development, modernization of accounting and information system, and management control. Some limitations that indicate the weaknesses of the developing countries performance management system such as; lack of management skills and expertise, poor management practices, ineffectiveness of bureaucratic system, and low productivity level.

IV. LITERATURE SURVEY

a. PAPER BASED SYSTEM

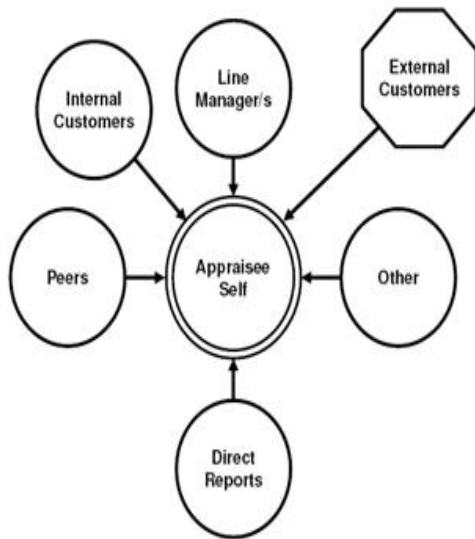
- Appraisal Forms are handed to (if hard copy) or sent to employees by email, or they may use existing copies they have "filed" somewhere.
- Job Descriptions are done in MS Word or similar format.

- Monitoring the status of appraisal completion is done by contacting managers and asking them how far they have progressed with it.
- Performance record/journal notes are kept (if at all) in some electronic (typically MS Word) or handwritten format.
- Appraisal Forms are completed in writing, or using e.g. MS Word or Excel formats.
- Performance ratings and feedback from other managers an employee has worked with are gathered on separate, paper-based appraisal forms.
- To view the contents of employee Appraisal Forms, Managers and HR have to first find the file/s where they were stored.
- Employee performance percentages and/or rating averages need to be calculated by hand, or ratings need to be added into a spreadsheet for calculations.
- Staff performance data inputs and comparisons need to be made by using tools such as spreadsheets.

b. 360 DEGREE FEEDBACK

In Multi-Source Feedback or 360 Degree Feedback, data on the performance of an individual are collected systematically from a number of stakeholders and are used for improving performance. The 360-Degree Feedback approach provides a consistent management philosophy meeting the criterion outlined previously. The 360-degree feedback appraisal process describes a human resource methodology that is frequently used for both employee appraisal and employee development. Used in employee performance appraisals, the 360-degree feedback methodology is differentiated from traditional, top-down appraisal methods in which the supervisor responsible for the appraisal provides the majority of the data. Instead it seeks to use information gained from other sources to provide a fuller picture of employees' performances. Similarly, when this technique used in employee development it augments employees' perceptions of training needs with those of the people with whom they interact. The 360-degree feedback based appraisal is a comprehensive method where in the feedback about the employee comes from all the sources that come into contact with the employee on his/her job. The respondents for an employee can be her/his peers, managers, subordinates team members, customers, suppliers

and vendors. Hence anyone who comes into contact with the employee, the 360 degree appraisal has four components that include self-appraisal, superior's appraisal, subordinate's appraisal student's appraisal and peer's appraisal. The proposed system is an attempt to implement the 360 degree feedback based appraisal system in academics especially engineering colleges.



It is an evaluation tool utilizing opinions of many different people who interact with the employee on a routinely manner. It generates more accurate feedback by gathering information from people about individual's performance as seen by the organizational structure & expectations of their boss, self, peers, subordinates & customers. Definition takes different form when this system is applied to engineering education. Here participants are principal, head of the department, teaching staff members, students & laboratory assistants. In industries, 360 degree performance appraisal system is widely used nowadays. In 1997, only 8% industries were using it, while this percentage has gone up to 52% by 2008. As far as engineering education is concerned (India & Abroad), this percentage is very less (upto 12%). Implementing 360 degree performance appraisal system provides more comprehensive performance ratings, as employees are given an opportunity to map their competencies. Performance rating of teacher can be decided by taking views of principal, head of the department, teaching staff members, students, laboratory assistants & university results. This

appraisal system fits well in an educational institute. It will be a big task to measure individual's skills, competencies, motivational drivers, work habits & potential for developing future competencies precisely. It is the best tool for identification of strengths of staff members for career development. It also identifies weaknesses for training & it can be used for salary recommendations. Feedback can be obtained by using a questionnaire which asks participants to rate the individual according to observed competencies/behaviors & data.

There are many methods available today for evaluating employee performance; 360 degree evaluation is an effective way of evaluating the performance of an employee. Like any other method, 360 degree appraisals need to be carried out with care to obtain a fair and an accurate result. Harinder Singh, HR & strategic head, Vigneshwara Developers, tells us about the method, "360 degree appraisal is a comprehensive method wherein the feedback about the employees' performance comes from all the sources that come in contact with the employee on his job. The respondents for an employee can be his/her peers, managers, subordinates, team members, customers, suppliers/vendors; hence, anyone who comes into contact with the employee and can provide valuable insights and feedback regarding the 'on-the-job' performance of the employee. 360 degree appraisal has four integral components that include self-appraisal, superior's appraisal, subordinate's appraisal and peer appraisal." 360 degree appraisals are found to be very effective in assessing an employee's performance.

Vishal Chibber, director HR, Kelly Services India, tells us about the benefits of this method, "360 degree feedback is one of the most widely used employee assessments today as the process is more transparent and beneficial compared to any other appraisal procedure." In a developing & knowledge-based economy, it is very important for organizations to understand the competencies needed in the workforce for business success, and then develop those qualities & skills on an ongoing basis. The appraisal results are used to identify the better performing employees who should get the majority of available merit pay increases, bonuses, and promotions. Performance appraisal is a formal management system that provides for the

evaluation of the quality of an individual's performance in an organization

V. PROPOSED WORK

To overcome the disadvantages of the paper based systems, a new system for performance appraisal has been proposed in this paper. This online performance appraisal system is designed in such a way that it uses latest framework of dotnet as its technology and 360 degree feedback technique. The proposed system uses MVC 4.0 framework of Dotnet technology for the front end and sql server 2008 for backend. The modules used in the proposed system are :

- User Authentication Module
- Employee Mapping Module
- Report Generation Module
- Questionnaire Module

a. *USER AUTHENTICATION MODULE*

User Authentication Module consists of the admin, the client login and registration form and its details. It has the separate login page for admin and the client. The registered client only can access the client page. The client is allowed only to do evaluation of self, superior people and others allotted for the client. The admin can create the client and change the password of the client. The admin will do the employee mapping and questionnaire according to the position of the employee.

b. *EMPLOYEE MAPPING MODULE*

Employee Mapping Module is for mapping the employee to other employees to evaluate their performance. When the employee login the client page, the master page shows the self evaluation section and the allotted employees evaluation section. This is maintained and managed by the admin according to the company needs and level of evaluation. This module uses the 360 degree feedback technique to evaluate the employees. In 360 degree feedback technique, the employees are allowed to measure their performance ratings and their competencies with the other employees. The widely used technique in the performance appraisal system is the 360 degree feedback technique.

c. *REPORT GENERATION MODULE*

The proposed system comprises of three reports. The reports are of appraise report, appraiser report and score chart. The appraisee report is about the appraise details and the detailed view of the evaluation done by the employee. The scores of the appraise is recorded and reports are generated automatically. The appraiser report is all about the appraiser details and the performance evaluation done for the appraise. The scores and the performance ratings are recorded in the appraiser report and the score sheet is generated. The score chart is to display the performance of the individual employee in a bar chart format and appraisee evaluation.

d. *QUESTIONNAIRE MODULE*

The questionnaire module comprises of various set of questions for each group of employees according to their position and level in the organization. It consists of the separate questionnaire for each employee to evaluate on self and superior employee. It consists of 45 questions and ratings are given upto maximum limit of 10. It can be uploaded and downloaded in the admin login.

VI. EXPECTED RESULTS

The proposed work has its own impact in the organization following manual performance appraisal system. The online performance appraisal system provides the flexibility, accounting and monitoring of the goals to be achieved in the organization based on the employee performance. The proposed system is expected to produce 95 percent of the security since recent framework of Dotnet is used. The proposed framework is expected to help organization in maintaining and monitoring employee performance with 100 percent efficiency.

VII. CONCLUSION

Online Performance Appraisal System is highly flexible, user-friendly and intuitive, with very little administrator training required. Performance management system is important as it needed in facing the dynamic and competitive environment, align with organization's goals and objectives and continuously implemented and developed,

particularly to public organization in developing countries to keep the various perspective in measuring performances by using the balance scorecard, completed with giving feedback to employees' performance based on the multidirectional information sources. It accommodates 360 appraisals/reviews for all your employee levels. Set rating to be done at the competency level or the behavioral indicator level. Internal employees and external parties (such as external customers, suppliers, etc.) can be involved as raters. Easy monitoring of rater response progress—presented in real-time, online. The system keeps a permanent record of employee 360 appraisals in a click-accessible database, so improvement progress can be tracked over time.

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