

The right way to manage appraisals

By V PRADEEP KUMAR

Managing appraisals is one of the key tasks for a leader as the tremors of a badly managed process, can shake even a strong organisation. We are now witnessing a boom in the economy and a shortage of skilled manpower at all levels has further increased the importance of this task. However, the appraisal process generally leaves a bad taste in most organisations. Having been a part of the process on either side of the table, there are few things to smoothen the process.

■ Human resources are a major component of cost for organisations and hence it should ideally increase in relation to the increase in profits. In organisations which are making losses or not yet reached breakeven levels, there should be some other measurable basis.

■ Conscious efforts should be made at the senior management level not to raise expectations, beyond realistic levels.

■ There has to be clear objectives and performance measures as the basis for the appraisals. Staff functions also need to have a foolproof appraisal system, based on performance.

■ While deciding on the increases, recognising the market trends and realities is vital, for positions across functions. It may not be feasible to decide on an x per cent for all average performers across all functions. For example, IT and marketing functions may require a different logic as compared to administration.

■ The decisions have to be as objective as possible and there should be no place for subjective influences and decisions. Managing organisations is managing human beings, who are essentially a



‘bundle of emotions’. I have seen that problems arise not because the person got ‘less’, but because someone else got ‘more.’ And it’s very common for an employee to expect a raise in relation to increase in his expenses and not increase in his productivity. Therefore, management should be in a position to convincingly explain the logic applied in their decision making. In other words, the process has to be rational, unbiased and transparent.

Many organisations make the mistake of delegating the responsibility of giving the increment and promotion letters down the line. Instead, senior management at appropriate level should be personally involved in this process as this is an opportunity for quality interaction and for explaining the logical position of the management. Further, researches have proved that mere listening of grievances of employees by superiors will by itself go a long way in alleviating. Senior management is also better equipped in the art of communication to handle employee disappointments and assuage the feelings.

While it is impossible in an appraisal process to satisfy every employee, the management has to be objective, transparent and fair. Appraisal process is not just about handing over money, but more about evaluating current skills and identifying skill gaps for current and future job responsibilities. Senior management should effectively communicate and discuss an action plan. Therefore, managing appraisals must be appropriately dealt with a human touch.

To contact the writer Email:
info@vpradeepkumar.com