Performance Appraisal System â€“ an Important Part of Performance Management System by Workgoal

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For a company to outperform the competition in todayâ€™s market, Improvement in morale, creating loyalty and increasing overall productivity among the employees are essential. A performance management system is said to be at its best when it gives the right package for the right performance. This will in turn helps to implement employee engagement. Thus the process of every organizationâ€™s compensation plan must link with that to an individual or team performance. There are many ways to approach the task of creating a performance management process, like individual goals and corporate strategy are defined and communicated company-wide. Progress on goals should be monitored, and management provides training on performance. Individual performance is appraised with feedback and formal documentation.

Compensation is given based upon performance. If performance meets or exceeds the desired standard, a reward is given. If performance does not meet the desired standards, a performance development plan is created to address the gap, and a new performance date is scheduled.

The first step in performance management is setting the stage correctly that is defining individual goals and aligning them with the corporate strategy. The process of setting goals should be a collaborative process between a manager and his / her employees. Once the company-wide strategy is established, individual goals should be created that support the strategy.

* Specific

* Measurable

* Achievable

* Relevant

* Time oriented

Managers need to be aware of their employeesâ€™ progress on goals in order to step in with training assistance or resources when it appears that goal targets may be missed or, even better, to acknowledge successes with appropriate monetary or non-monetary rewards. In addition to the need for managers to review the employeesâ€™ productivity, itâ€™s also important for the employees to track their own progress on goals. The secret to high performance is to review individual and team goals at least once a week or month to clarify your focus and use this information as a basis for performance discussions.

In order to get the most out of their employees, the appraisal process should include listening, observing, giving constructive feedback, and providing recognition. The most important part of the appraisal is to provide feedback about what the employee has successfully learned and still needs to learn and create a plan to provide the opportunity for the employee to develop those necessary skills. This can be an important factor not only in the employee's growth, but also in the health of the entire organization since employees have a greater sense of loyalty to companies that develop talent from within and thus become more engaged in their work.

A successful Appraisal process compensation strategy can be the key to retaining your top talent and driving organizational performance that exceeds all expectations. It is important for an

employee to know that if his or her work performance meets or exceeds expectations that he or she will be rewarded for the hard work appropriately through pay raises, bonuses or other rewards (flexible schedule or time-off, gifts, recognition through awards, etc.) Pay for performance compensation structures not only account for the individual, but also for the working environment and performance of the team as well, encouraging the employees to band together to reach the common goal.

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Workgoal - About Author:
WorkGoal is a comprehensive system that addresses areas of a Performance Appraisal Software, Employee Attendance, Help Desk and Employee appraisal of an organization. WorkGoal helps to optimize and streamline the Employee database of an Organization. It helps in planning, tracking, assessment of productivity and also to voice Employee requests to the a Online Performance Appraisal System.

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