Preface

‘A Critical Study of the Scope for Objectivity in Performance Appraisal Through Quantitative Parameters’ - the subject of the present thesis - continues to confront both the researchers and corporates alike. Despite numerous efforts made in studying performance appraisal during last seven decades, the researchers find themselves trapped in midst of a desert, attempting to get hold of ever running away oasis of objectivity.

In order to simplify intricacies of presentation, the thesis is spread in nine chapters. The first chapter ‘Introduction’ consists of introduction to the performance appraisal system that began post Second World War i.e. for more than 60 years since then.

‘Objectives of Study’ constitutes the subject matter of the second chapter. It also covers the primary and secondary issues, besides focusing on bringing in objectivity in the appraisal system.

Chapter 3 ‘Research Process’ presents the process that was followed, and includes refinements in the research proposal, deciding the contents of the proposal, description of design, determining sample, essentials of the case study approach that forms a major focus of this thesis, finalising contents, drafting, sequence, types of questions to be used and designing the instrument (questionnaire). Next, undertaking a pilot survey for refining the final instrument to be used for respondents’ responses followed by data collection were the major steps.
The fourth chapter 'Survey of Literature' presents a review of literature. No doubt, extensive computer-based search of the major psychological and management publications regarding performance appraisal, evaluation and measurement since 1970 did present complexity of the subject. The survey covered journals, publications, management and HR magazines, reviews, conference papers and books. The topics of interest include performance review, performance standards, trust, culture, appraisal effectiveness, appraisal fairness, appraiser's personality traits, feedback, role of subjectivity and objectivity in performance appraisal and their measures.

'Performance Appraisal Methods' forms the subject matter of the fifth chapter. An attempt was made to cover the appraisal practices followed across industries and sectors and analyse their strengths and weaknesses.

The Chapter 6 'Performance Appraisal System of Sample Companies' depicts current appraisal practices adopted by the companies covered as case studies. These companies include ABC Services (IT), Asian Paints, Ltd., Hindalco Industries, Ltd., Johnson and Johnson, Ltd., Mahanagar Telephone Nigam, Ltd. and Siemens, Ltd. All the cases cover a profile, the current appraisal system followed and the issues involved. The companies were selected so as to have a mix bag of the multinational companies (MNCs), family managed businesses, private limited companies and public sector undertaking. These companies cover industries such as FMCG, Pharma, Paints and Chemicals, Engineering, Banking and Finance, Manufacturing, Consultancy, BPO, Telecom and IT. The sectors covered give deep knowledge about how the current performance appraisal practices are
followed. Comparative assessment between MNCs and the Indian companies is also presented.

The section that follows is divided in two parts - similarities and differences. The parameters considered comprise culture of companies, contribution to the financial and non-financial goals, measuring behavioural and technical/functional competencies, structural aspects, transparency in appraisal, research mindset, potential identification, benchmarking, HR as a business partner and scope, besides use of the quantitative and qualitative parameters in appraisal.

Chapter 7 'Analysis of Survey Data' collates and analyses data collected during Survey. A questionnaire was custom made to suit the present study and was divided in two parts of general and specific questions. This questionnaire was finalised post pilot survey. The questions mainly focused on objectivity and subjectivity in the performance appraisal system. Some interesting results were obtained.

'Observations and Conclusions' constitutes the theme of chapter eight. The observations made while surveying the companies taken up for case studies as well as inputs given by the respondents were noted.

The final chapter 9 'Recommended Performance Measurement Models for Optimal Objectivity' throws light on how to bring in objectivity in the performance appraisal parameters. This is done by breaking the parameters in sub - parameters and making them more measurable in terms of quantification (Indexation), by bringing in transparency, accuracy, simple and easy mode, adaptability and flexibility, besides sustainability in appraisal process.
Going through the pressures of understanding the complex subject such as 'performance appraisal', several issues surfaced, leading to better understanding of the problem at stake. However, whatever attempts were made at improving performance appraisal particularly from subjectivity to objectivity, it proved to be a herculean task, and seems that the same will take considerably longer time, though each exercise will hopefully lead to gradual reduction in subjectivity in performance appraisal in future.