### **Article synopsis**



## Appraisal of ethical performance: A theoretical model

Business ethics is the most important problem that faces many American companies in the business world. This has called for appropriate steps to be taken to manage business performance by both employers and employees. In this article, a model of ethical performance appraisal that uses cognitive performance appraisal model was developed to find solutions to this issue. Suggestions from the model show that appraisal of ethical performance by employees is usually influenced by three processes, schematic, affective, and attributional processes. In schematic processing, performance raters process information basing on their schemas for rates but not on the behaviors that are actually observed. Schemas in this case are structures of knowledge representing assumptions and sometimes beliefs that raters have on some categories of people. This process is often feared that it can bias rater judgment of appraisal performance whereby successful ratees may judged with a positive bias than unsuccessful ones. Affective process in performance appraisal is considered in this article to be either differentiated or undifferentiated. Undifferentiated affect influences a number of judgments but it is the differentiated affect that has the most influence because its judgments are based on stimulus. Attributional process on the other hand affects judgment and behavior. It is shown that in an achievement related context, outcomes are mostly attributed to one of these factors; ability, the difficulty of the task, effort or luck. All in all, the author suggested that raters can manipulate ethical behavior by providing unethical, neutral and ethical incidents that are critical for the ratees, that outcomes could be affected by the provision of descriptions of performance outcomes, whether successful or unsuccessful, like could be

influenced by the provision of the description of a ratees social behavior, and attribution could be affected by the suggestion that ethical behavior is influenced by external factors.

# Employer's perspectives regarding performance appraisal and reward philosophy in insurance sector in Haryana

Performance appraisal and designs for reward systems has become the subject of attention in many organizations in today's business arena. There is need for management of resources to stimulate them to efficiently perform their duties. To find out how effective an organization has been in hiring and placement of employees, performance appraisal is used to manage and also develop employees with an aim of achieving the organization's objectives. Organizations nowadays are forced to come up with strategies that enable them retain valuable knowledge base and also contain widespread trend of brain drain that is everywhere. The insurance sector in Haryana has not been spared from these issues. It should be borne in mind that different organization will have different views on this issue. Researchers in this article felt that due to the absence of sufficient or proper innovations on this issue, business organizations find it hard to retain their profitable talent. They therefore went ahead to analyze the perspectives of employers in line with the availability of performance appraisals and the philosophy of rewards that exists in their organizations. They strongly emphasized on the variations in the employers' opinions when placed in different parameters. The parameters looked at were classified into four broad groups, equilibrium, formulation of strategies, proficiency, and performance. They went ahead to prepare a questionnaire basing on the parameters. They collected views and analyzed the results a number of statistical tests. Findings showed that the age of respondents determined the type of responses. When looking at the equilibrium and performance factors, it was found that gender played a big determining role here, whereas proficiency and strategy did not depend on gender. Same responses were recorded when dealing with the respondent's marital status. It was therefore established that a respondent's designation is strongly linked to the above factors in determining the opinions of employers. The article shows that in the insurance sector, all the parameters play a very crucial deciding role in the opinions of employers regarding their employees apart from the proficiency parameter. This whole study aimed at giving employers an insight into the nature of performance appraisals that exists in different organizations in a particular sector. If followed, the study results can help employers, access current trends of philosophies of performance and appraisal in organizations and help them adopt systematic plans of retaining talent in their organizations.

#### A comparison of the performance appraisal practices of US multinational subsidiaries with parent company and local Taiwanese practices

Many US companies have invested heavily abroad, this means that they introduce their management practices and technology in those overseas countries and as such, face many problems. To curb these problems, they use performance appraisal as important management tools in their organizations. This study therefore sought to determine how the US company subsidiaries plying their trade in Taiwan balance the many competing demands of local adaptation together with global integration in the practices of their human resource. Findings showed that human resources in those companies resembled the local practices but differed in the area of human resource management. The study suggested that this could only be solved if the parent and the subsidiary companies are treated as independent entities. This will allow global integration and local practices to be treated independently resulting into four areas in which human resource practices can be grouped. These are universal, unique, global, and local. The researchers show that for global economies to realize success, they will have to balance the competing demands in all these areas. That some



managerial practices need to be internationalized so that they can be universal to parent and subsidiary companies. In order to enhance organizational capability and adaptability in the increasing competitive global market, companies should adopt strategic human resource management practices. Proper human resource management will enhance retention of human resource in all US companies be it at home or overseas.

#### The dilemma of performance appraisal

Many companies or organizations use performance appraisals as an employee feedback. They use this to increase motivation, clarify their goals, and achieve long term individual performance and develop careers. The article has raised concerns that despite these efforts, performance appraisal still suffers a lot of confusion that surrounds its theory and practice. That there are a number of important issues that need to be solved and that all these will depend on how one relates with managers in his or her line of business. That it will be hard for an employee to do well in his or her work if he or she gets off badly with the managers. The only factor that keeps performance appraisal in practice today is that there are elaborate systems used by managers in many organizations. That many of the organizations come up with, review, change, and sometimes abolish those appraisals that fail to develop and enhance the performance of their organizations. That many people have come forward to criticize these systems but they have failed to give any alternative which can be used to provide feedback, give motivation, identify employee development needs and ability, alternatives that can give evidence, which can justify potential of developing career and also justify the giving of reward.

#### Productive performance appraisals

In this review of productive performance appraisals, it is shown that many



managers fear this issue of performance appraisal. But it also states that if properly managed, performance appraisal can give managers a great opportunity to create a motivational work environment in which there is continued job satisfaction, productivity, retention of employees, and employee morale. That main important responsibility for managers is to appropriately plan and put employees at ease by making this process more interactive, developmental and oriented towards goals. That managers and entrepreneurs should put in mind that performance appraisal is not an end in itself, but a means to de4velopmental objectives and standards. That using this process, managers and entrepreneurs can use this process to come up with a culture that is fosters goal orientation and outstanding performance. The review goes a head to state that if effectively used, performance appraisal can give managers, departments, and organizations, a competitive advantage in their line of business. Many benefits of performance appraisal have also been cited in this review. The others also gave three steps in which the process of performance appraisal can be carried out. These include, evaluation and job analysis, appraisal interview, and, the post appraisal meeting. Managers should keep employee performance records to aid in proper performance appraisals. Management should make their employees feel that they are a very important part of the department or organization.

## Performance appraisal systems in service and manufacturing industries: Evidence from Taiwan

This article is a study of the performance appraisal systems in the service and manufacturing industries in Taiwan. This article brings out clearly the fact that, performance appraisal systems evaluates the job performance of employees so that management decisions and corrective action can be taken. When designing performance appraisal system, companies need to consider many factors because this is affected by the particular context in which the company operates. For instance, service and manufacturing industries operate in different



environments therefore have different approaches to this issue. In this study it was found out that there are many differences existing in the reasons of carrying out appraisals and the criteria that firms use in doing the same. But it also notes that there is a small difference in the appraisal mechanisms such as tools, personnel, timing, and feedback in these two areas of business. As one goes through the study, he or she discovers that the service industry in Taiwan concentrates more on purposes of administration of the appraisals whereas the manufacturing industry stresses on the area of developmental purposes. Many other differences have been cited between these two industries. For example the manufacturing industry uses performance appraisal to identify goals whereas the service industry uses it to address issues like salary administration and making decisions regarding layoffs. The service industry is steeped towards quantitative outcome criteria but the manufacturing one deals with the qualitative process criteria. To carry out performance appraisals the service industry uses the attendance records of its employees something that is not done by the manufacturing industries.

## Performance appraisal: essential characteristics for strategic control

This article has shown that performance appraisal is very important and has gone ahead to give a more integrated standard for evaluating performance so that strategic control can be effectively enhanced. Many issues that bring about confusion when carrying out performance appraisals in many organizations have been looked at. Findings show that as much as performance appraisal has been a concern to many organizations, no guidance has been given on how to integrate it with strategic control. If this is not addressed, then the authors feel that performance appraisal will not be as effective as intended. Through the authors' experiences and from information sourced from literature reviews, any one reading it gets a broader understanding of the connection that exist between performance appraisal and strategic control. The study shows that management



should ensure that human resource function should meet the requirements for strategic control. The article simply confirms that if all these factors are factored in, factors such as managerial and employee utility, motivation and satisfaction, then the organization with all its stakeholders will realize profound benefits.