A Qualitative Study on Development of Enriching Performance Management System at a Pharma-Company

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Abstract

This case study aimed to develop a sample of enriching the performance management system using qualitative method. The job post of Import Executive in a pharma company has been selected as a sample. After taking consent from the management, a semi-structured interview approach with all related employees was undertaken. A comparison of existing performance management system was done with three other organizations of the same industry to provide a more comprehensive approach. Firstly, a systematic job evaluation was performed to transform traditional job description into competency based job description and implement job specific performance appraisal. This resulted in enrichment of performance management system. Peer evaluation and appraisal training for the supervisors have been suggested for a more comprehensive insight and a greater employee satisfaction with the performance management process.

Keywords: appraisal training, job description, performance appraisal, performance management

INTRODUCTION

In the era of globalization, business challenges have been becoming more complex day by day. Increasing competition, strict economic policies, demographic changes and technological advancement are some of the most important factors making business leaders to ponder upon ways to excel. As a matter of fact, organizations have realized that human resources are their one of the major strengths and competitive edge to lead in a global business. HR professionals are now required to take up their new roles as strategic partners in the organization's business. Organizations find it challenging to retain their employees due to availability of better job opportunities in the market. Pharma sector is also one of the victims to it with their known lucrative compensations and rewards. It is now crucial for any organization aiming to achieve success to ensure that it manages its employees’ performance in the best possible way. Performance Management, the process through which supervisors attempt to assure the most effective meeting of organizational goals and objective, encompasses a wide variety of tasks; all aimed at assuring maximum utilization of human performance. Performance appraisal is also a part of this comprehensive process and depends significantly on how clearly and specifically job
Performance Management is a process through which supervisors and subordinates work together for planning, monitoring and review of an employee's work objectives and his overall contribution to the goals and objectives of the organization. More than merely a formal annual performance review, performance management is an on-going process of setting of objectives, assessment of progress and provision of continuous coaching and feedback; all aimed at ensuring employees' attainment of the desired objectives and career goals. A comprehensive and systematic performance management system begins with specific but wide-ranging job description aligned with organizational strategic goals. It must be realistic and practical, written in easy and understandable language and jargons mentioning Key Performance Indicators (KPIs), which may help employee to have a clear picture about his/her key results areas. There must be a collaborative process for setting goals and reviewing performance based on two-way communication between the employee and the manager. While setting goal, it must be kept in mind that goals and objective indicators are SMART, the acronym refers to Specific, Measurable, Achievable, Relevant, and Time bound (Tofade, Khandooohai & Leadon, 2012).

There is a need to monitor employees' progress and performance from time to time, which will ensure the effectiveness of a performance management system. Managers should not micro-manage employees, but rather focus their attention on results achieved, as well as individual behaviours and team dynamics affecting the work environment. A good performance management system includes both positive feedback for a job well done and constructive feedback when improvement is needed. Another most important aspect that must be kept under consideration while evaluating the subordinate’s performance, one’s judgment must be free from errors and biasness. A performance assessment form can serve as an important and useful tool in guiding and documenting a discussion between a manager and an employee about the employee's performance relating to the previous year. If designed poorly, the same form can become a reason for undermining of a good performance management system. The aim of this study is to understand prevailing performance management system and suggest improvement of the same by taking one sample job post in the parent organization (a pharma company) and further to align the performance management system with the organizational goals and objectives.

LITERATURE REVIEW

In the contemporary organizations, the role of HR has been one that has been continuously evolving over the time with the aim to ensure the organization's survival in today's competitive world (Abu-Doleh & Weir, 2007). In order to be successful, it is now crucial that corporate strategies and HR function should work in complete harmony. Organizations have come a long way regarding the value they place on their human resource. Today providing a conducive working environment along with provision of opportunities for employee participation in the organization's decision-making process is one of the top priorities of successful HR departments (Benedict, Lockwood, Esen, & Williams, 2008). It would therefore be accurate to interpret that HR's role is no more limited to being an appraiser but has evolved to that of being an enabler and facilitator (MSG, 2016).
Consequently, the concept of Performance Management has been introduced to the basic functioning of HR to depict the broadening role (Pulakos, 2004). Serving as critical linchpins for HR management, the Performance management systems have come to encompass tasks such as joint goal setting in the initial phases followed by continuous progress reviews, relying on frequent feedbacks and training for improved performance. Performance appraisals are now only a part of the wider Performance management systems with a major aim at supporting the implementation of employee development programs and rewarding their achievements (Abu-Doleh & Weir, 2007).

However, many organizations are faced with serious flaws in their performance management systems that have consequently resulted in dissatisfaction of employees as well as managers (Pulakos, 2004). In order for a performance management system to be successful, a continuously ongoing communication process between the employees and their supervisors has to be ensured throughout the year. It includes:

- Development of clear and specific job descriptions
- Ensuring selection of the right people
- Agreement upon the performance standards
- Continuous provision of coaching and feedback
- Identification of development and training needs
- Bi-annual or quarterly evaluations
- Implementation of effective reward systems
- Conducting exit interviews

Poorly managed/implemented systems often have flaws at one or more of the mentioned tasks. Its success is greatly dependent on it not being perceived as only a necessary evil of organizational life and rather as an important and helpful process that is there in place to ensure betterment for employers as well as employees (Pulakos, 2004).

**Phases of the Performance Management Process**

Performance Planning – reviewing the performance expectations with the employees often a part of job descriptions, such expectations need to be linked with organization’s objectives (Hillgren & Cheatham, 2000). These expectations/goals help to ensure employee performance management in a mutually beneficial way (Rodgers & Hunter, 1991). Establishing KPIs result in evaluation of future performance (Velimirovic, Velimirovic, & Stankovic, 2011) and bring clarity to employees as to what is required from them (Pulakos, 2004).

Ongoing Feedback – providing feedback throughout the rating period is important, though periodic feedback has found to be resulted in better accomplishments (Pulakos, 2004).

It is suggested that process be made two-way where such communication is a responsibility of not only supervisors and managers but also the employees (Cederblom, 1982). Employees should seek feedback rather than simply waiting for it to be provided (Pulakos, 2004).

Employee Input – to make employees feel more involved in the process, this can be in the form of self-ratings and peer-ratings regarding performance standards. To minimize the self-
rating bias and to enhance ownership, employees can be asked to prepare statements like: their most reward deserving accomplishments (Pulakos, 2004).

Performance Appraisal/Evaluation – often appraisal systems are underappreciated and even not fully understood (Abu-Doleh & Weir, 2007). Employees have reported resentment and lack of satisfaction with their implementation (Robert, 2002). The difference in perceptions of both appraisee and appraiser can also make the system fail (Robert, 2002) especially if they perceive the whole system is of no value and outcome (Abu-Doleh & Weir, 2007). Managers are often reluctant to provide a true and honest feedback to their employees and even shy away from having an honest heart-to-heart discussion with them. This is mainly due to the fear of damaging the working relationship (Pulakos, 2004).

Existing literature provides many suggestions on how performance evaluations can be improved. Two of these suggestions include using competency models and incorporating peer evaluation. Competency models utilize job analysis techniques for identification of key competencies and critical work behaviours that form the basis of performance evaluation (Pulakos, 2004). To make sure that the evaluators are not too burdened and the process is not too general, a reasonable number of competencies need to be selected that ensures capturing of the most significant aspects of performance. As far as peer ratings are concerned, despite some potential drawbacks, it is a good way of assessment of an individual’s performance especially when teamwork is involved (Kaufman, Felder & Fuller, 1999). It is also an effective way of encouraging and motivating the raters because of observing and evaluating their peers (Akanmu, 2016). Peer evaluation has also proven to increase employee satisfaction with the evaluation system (Long, Long & Dobbins, 1998). However, various factors (such as the potential for bias, rater’s self-esteem and self-awareness) need to be accounted for and peers may need some level of training before the purpose of peer evaluation can be achieved (Long, Long & Dobbins, 1998). Furthermore, the purpose of rating should be made clear as knowledge of the purpose of rating has been known to affect the ratings (such as in terms of leniency) (Greguras, Robie, Schleicher, & Goff, 2003).

Performance Review – If all of the phases of the Performance Management System are appropriately followed and ongoing feedback has been ensured, the performance review phase would only be a recap of the proceedings throughout the rating period (Pulakos, 2004). Thus, it should be free from any (positive or negative) surprises. Furthermore, this would be phase of deciding and communicating the future developmental goals and activities (Benedict, Lockwood, Esen & Williams, 2008).

METHODOLOGY

Procedure

To start with preliminary interactions / meetings were arranged with the HR representatives from the parent organization. They helped in identifying areas of improvement in line with the scope of this study. After a number of meetings, it was decided to take the position of ‘Import Executive’ as a sample for this study. The next step was then to meet the Import Executive to gain a better understanding of the job and its related issues. Later, in-depth discussion and interviews were conducted with the relevant personnel and concerned departmental heads.
to gather information regarding the existing system being applied at the organization and identifying the area that required improvement. Having acquired a sense of the problem areas and the expected solutions, data was collected from three other companies from the same industry and also from other sources available on the internet to allow for a comparison of the existing system and generation of a suitable solution.

**Instruments**

Job Descriptions (JD) for Import Executive – Existing JDs being used at the organization for ‘Import Executive’.

Appraisal Forms – Appraisal Forms of three different organizations and the parent organization were used to compare the existing process of appraisals.

**Results**

Through the analysis of the existing Job Description for Import Executive (Appendix A) and the general Appraisal Form (Appendix C) at the parent organization and those of the aforementioned organizations, the following documents were generated:

1. Job Description for Import Executive (Appendix B);
2. Annual Performance Appraisal Form – 2017 for Import Executive (Appendix D);
3. Guidelines for Conducting a Fair Performance Evaluation (Appendix E)

**Discussion**

The preliminary meetings generated the consensus that the parent organization needs a job based performance evaluation criteria instead of having a similar set of standards irrespective of the nature of the job. All the respondents identified the need of an excellent and up-to-date performance management system for their organization to be able to fulfill its mission and vision in the best possible way.

**Job Description for Import Executive**

It was also suggested and agreed that a particular position can be taken as the sample post to review its existing job description document and revise the appraisal form. For this purpose, the existing JD of Import Executive (Appendix A) was analyzed. The JD had been in place for a long time without any revisions. After the review, it was revealed that the JD did not mention any clear evaluation criteria in terms of Key Performance Indicators (KPIs) or other related indicators. It was further found to be not clear in terms of the academic and professional expectations from the prospective individual.

**Revised Job Description for Import Executive**

Appendix B contains the revised Job Description for Import Executive which caters to the requirements and suggestions put forth by the interviewees along with other recommendations and modifications from the researcher’s side. As can be seen, the new JD clearly states out the purpose of the job, thus summarizing the whole JD in a paragraph which can be easily understood and recalled. It then goes on to depict the concerned positions place in the
organization hierarchy. This allows for a quick visualisation and understanding of the person’s relevant position in the organization’s functioning.

The JD further goes on to a detailed explanation of the responsibilities to be carried out by the person. The responsibilities are also divided into two categories (i.e. ‘Primary’ and ‘Secondary’). The purpose is to give an understanding of the main obligations that the person will be frequently expected to perform. These also form the main basis for which the person’s performance would need to be evaluated. Next is the Job Specifications heading which briefly lists down the expectations from the person in terms of education, experience, knowledge, skills and abilities. The JD also states the Key Contacts with which direct and frequent contact and communication should be expected. This also allows for the prospective employee to have a very clear idea of the kind of daily-day functioning and interactions expected from this position. Lastly, the JD comprises Key Result Areas and Key Performance Indicators which aim to clarify the basis on which the employee’s performance will be judged. Effort has been made to ensure that the indicators are as specific as possible.

**Appraisal Form**

Currently, all employees are evaluated by themselves and their direct supervisors. The process entails the person filling out an evaluation form (Appendix C) for themselves. The form is filled utilizing the company’s software. It comprises of two main parts: Assessment and Strengths/Improvements. Assessment is carried out on 10-parameter criterion. Each parameter is briefly explained in short phrases. Each parameter is then rated out of maximum 10 points. The points are then accumulated out of 100 and an overall evaluation score is acquired. The employees then fill out another form requiring them to list their areas of strengths and improvements. The next step in the process is for the supervisor to fill the same forms for the employee and discuss his/her evaluation with the employee. In case of little or manageable discrepancies between the supervisor’s and employee’s evaluation, the matter is resolved between the two of them. Increments, etc. are thus decided after this meeting. Lastly, the appraisal process carried out is monitored by HR which involves evaluation of the supervisor’s and employee’s remarks. In case of any unresolved differences in evaluation between the supervisor and employee, HR serves as a mediator between the two. Otherwise, HR oversees the evaluation process and intervenes only when required. The process is summarized in Figure 1 below.

![Figure 1: Existing Appraisal Process at the parent pharma company](image-url)
After reviewing the existing system, it was strongly felt that job specific appraisals should be introduced for each job rather than a general one. They highlighted that it becomes difficult to accurately evaluate a specific job as it may be requiring different skills and abilities other than the ones evaluated in the existing appraisal. It was also highlighted that the training need analysis also becomes difficult due to the 10-parameter criteria in place. The software, at the moment, also does not ask for any justifications for suggesting areas of strengths and improvements. At times, an employee gets a high score on one parameter, yet the same parameter is mentioned as an area requiring improvement. HR personnel then have to personally ask the supervisor regarding such cases. If the system were working properly, an efficient and effective training need analysis would easily be carried out as soon as the evaluation is completed.

**Revised Performance Appraisal Form**

In consideration of the issues highlighted during the discussions in the meetings, a revised Performance Appraisal Form (Appendix D) was designed. The new form has four major areas instead of the previous two.

**Assessment**

The Assessment is further divided into two dimensions: Core Competencies and Functional Competencies. The Core Competencies are universal for all employees and they comprise the basic parameters expected from all employees (such as Adaptability and Team Work, etc.). There are five Core Competency parameters scored out of 5 each, thus allowing for a maximum possible score of 25 on the Core Competency dimension. The Functional Competencies, however, are job specific and are supposed to be different depending on the job. For the purpose of this project, only the functional competencies of Import Executive have been highlighted. It is important to note that as far as the Functional Competencies are concerned, the different parameters have varying weightage depending on how significant they are for the particular job. The weightage is supposed to be decided (as was done for this project) by the supervisor in consultation with the HR department as it will prove to be a major determinant in the employee’s evaluation. It is important that these are communicated to the employee as well. Thus, they are connected to the Primary and Secondary Responsibilities as well as the Key Results Areas and Key Performance Indicators as mentioned in the Job Description. The Functional Competencies account for 75% of the total evaluation score.

The final score is then acquired through the sum of Core and Functional Competencies and then rated as per the organization’s criteria (90+ = Outstanding; 80-89 = Very Good; 65-79 = Good; 50-64 = Fair; and below 50 = Poor).

**Strength and Areas of Improvement**

This part is similar to the previous Appraisal Form and requires listing down the employee’s strengths as well as weaknesses (areas of improvement) to provide a balanced point of view. This allows for encouragement of the employee along with suggestions for improvement.

**Objectives/Goal Setting**

Based on the current needs of the organization, it is important to judge whether previously set goals have been achieved along with deciding for objectives and goals for the coming period.
Annual goals and objectives can be set in discussion with the employees so that expectations are clear. The goals are then periodically analysed to compare performance and account for any discrepancies and lacking to ensure that organizational goals and objectives are not compromised.

**Training and Development**

To allow for training needs to be assessed from performance evaluation, a Training and Development section has been added to the appraisal form. Instead of simply mentioning the areas for training recommendations, the form also requires for provision of justifications for the provided recommendations. This will enable HR to easily swiftly out any unreasonable training suggestions that have been made just for the sake of it, and rather focus on the true needs of the employees that allow for maximization of their potential and enhances their contribution to the organization’s performance.

**Guidelines for Conducting a Fair Performance Evaluation**

Unable to carry out a training session on ‘How to conduct a fair performance evaluation’, the researchers have provided the HR department, after mutual consent, with a brief guideline regarding the topic. The guideline comprises of various suggestions that should be kept in consideration and various errors (frequently observed in evaluations) that need to be avoided (Lotich, 2016; Lipman, 2012).

**CONCLUSION**

Implementing and executing unbiased error free Performance Management System is one of the greatest challenges organisations are facing these days. A well-organised and systematically designed performance management system paves the way to streamline the organisation goals and individual career progression within the organisation. The performance management system will become a mere formality if it is not implemented in true letter and spirit. Properly designed job descriptions and systematically designed appraisal form will support performance management system if it is implemented with objective approach to develop and grow organisation and individuals associated with it. At the time of joining, employees must be provided with properly designed Job Descriptions so that they are aware of their responsibilities and organization’s expectations from them. It was further concluded that meetings between supervisors and subordinates for discussions relating to goal attainment and future goal setting could be fruitful for both. Supervisors can also utilize this as an opportunity to discuss and propose suggestions for difficulties being faced by their subordinates causing hindrances in attainment of existing goals.

**Recommendations/Limitations**

In-line with the reviewed literature and operations of successful organizations in the relevant field, the HR department has been provided with the following suggestions:

- Conducting evaluations/appraisals on a bi-annual basis instead of once a year. Or quarterly goal reviewing and achievement meetings should be conducted to ensure that goals and objectives are in-line with the organizational and departmental goals.
Feedback from supervisors should not be restricted only for the time of appraisal. Rather, supervisors and employees should be encouraged to frequently provide feedback throughout the year.

Introducing peer reviews where colleagues are also required to provide evaluation of their co-workers. Apart from increasing employee satisfaction and trust in the appraisal process, peer evaluations can also provide a better insight to the employee’s actual performance as employees have more frequent interactions with each other than with their supervisors.

In order to reduce chances of in-group biases and/or favouritism amongst employees, different peer evaluators can be utilized for different time periods. For instance, employee A can be evaluated by his peer, employee B, for the first quarter and by another peer, employee C, for the next quarter, and so on. This will result in a more accurate representation of the employee’s performance in relation to his colleagues as well.

Low generalizability due to limitation of the study to be restricted to one job post and one organization only.

**Post Project Feedback**

The study was appreciated by the organization and it brought awareness in various facets of the performance management system:

1. They acknowledged that such appraisal could significantly assist in succession planning as it provides greater opportunity for analysis of training needs and opportunities for career growth resulting in organization commitment.
2. It was agreed that systematically designed job descriptions and properly executed performance management system is a need of time.

**REFERENCES**


APPENDIX A

EXISTING JOB DESCRIPTION

Rev – 00 Issue Date: 01-09-2016

JOB DESCRIPTION # 782

Designation : Import Executive
Department : Supply Chain
Reporting : Senior Manager Supply Chain (Procurement and Warehouse)

Scope & Purpose:-

To carry out import activities of Raw & Packing materials from approved sources and at the most economical prices, as per the schedule given by material planning.

Responsibilities:-

To,

☐ Get quotation from approved sources in case of Inventory Items and negotiate.
☐ Verify quotation from some other sources in case of Non-Inventory Items and negotiate.
☐ Generate and requisition and proceed for approval from all authorities and call indent.
☐ Preparation and updation of Check list to record the timing of all the steps in imports.
☐ Arrangement of all relevant documents for LC preparation like Proforma Invoice / Indent, insurance cover note and Insurance PPR etc.
☐ Checking of LC / Bank Contract or Advance Payment documents before sending it for signature or submitted to bank.
☐ Follow up with bank for LC establishment, Bank Contract registration or Advance remittance and get its copy ASAP.
☐ Checking of LC / Bank Contract or Advance payment copy just after receiving from bank.
☐ Forward LC, Bank Contract or Advance remittance copy to supplier.
☐ Input Data of LC, Bank Contract or Advance remittance in the BIMS.
☐ Follow up for the shipment and non-negotiable documents.
☐ Checking of shipping documents before applying to DRAP.
☐ Checking of I.G.M. and Index for Health case.
☐ Follow up for clearance of health case from DRAP.
☐ Follow up for negotiable (Original) documents at banks with supplier as well as with bank.
- Preparation new Quota Allocation related to I.O.C.O.
- Query resolution if any, accrued from I.O.C.O.
- Follow up for quota for I.O.C.O.
- Preparation and submission of vendor forms of new source development.
- Any other job assigned by the immediate incharge / departmental head.
- Records maintenance generated in the department relating to import.

Any other job assigned by the immediate incharge / Departmental Head.

Assigned by
Name: ____________________
Date: ____________________

Accepted by
Name: ____________________
Date: ____________________
APPENDIX B

<table>
<thead>
<tr>
<th>Job title</th>
<th>Import Executive</th>
</tr>
</thead>
<tbody>
<tr>
<td>Department</td>
<td>Supply Chain</td>
</tr>
<tr>
<td>Reports to</td>
<td>Senior Manager Supply Chain</td>
</tr>
<tr>
<td>Career level</td>
<td>Mid level</td>
</tr>
<tr>
<td>No. of Subordinates</td>
<td>-</td>
</tr>
<tr>
<td>Location</td>
<td>Head office - Karachi</td>
</tr>
</tbody>
</table>

DEPARTMENTAL HIERARCHY

Job Purpose

The purpose of this job is to plan, organize and execute import operations while ensuring that they are carried out in most effective and efficient manner. This position executes the role of negotiator and make sure that commodities delivered properly and on time in most cost effective manner.

Job Responsibilities

Primary Responsibilities:

• Get quotation from approved sources in case of inventory items and negotiate for the best rates, payment terms, desire packing and delivery schedule.
• Verify quotation from some other sources in case of non-inventory items and negotiate for the best rates.

• Arrangement of all relevant documents for Letter of Credit (LC) preparation like Proforma Invoice/Indent, insurance cover note and Insurance premium Paid Receipt (PPR) etc.

• Preparing and checking of LC/Bank Contract or Advance Payment documents before sending it for signature or submitted to bank.

• Forward LC, Bank Contract or Advance remittance copy to supplier/vendors.

• Checking of shipping documents before applying to Drug Regulatory Authority of Pakistan (DRAP).

Secondary Responsibilities:

• Generate requisition and proceed for approval from all authorities and call indent.

• Preparation and updation of check list to record the timing of all the steps in imports.

• Follow up with bank for LC establishment, Bank Contract registration or Advance remittance and get its copy ASAP.

• Verifying LC/Bank Contract or Advance payment copy just after receiving from bank.

• Forward LC, Bank Contract or Advance remittance copy to supplier/vendors.

• Input Data of LC, Bank Contract or Advance remittance in the software.

• Follow up for the shipment and non-negotiable documents.

• Checking of Import Generated Manifest (I.G.M) and Index for Health case.

• Follow up for clearance of NOC/ADC attestation from DRAP.

• Follow up for negotiable (Original) documents at banks with supplier as well as with bank.

• Preparation new Quota Allocation related to Input output Coefficient organization (I.O.C.O).

• Query resolution if any, accrued from I.O.C.O.

• Follow up for quota for I.O.C.O.

• Preparation and submission of vendor Forms of new source development.

• Records maintenance generated in the department relating to import.

• Any other job assigned by the immediate in-charge/departmental head.

Job Specification

(Education, Experience, Knowledge, Skills and Abilities)

Education: MBA (Supply Chain)

Experience: 4-5 years of relevant experience

KSA’s:

• Sound understanding of business.

• Excellent Knowledge of import documentation.
• Well versed in Ms. Office.
• Must be well aware with national trade policies and circulars.
• Must possess good oral and written communication skills.
• Excellent time management and organizing skills.
• Able to demonstrate strong negotiation skills.
• Able to take Decisions whilst under pressure.

Key Contacts

Internal:
• Finance Department
• Production Planning Department
• Warehouse and Logistics Department

External:
• Overseas Suppliers / Vendors
• Company Bankers
• Customs and Excise Department
• Clearing and Forwarding Agents
• Drug Regulatory Authority of Pakistan
• Insurance Agent

Key Results Areas
• Identifying potential suppliers.
• Support buying negotiations.
• An optimal and trustful network of relations.
• An efficient management of activities.
• An efficient, effective, up to date data of import/buying activities.
• Managing up-to-date database of potential suppliers.
• Favorable analysis of offers received along with assessment of suppliers’ service efficiency.
• Best possible handling of setbacks like Country Risks, Monopoly Risks, Commodity Risks and Supply Risks.

Key Performance Indicators
• Minimizing risk factor in supply of raw material by selecting at least 3 vendors for each commodity.
• Selecting potential manufactures that must have recognition from WHO, FDA and ISO.
• Negotiating Rock-Bottom price and availing maximum credit facility with desired quality and delivery schedule.
• Establishment of L/C or contract with zero amendment and make sure it reaches to vendor very shortly for timely delivery.
• Proactive and efficient in dealing with custom officers to get his consignment cleared in fast track with maximum possible lowest fee charges.

Assigned to: ___________________
Signature: ________________
Name: ___________________
Date: ____________________

Assigned by: ___________________
Signature: ________________
Name: ___________________
Date: ____________________
## Existing Performance Appraisal Process

### 1. Assessment

<table>
<thead>
<tr>
<th>S. No.</th>
<th>Parameters</th>
<th>Explanation of Parameters</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Decision Analysis</td>
<td>* Logically performs the steps needed to solve problems.</td>
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<tr>
<td></td>
<td></td>
<td>* Takes assignments and performs the steps needed to meet expected output.</td>
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<tr>
<td>2</td>
<td>Execution</td>
<td>* Suitability to the job/task.</td>
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<td></td>
<td></td>
<td>* Takes ownership for the job.</td>
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<tr>
<td>3</td>
<td>Urgency</td>
<td>* Needs of business govern actions.</td>
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<tr>
<td></td>
<td></td>
<td>* Willing to change daily routine.</td>
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<tr>
<td>4</td>
<td>Innovation/Creativity Skills</td>
<td>* Identifies/avails possible opportunities and meets criteria when the task is assigned.</td>
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<tr>
<td></td>
<td></td>
<td>* Always precise, clear &amp; well set out, doesn't need to revisit for clarification.</td>
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<tr>
<td>5</td>
<td>Communication Skills</td>
<td>* Put across convincingly &amp; concisely.</td>
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<td></td>
<td></td>
<td>* Routine use of listening checks, feedback &amp; confrontational skills.</td>
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<td></td>
<td></td>
<td>* Cross functional or Multi-level.</td>
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<tr>
<td>6</td>
<td>Customer Focus</td>
<td>* Can identify specific customer satisfaction needs.</td>
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<td></td>
<td></td>
<td>* Active communication and follow up with customers.</td>
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<td></td>
<td></td>
<td>* Broad boundaries.</td>
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<td></td>
<td></td>
<td>* Knowledge to satisfy customer needs.</td>
</tr>
<tr>
<td>7</td>
<td>Specialized Knowledge</td>
<td>* Demonstrates a depth of knowledge in several areas OR is highly knowledgeable in a single discipline.</td>
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<tr>
<td>8</td>
<td>Flexibility</td>
<td>* Embraces and promotes changes.</td>
</tr>
<tr>
<td>9</td>
<td>Work Quality</td>
<td>* Very few corrections due to proactive steps.</td>
</tr>
<tr>
<td></td>
<td></td>
<td>* Meets and exceeds expectations.</td>
</tr>
<tr>
<td>10</td>
<td>Team Performance</td>
<td>* Meets criteria for applicable teams.</td>
</tr>
<tr>
<td></td>
<td></td>
<td>* Participates and contributes for team goal.</td>
</tr>
</tbody>
</table>

| Total  |                           |                                                                                          |

Points [Min. = 0, Max. = 10, Avg. = 5]
## 2. STRENGTHS/IMPROVEMENTS

<table>
<thead>
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<th>Area(s) of Improvement</th>
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<tbody>
<tr>
<td>S. No.</td>
<td>Detail</td>
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### APPENDIX D

#### PERSONAL INFORMATION

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<td>Department:</td>
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<tr>
<td>Designation Held Since:</td>
<td>Job Grade:</td>
</tr>
<tr>
<td>Date of Joining:</td>
<td>Employment Status:</td>
</tr>
<tr>
<td>Qualification:</td>
<td>Gross Salary:</td>
</tr>
</tbody>
</table>

#### ATTENDANCE & PUNCTUALITY STATUS

<table>
<thead>
<tr>
<th>LEAVE TYPE</th>
<th>AUTHORIZED</th>
<th>AVAILED</th>
<th>BALANCE</th>
<th>DESCRIPTION</th>
<th>No.</th>
<th>Hours</th>
<th>NET IMPACT</th>
</tr>
</thead>
<tbody>
<tr>
<td>CASUAL</td>
<td></td>
<td></td>
<td></td>
<td>LATE ARRIVAL</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>SICK</td>
<td></td>
<td></td>
<td></td>
<td>EARLY OUT</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>ANNUAL</td>
<td></td>
<td></td>
<td></td>
<td>EXTRA TIME</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>SPECIAL</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
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<td></td>
</tr>
</tbody>
</table>

#### PERFORMANCE ASSESSMENT

Core Competencies carries 30% and Functional Competencies carries 70% weight of overall assessment

**A. CORE COMPETENCIES PERFORMANCE SCORING & RATING**

- 5 = Above Expectation,
- 4 = Exceed Expectation,
- 3 = Fully Meet,
- 2 = Partially Meet/ Improvement Needed,
- 1 = Marginal/Unsatisfactory

**PARAMETERS**

<table>
<thead>
<tr>
<th>Parameters</th>
<th>Weightage to Scale 1 to 5</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. Aware of Company Philosophy</td>
<td>Understands company philosophy &amp; also comply with it through positive attitude &amp; behavior.</td>
</tr>
<tr>
<td>2. Team Work</td>
<td>Exhibits team spirit in the performance of duties to achieve over all common objectives and goals.</td>
</tr>
</tbody>
</table>
3. **Adaptability** Ability to alter behavior and opinions in the light of new information and responds constructively to changing situation.

4. **Attendance and Punctuality** Arrives on time, and is regular in the duties as per the organization policy.

5. **Appearance Consciousness** Demonstrates concerns for appearance complies with appearance standards and requirements while performing duties.

### B. FUNCTIONAL COMPETENCIES (KNOWLEDGE & SKILLS)

**PERFORMANCE SCORING & RATING**

Following are the competencies for Import Executive; please note that each competency carries different points as per their criticality to this particular position. Ratings should be from 1 – Maximum limit against each competency being Unsatisfactory to Above Expectation.

<table>
<thead>
<tr>
<th>Competency</th>
<th>Description</th>
<th>Points</th>
</tr>
</thead>
<tbody>
<tr>
<td>1.</td>
<td>Specialized knowledge and Business acumen</td>
<td>Understands business principles and language. Able to establish clear priorities for action to increase the performance.</td>
</tr>
<tr>
<td>2.</td>
<td>Cost and Quality Consciousness</td>
<td>Introduce process improvement, innovation, and efficiency in system, new technique, new concept and cost reducing initiatives while maintaining high quality standards</td>
</tr>
<tr>
<td>3.</td>
<td>Interpersonal and Negotiation Skills</td>
<td>Able to present and ideas in a clear, effective and convincing manner with an aim to achieve the best possible outcome.</td>
</tr>
<tr>
<td>4.</td>
<td>Internal/External Customer Focused</td>
<td>Focused on identifying and meeting customer needs. Acts to establish a successful long-term business partnership with internal and external customers.</td>
</tr>
<tr>
<td>5.</td>
<td>Execution and Work Quality</td>
<td>Self-discipline, process-driven and results-oriented,</td>
</tr>
<tr>
<td>6.</td>
<td>Decision Making</td>
<td>Takes rational, sound &amp; timely decisions to resolve problem.</td>
</tr>
</tbody>
</table>

### FINAL SCORE AND RATING

*Outstanding: 90+     *Very Good: 80-89     *Good 65-79     *Fair: 50-64     *Poor: Below 50

<table>
<thead>
<tr>
<th>Score (A)</th>
<th>Score (B)</th>
<th>Total Score</th>
<th>Overall Rating</th>
</tr>
</thead>
</table>

### Strength

Describe the major strengths that demonstrated in achieving the objectives / results outlined above.

1. 
2. 
3. 

### Areas of Improvement

Major areas of improvement identified during the review period.

1. Goals Statement
2. Steps Planned
3. Support Needed
4. Expected outcome
5. Measurement Indicator
6. Completion Date
APPENDIX E

GUIDELINES FOR CONDUCTING A FAIR PERFORMANCE EVALUATION

Whether you are conducting your own evaluation, your peer’s, or your subordinate’s, it is important to remember some important information about appraisals to ensure that your input contributes to conducting a just and fair performance evaluation.

The very idea of being “appraised”, of having some superior or peer pass judgement on them, is resented by many employees. To ease the process, a structured Performance Appraisal is usually put in place as it is one the most objective methods that can utilized to reliably evaluate the standard of performance of employees and reward them according to their real merit.

To help you in making the process just and fair, following are some of the Do’s and Don’ts that you are advised to keep in mind while filling out the appraisal form.

The Do’s

- **Stay current and up-to-date** with the concerned employee’s job description
- Make sure your evaluation is in consideration of the pre-set goals and objectives relating to the employee in concern.
- **Review** job descriptions frequently to account for changing needs.
- **Balance the criticism** by mentioning the positives (areas of strength and progress) as
well as evaluation is not a time to only list everything that is wrong.

- **Listen** to employees’ responses regarding evaluation as well and give them a chance to express their perspective.

- **Be** unbiased.

- Provide **regular feedback** throughout the period rather than saving it up only for the formal evaluation meeting day. You can provide weekly/monthly informal feedbacks as well so that there aren’t any big surprises at the time of formal appraisal.

- **Have the relevant data** to support your assessment. This can be kept in the form of a separate journal or log for each employee/peer.

- Consider the **entire evaluation period**. You can utilize the journal/log to ensure that your evaluation is representative of the entire period for which the employee is being evaluated.

- **Note down** the feedbacks/reminders as well in the employee’s file.

- Be as **specific** as possible especially when mentioning areas of improvement.

- Focus on outcomes over which the employee has control.

- Have short, focused, frequent, meaningful feedback meetings.

**The Don’ts**

- Avoid being **limited in focus** such as by only considering recent performance.

- Don’t **rely** only on memory.

- Avoid being **biased and prejudiced**. Don’t focus on non-job related factors (such as the person’s gender and ethnicity, etc.). Rather, ask your yourself: “is this related to the job?”

Some other biases that are common during evaluations are mentioned below. Make sure you understand them and avoid falling prey to them:

- **Halo Effect** – this is when a person gets does one thing really well but gets high scores on all aspects.

- **Horn Effect** – Opposite of Halo – poor performance in one area resulting in getting low scores on other aspects as well.

- **Contrasting error** – comparing with other employees rather than the organization’s standards and goals.

- **Spillover Effect** – present performance being evaluated on the basis of past performance.

- **Primacy Effect** – evaluation based mainly on the initial impression made by the employee.

- **Recency Effect** – evaluation based mainly on the recent impression managed by the employee.

- Excessive **stiffness or lenience** – represented by extreme scores (too high or too low) on the evaluation.

- **Central Tendency** – grading the employee as ‘Average’ on most of the evaluation parameters.
• **Stereotypes** – rating the employee based on a particular stereotype which overshadows their individuality.

• **Other Personal biases**

In the end, remember the Golden Rule: “Do unto others as you would have them do unto you.” Also, remember the religious teachings:

“…Let not the enmity and hatred of others make you avoid justice. Be just: that is nearer to piety…”

[Quran, 5:8]

“No one of you becomes a true believer until he likes for his brother what he likes for himself.”

[Al-Bukhari and Muslim, Book 1, Hadith 183]