PERFORMANCE APPRAISAL SYSTEM IN DIGITAL ERA

Pranaya Deekonda, Madhavi kallepalli

Asst. Prof., Asst. Prof.

Dept. of MBA

Aditya Institute of Technology and Management, Tekkali, Srikakulam, Andhra Pradesh

Abstract

Organizations will transform the HR function to deliver employee experiences that are human-centered, leveraging the latest technologies to deliver personalized, compelling, and engaging experiences. Information technology systems have impacted Organisation and Human Resource Department to the great extent. IT is often introduced with rationale that it could offer benefits such as cost reduction, saves time and strategic transformation. More and more organization have been replacing face –to –face human resource management activities with electronic human resource management (e-HRM). Technology has significantly influenced the HR function. It has led to new business models coming into existence, allowing technology platform companies to make a significant impact. Competition has come not from within the known set of businesses but from different industries by leveraging technology. This paper discusses the impact of technology on Performance Management apart from Human Resource Information System (HRIS). With the help of Indian Corporate case studies like Infosys and Bank of Baroda the applications and benefits of digitalization are illustrated.

KEYWORDS: Information Technology, E-HRM, Performance Management, HRIS.

Introduction

In this digital era, an organization's competitiveness will depend on its talent readiness, skill-sets and how it will bring in diversity of thought and perspectives for organizational excellence. Along with the digital age come opportunities, challenges and trends for the HR function around the globe. Rapidly changing requirements for novel skill-sets in fields such as data science, AI, cloud, block chain, security etc. signal a need for flexible recruiting practices that allow organizations to reach out to these fresh talent pools. How skills can be deployed in an agile manner within the organization or with its clients has become important. This also creates the need to build an enabling environment for constantly re-skilling talent. Skill will become the new currency and skill based wage differentiation will increase. This will also require a fundamental compensation redesign by HR.

Finally, there is an important shift in the expectations of the workforce as employees demand work experiences that are more personal, engaging and authentic. Deploying new technology platforms to enhance the employee experience will hence get increased attention. Building on existing HR investments in technology and processes, including core HR platforms, cognitive solutions, for example provide an opportunity to enhance employee experience, reduce costs and increase the quality and accuracy of HR services through the discovery of new workforce insights. The focus should be on developing leadership skills in the new era will also be a key area for HR.

Over the last half decade, the new technologies have emerged as most pressing challenges of doing business. The mind set of employees are also influenced by the emerging technologies. Today employees find easy to use digital tools to execute their jobs in a more efficient, high virtualized environment. Organisation cannot allow employees to randomly download or acquire any tool they want. Organisation must manage the procurement, security needs and availability of these tools. Organisation can control the employees" access to their personal work other than their occupation through the use of corporate intranet. According to a recent 2016 report by Deloitte on digital workplace and culture, it is not necessary to send employees on the expensive trips to visit their clients or to join with other teams for the work. Present days,

employees are enjoying the flexible work options when compared to olden days. Ma1nyHR experts believe that digital practices help to increase the productivity and employee engagement and innovation in the workplace. This saves the cost of the company and builds a more mobile and agile workforce that is more flexible and adaptable to different work requirements. In case of Human Resources, Technology helps in all processes from recruit to retire functions and has drastically changed the way of employees and employers getting access to the human resource data. The present challenge before business leaders is how to use the technology in human resource perspective to connect people and information.

2. DIGITALIZATION IN PERFORMANCE MANAGEMENT:

Performance Management:

Performance Management can be defined as a process which continuously **identifies measures and develops** the performance of the workforce in the organization. And to do so, each individual's performance and objectives are connected with the overall mission and goals of the enterprise.

Performance Appraisal: Performance Appraisal is defined as a systematic process, in which the personality and performance of an employee is assessed by the supervisor or manager, against predefined standards, such as knowledge of the job, quality and quantity of output, leadership abilities, attitude towards work, attendance, cooperation, judgment, versatility, health, initiative and so forth.

Performance appraisal process involves three steps

:• Setting work standards or goals.

• Assessing the employee's actual performance relative to those standards.

• Providing feedback to the employee with the aim of helping him or her to eliminate performance deficiencies or to continue performance above par.

Performance Management:

The continuous process of identifying, measuring and developing the performance of individuals and teams and aligning their performance with strategic goals of the organisation .Using Information Technology to support Performance Management Many companies integrate Information Technology to automate performance management and to monitor feedback and correct deviation if any on time. Digitalized HRM enables the whole performance appraisal to be conducted on-line, on the corporate internet interface. This means that the supervisor and the employee are able to submit performance data directly to the HR Department in electronic form. Digitizing has the ability to unlock new levels of efficiency in corporate performance management and at the same time to increase the quality, speed and relevance of the information supply massively. The resulting changes represent real paradigm shift. With the advance technology, performance appraisal software's are becoming common in organisation. Performance management software is also helping to dramatically improve HR"s ability to carry out effective People Relationship Management (PRM), and improve their organization's employer brand. It enables companies to move away from subjective people management to objective and efficient people management to the great benefit of the employee/candidate. To help and automate the processes of Performance Appraisal Management, organization are increasingly taking the help of various performance management software's like Workforce Performance Management (WPM), Suite Systems and Talent Management Software, which help to systematically record all the data about the employee performance, pre-determined targets and the results achieved, compensation, succession planning and other related HR systems. The various forms can be filled online and can be submitted to the HR.

3. LITERATURE REVIEW:

Through the years as the world has undergone far reaching societal, cultural and economic changes based on the increasing dominance of digital media and tools. This has led to the present period being called as "Digital Age". (IRC, Journals, 2013). Digital is an evolving approach to business practice, customer interactions of employees. The impact of rapid growth in digital has meant that organisation have had to adapt to new market expectations. From the 1960s onwards, the computerization of business activities has been an area that has been widely studied. (Kaufmann,1966). Digitizing is a mega trend which is significantly changing the way in which we live, work and creates value. Digitization is revolutionizing the economy and the corporate world of business. Digitization opened up opportunities for the industry. Companies will be winners if they create partnerships in the same verticals or across the verticals, said by Mr.Subhash Chandra, Chairman of Zee Entertainment. (Times of India, August 3, 2007.)In the words of Beson and Rowe (2012) "Information systems are considered to be a major asset for leveraging organisation transforming owing to the disruptive nature of IT innovations, the deep digitalization of business and their cross –organisation and systemic effects, notwithstanding the amounts of investments in enterprise systems". Performance Management is the systematic process by which an agency involves its employees as individuals and members of group, in improving organizational effectiveness in the accomplishment of agency mission and goals. Performance Management system has undergone lot of changes in the recent past to effectively translate effort to performance. The old ways of assessing performance have been proven to be expensive and ineffective. Bell curve alias relative comparison has been observed to be time consuming and often detrimental to performance. Organisations such as Adobe, Accenture, Microsoft and Deloitte have adopted new ways of assessing to enhance individual and organizational performance.

CONCLUSION:

Digitalization makes it easy to manage the performance on a continuous process. It reduces the paper work and increase the accuracy of the appraisal. It reduces the long time spent to do appraisal. It increases the efficiency of employees and employees are able to get comments on their work and improve on their own. Digitalization of Performance management is used by many modern day companies and others implementing it by making necessary change in their performance management system. Thus digitalization in performance management is the advancement of IT an4d HRM, also it made employee feedback system a transparent one.

Reference:

1. Cooper John et al, Elevating the Digital Employee Experience, Cognizant, New Jersey (U.S.), 2015.

2. Kohli Gauri, Digital is the New Normal for India Inc., Hindustan Times, Lucknow, 2016.

3. SaloJari.T., A Review of Research illustrating the impacts of Digitization on the buyer –seller relationships.

4. Zisiadis Miltiadis, Human Resource Management with Information Technology: A Systematic Literature Review, Department of Informatics IT Management.

5. Kumar Neeti, Future of Performance Management System, People Matters, July 5, 2016.

6. Dessler Gary et al., Human Resource Management, Pearson, 2015.

7. Robert Morgan, Making the Most of Performance Management Systems, September/October, 2006.