C H A P T E R   3

REVIEW   OF   LITERATURE

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In this chapter, the researcher has attempted to mention the literature survey related to the topic of his research done by the Indian and foreign contributors.

Douglas McGregor (1957), in his classical artical, has discussed the managers resistance to understand the conventional kind of appraisal of employee performance. In that context, he questioned the reliability and usefulness of any system based on personality appraisal which he termed as "Playing God". He advocated a new approach, "analysis of performance" as against the "appraisal of personality". In this approach, the responsibility is shared by the superior and the subordinate in fulfiling the objective of employee's growth and development.

Philip R. Kelly (1958), has discussed the historical evolution of formal management appraisals and tried to identify the various objectives, strengths, and weaknesses inherent in the traditional approach of performance appraisal system. He concluded that the attainment of optimum performance by an individual involves both factors within employee's control as well as the control of management.

The discussion regarding the failure of formalised appraisal programmes under a variety of names like, promotion, demotion, transfer, retention, retirement, training, etc., was done in the artical of Alva F. Kindall and James Gatza (1963). The new look in performance appraisal, explained by these authors, called as "Five Step Program", includes job content, performance target, discussion of plan, determining the check point and checking results.

Albert S. Glickman (1964), discussed critical incident method and stated that it is one of the most effective methods in evaluating the performance of employee, since it provides concrete information that can be used for discussion with the subordinate, preferably at the time incident occurs.

The new method of performance appraisal namely, Work Planning and Review (WP&R), was developed and introduced by Herbert H. Meyer, Emanuel Kay, and John R. P. French Jr. (1965). The traditional annual performance appraisal method was tested with the new method, developed by these authors. The study concluded that the WP&R program provides effective job performance than the traditional method of performance appraisal.

Self-appraisal method appears to be an useful method of stimulating the managers to change and improve their performance when they are dealing with their own expressed opinions (Bassett

G. A. and Meyer H. H., 1968). They claim that the self-appraisal system cannot be substituted for other systems when the evaluation is desired for purposes other than development.

Stanley Sloan and Alton C. Johnson (1968), have attempted to explore the implication of some of the notable developments and trends in the performance appraisal. For this, they have been considered many performance appraisal techniques from 1940 onwards and have mentioned the development of the performance appraisal technique from time to time.

The artical that follows on the ethics of performance appraisal (Malathi Bolar, 1970) questions the organisation's right from various points of view, i.e. philosophical, decision making, psychological and administrative to institute the systems which constrain individual initiative and growth.

The MBO method creates the resentment and hostility between superiors and subordinates because it ignores the deeper emotional component of motivation. There is always a danger that the subordinates may set lenient goals and they may force individual to set goals beyond their capacities (Harry Levinson, 1970).

In his study, Dayal Ishwar (1970) has commented on the relevance of cultural factors in designing the performance appraisal system. He has reviewed three important problems of performance

appraisal namely, problems relating to developing the system, problems relating to the appraiser and those relating to the appraisee. The emphasis was on cultural bound behaviour patterns and their implications on each of these problems.

Winston Oberg (1972), has made an attempt to review some common pitfalls of the performance appraisal system. Then against this, he has assessed the strengths and weaknesses of the nine commonly used appraisal techniques and shown how they can be used singly and in combination with different performance appraisal activities. In the conclusion, he was of the opinion that the success of any program largely depends on how they are used in relation to the goals of that program.

MBO is not a tool or a technique. It is management itself and it makes a man out-put centered, result oriented and achievement motivated (Philip J., 1973). MBO should not be introduced in an organisation as a crash program. But, where there exists a good management, there would be MBO system.

Klimoski R. J. and London M. (1974), have discussed the role of the rater in performance appraisal exercise. The comparison of peer-ratings with subordinate ratings was made. Peer ratings have been found to yield results quite similar to those obtained with superiors doing the ratings. Conclusively, they were of the

opinion that the peer ratings are more useful than ratings by the subordinates.

Heneman H. G. III (1974), has made an attempt to compare the self-appraisal and superior appraisal systems. While comparing, he stated that self-rating and superior-rating are correlated indicating that the quite different things. He concluded that the self-rating tend to be considerably more favourable than ratings by superior.

Harry Levinson (1976), has argued that for a company in order to have a performance appraisal system that accounts for the "how" as well as "what", it will need to establish : job descriptions that are behavioural as well as result-oriented a critical incident program in which managers write reports regularly on the behaviour of their employees and support mechanisms to help managers honestly appraise the behaviour of their employees as well as their bosses.

Garry P. Latham and Kennet N. Wexley (1977), have discussed the behavioral observation scales (BOS) developed by traditional judgemental clustering techniques and has compared BOS with BES (Behavioral Expectation Scales). And they have tried to determine whether BOS could be improved by developing them through quantitative methods.

They have concluded that the BOS had moderately higher reliability and accounted for as much if not mere variance in the cost related variables as the BOS developed by qualitative methods.

Bata K. Dey (1977), has stated three steps which have to be gone through before going to initiate the performance appraisal system, viz., job description, specification, performance standard and appraisal. Then he has stated that all appraisal techniques and has discussed only the result oriented performance appraisal system in detail.

Prakash Babu and M. L. Rao (1978), have discussed some common pitfalls, ethics and development of performance appraisal. They were of the opinion that more emphasis of performance appraisal should be given on the outcome of behaviour and not on behaviour as such, and the veiw of the performance appraisal should not be used as a technique but as a continuous process involving both people and data.

Borwankar P. G. (1978), has discussed some exercises for use in appraisal programmes. In exercises he has explained that how the job is to be analysed and how the appraisal form should be and how the appraiser and appraisee should fill it.

The role of appraisal in the Human Resources System (HRS) has been discussed by Mani K. Madala (1978).   The appraisal system was to be bifurcated as good appraisal and bad appraisal. In explaining the uses of appraisal data in HRS, he stated that the appraisal data were being used for developing the manpower.   In practice there is little link between the appraisal data and the Human Resources Development Programmes.

Niazi A. A. (1979), has recognised that the exact role of appraisal needs to be re-examined and its contribution in the system meant for promotion, increment, etc., clearly spelt out. And also suggested that by such a process of delinking appraisal from the reward system, the true role of the former in achievement of organisational tasks and determination of needs of individual employees will emerge.   And finally he has stated that the performance appraisal is an essential process of management of human resources.

Sharu S. Rangnekar (1980), has discussed the different types of problems in performance appraisal system.   According to him, even where the need for performance appraisal is accepted, instituting a system for measuring it can pose formidable problems. Also, he has stated the means to improve the performance appraisal system.

Batia S. K. (1981), has compared the purposes and traits of the olden days performance appraisal system with the sytem that is present now-a-days. According to him, in olden days, there was a close system of performance appraisal and in recent days, there is a definite trend towards open system of communication in the performance appraisals.

Malhotra V. K. (1982), has introduced the six stages performance improvement model with the help of different personnel policies. The model is based upon the team concept, collaborative participation, task clarity, target setting, frequent feed back, open communication and constant review.

Niazi A. A. (1982), has made an attempt at a detailed examination and development of general dissatisfaction with the prevailing appraisal systems. He has stated many reasons for dissatisfaction with the appraisal system. In his opinion, the appraisal should be performance oriented and should be an instrument for development. To overcome the dissatisfaction in appraisal system, he has suggested three sub-systems with appropriate linkages, viz., performance appraisal, potential and training needs, assessment and administrative decisions.

Hardayal Singh (1986), in his work, states that the performance appraisal should form part of the whole philisophy

of administration of an organisation. He has stated that the various appraisal practices prevailing in India especially in Govt. and public sector enterprises are based on Administrative Reforms Commission's recommendations. These are partially accepted by the Central Government.

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